



UNIQA Insurance Group AG

(a stock corporation incorporated under the laws of the Republic of Austria,
having its corporate domicile in Vienna, Republic of Austria)

For the admission to trading on a regulated market of

EUR 500,000,000 Subordinated Fixed to Floating Rate Notes with scheduled maturity in 2046

Issue Price: 100 per cent.

UNIQA Insurance Group AG (the "**Issuer**") will issue on 27 July 2015 (the "**Issue Date**") EUR 500,000,000 subordinated fixed to floating rate Notes with scheduled maturity in 2046 (the "**Notes**").

The Notes will bear interest from and including the Issue Date to, but excluding 27 July 2026 (the "**First Issuer Call Date**") at a rate of 6.00 per cent. *per annum* scheduled to be paid annually in arrear on 27 July in each year commencing on 27 July 2016. Thereafter, unless previously redeemed in accordance with § 5 of the Terms and Conditions of the Notes (the "**Terms and Conditions**"), the Notes will bear interest, at a rate of 5.817 percentage points *per annum* which includes a step-up of 100 basis points (1.00 percentage point) above the 3-months EURIBOR being the euro-zone inter-bank offered rate for three-month Euro deposits, scheduled to be paid quarterly in arrear on 27 July, 27 October, 27 January and 27 April in each year (each a "**Floating Interest Payment Date**"), commencing on the First Issuer Call Date. Under certain circumstances described in § 4 of the Terms and Conditions, interest payments on the Notes may be deferred at the option of the Issuer or will be required to be deferred.

The Notes are scheduled to be redeemed at the Redemption Amount (as defined in the Terms and Conditions) on 27 July 2046 (the "**Scheduled Maturity Date**"), provided that on such date the Redemption Conditions (as defined in the Terms and Conditions) are fulfilled. If this is not the case, the Notes will be redeemed only in the circumstances described in the definition of the term Final Maturity Date (as defined in the Terms and Conditions) on the Final Maturity Date. Under certain circumstances described in § 5 of the Terms and Conditions, the Notes may be subject to early redemption.

This prospectus (the "**Prospectus**") constitutes a prospectus within the meaning of Article 5.3 of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 as amended from time to time (the "**Prospectus Directive**"). This Prospectus will be published in electronic form together with all documents incorporated by reference on the website of the Issuer (<http://www.uniqagroup.com/gruppe/versicherung/investor-relations/anleihen.html>). This Prospectus has been approved by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*, the "**FMA**") in its capacity as competent authority under the Austrian Capital Market Act (*Kapitalmarktgesetz*, the "**KMG**") for approval of this Prospectus.

The accuracy of the information contained in this Prospectus does not fall within the scope of examination by the FMA under applicable Austrian law and the Prospectus Directive 2003/71/EC, as amended. The FMA examines the Prospectus only in respect of its completeness, coherence and comprehensibility pursuant to section 8a of the KMG.

The Issuer may request the FMA to provide the competent authorities in host Member States within the European Economic Area with a certificate of approval attesting that this Prospectus has been drawn up in accordance with Article 5.4 Prospectus Directive and the KMG. Application has been made for the Notes to be listed on and to be admitted to trading on the Second Regulated Market (*Geregelter Freiverkehr*) of the Vienna Stock Exchange (*Wiener Börse*), which is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on Markets in Financial Instruments, as amended. Standard & Poor's Credit Market Services Europe Limited (*Niederlassung Deutschland*) has assigned to the Issuer a long-term rating of A-. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

The Notes are issued in bearer form with a denomination of EUR 100,000 each.

The Notes have been assigned the following securities codes: ISIN XS1117293107, Common Code 111729310, WKN A1Z4M5.

Joint Lead Managers

BNP PARIBAS

J.P. Morgan

Morgan Stanley

Raiffeisen Bank International AG

NOTICE

No person is authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Issuer or the Joint Lead Managers (as defined in "SUBSCRIPTION AND SALE OF THE NOTES"). Neither the delivery of this Prospectus nor any offering or sale of any Notes made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or any of its affiliates since the date of this Prospectus, or that the information herein is correct at any time since its date.

This Prospectus has been drafted according to the Prospectus Directive in respect of debt securities with a denomination per unit of at least EUR 100,000 within the meaning of the Prospectus Regulation, implementing Annexes IX and XIII.

This Prospectus contains certain forward-looking statements, in particular statements using the words "believes", "anticipates" "intends", "expects" or other similar terms. This applies in particular to statements under the caption "INFORMATION ON THE ISSUER – Business Description" and statements elsewhere in this Prospectus relating to, among other things, the future financial performance, plans and expectations regarding developments in the business of the Issuer. These forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that may cause the actual results, including the financial position and profitability of the Issuer to be materially different from or worse than those expressed or implied by these forward-looking statements. The Issuer does not assume any obligation to update such forward-looking statements and to adapt them to future events or developments.

This Prospectus should be read and understood in conjunction with any supplement hereto and with any other documents incorporated herein by reference.

To the fullest extent permitted by law, neither the Joint Lead Managers nor any other person mentioned in this Prospectus, except for the Issuer, is responsible for the information contained in this Prospectus or any other document incorporated herein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents. The Joint Lead Managers have not independently verified any such information and accept no responsibility for the accuracy thereof.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer. This Prospectus does not constitute an offer of Notes or an invitation by or on behalf of the Issuer or the Joint Lead Managers to purchase any Notes. Neither this Prospectus nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer or the Joint Lead Managers to a recipient hereof and thereof that such recipient should purchase any Notes.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The offer, sale and delivery of the Notes and the distribution of this Prospectus in certain jurisdictions are restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions. In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain limited exceptions, the Notes may not be offered, sold or delivered within the United States of America ("**United States**") or to U.S. persons. For a further description of certain restrictions on offerings and sales of the Notes and distribution of this Prospectus (or of any part thereof) see "SELLING RESTRICTIONS":

IN CONNECTION WITH THE ISSUE OF THE NOTES, J.P. MORGAN SECURITIES PLC (OR PERSONS ACTING ON ITS BEHALF) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT J.P. MORGAN SECURITIES PLC (OR PERSONS ACTING ON ITS BEHALF) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN AT ANY TIME AFTER THE ADEQUATE PUBLIC DISCLOSURE OF

THE TERMS OF THE OFFER OF THE NOTES AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 CALENDAR DAYS AFTER THE DATE OF THE RECEIPT OF THE PROCEEDS OF THE ISSUE BY THE ISSUER AND 60 CALENDAR DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. SUCH STABILISING SHALL BE IN COMPLIANCE WITH ALL LAWS, DIRECTIVES, REGULATIONS AND RULES OF ANY RELEVANT JURISDICTION.

In this Prospectus all references to "€", "EUR" or "Euro" are to the currency introduced at the start of the third stage of the European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the Euro, as amended.

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RISK FACTORS

Before deciding to invest in the Notes, investors should carefully review and consider the following risk factors and the other information contained in this Prospectus. The following statements are not exhaustive. Should one or more of the risks described below materialise, this may have a material adverse effect on the cash flows, results of operations and financial condition of the Issuer. Moreover, if any of these risks materialises, the market value of the Notes and the likelihood that the Issuer will be in a position to fulfil its payment obligations under the Notes may decrease, in which case the Noteholders could lose all or part of their investments. Investors should note that the risks discussed below may not prove to be exhaustive and, therefore, may not be the only risks to which the Issuer is exposed. Additional risks and uncertainties, which are currently not known to the Issuer or which the Issuer currently believes are immaterial, could likewise impair the business operations of the Issuer and have a material adverse effect on the Issuer's business, cash flows, results of operations and its financial condition. The order in which the risks are presented does not reflect the likelihood of their occurrence or the magnitude of their potential impact on the cash flows, results of operations and financial condition of the Issuer. In addition, investors should be aware that the risks described might combine and thus intensify one another.

Risks related to UNIQA Group's business and the company

Sustained low interest rates or further decreases in interest rates could adversely affect UNIQA Group's ability to generate the investment income upon which it relies to pay amounts owed under insurance policies.

Interest rate risks generally originate from movements of prevailing interest rates and a mismatch in the duration of assets and liabilities. Interest rates are highly sensitive to many factors beyond the control of UNIQA Group, such as economic developments, inflation rates, monetary and interest rate policies of central banks, government tax and fiscal policies, the credit rating of countries as well as currency exchange rates. The low interest rates that have prevailed in international markets in recent years have made it increasingly difficult for UNIQA Group in the life insurance segment to generate the guaranteed interest agreed under life insurance contracts. In both existing and new business UNIQA Group generally invests life insurance premiums in interest bearing instruments such as notes or loans, and, to a lesser extent, in equity securities and alternative investments. Consequently, a sustained continuation of the current low interest rate environment or a further decrease in interest rates represents one of UNIQA Group's most significant financial risks. Where interest rate fluctuations cause a decline in UNIQA Group's return on investments below the guaranteed interest rates under these policies, such policies would become unprofitable for UNIQA Group. Given the sustained low interest level, it is likely that this will have a material adverse effect on UNIQA Group's business, financial condition and results of operations in the near future.

Significant measures taken by UNIQA Group within the defined life strategy have been to focus on implementing the asset liability management ("ALM") approach including stringent management rules (e.g. regarding the management of profit sharing) and to provide continuous portfolio management.

One specific issue is the question of requirements (which vary from country to country) to recognise supplementary discount rate provisions, i.e. requirements to set aside special provisions in the respective local accounting if interest rates are low. As at 31 December 2014, UNIQA had set aside a provision in the amount of € 34.1 mn in its Austrian companies because there is a statutory requirement in Austria to recognise this special provision. As the supplementary discount rate provision is to be built up over a period of 10 years in Austria, corresponding expenses are to be expected (in local accounting) over the coming years. This special provision in the local accounting is to be seen alongside the liability adequacy test ("LAT") to check whether the provisions in the IFRS financial statements are adequate. Depending on the interest rate situation and the resulting planning of investment income, there is a fundamental risk of potential future provision requirements as a consequence of the LAT. This could have material adverse effects on UNIQA's financial condition and may affect its ability to fulfil its obligations under the Notes.

UNIQA Group is subject to substantial general market risks, in particular to fluctuations in interest and inflation rates, which may adversely affect the value of its investment portfolio and financial condition.

UNIQA Group's assets consist mainly of investments made using funds from premiums received under insurance contracts and these investments are subject to substantial general market risks, in particular to fluctuations in interest and inflation rates.

Changes in interest rates and credit spreads affect the carrying value of UNIQA Group's fixed-rate instruments and returns on its fixed-rate instruments and other investments. A decline in interest rates reduces the returns available on new investments, thereby negatively impacting UNIQA Group's net investment income. Conversely, rising interest rates

reduce the market value of existing investments. During periods of declining market interest rates, UNIQA Group would be forced to reinvest the cash it receives as interest or return of principal on its investments in lower-yielding high-grade instruments or in lower-credit instruments to maintain comparable returns. Issuers of fixed income securities could also decide to early redeem their obligations in order to borrow at lower market rates, which would increase the percentage of UNIQA Group's portfolio that it would have to reinvest in lower-yielding investments of comparable credit quality or in lower credit quality investments offering similar yields.

In addition, any increase in market interest rates could require UNIQA Group to pay higher interest rates on debt securities it may issue in the financial markets from time to time to finance operations, which would increase its interest expenses and reduce its results of operations. An increase in market interest rates could also create a significant collateral posting requirement associated with UNIQA Group's hedging transactions, which could materially and adversely affect liquidity.

Also, a sustained increase in the inflation rate in UNIQA Group's principal markets may negatively affect UNIQA Group's business, financial condition and results of operations. For example, a sustained increase in the inflation rate may result in an increase in nominal market interest rates. A failure to accurately anticipate higher inflation and factor it into UNIQA Group's product pricing assumptions may result in mispricing of UNIQA Group's products.

The occurrence of any of the risks set out above could have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

Actual results could deviate from actuarial and other assumptions made in calculating tariffs, technical provisions, reserves for outstanding claims, embedded value and contracts with guaranteed interest rates.

UNIQA Group's economic development depends in part on its ability to accurately assess the risks associated with the businesses and individuals that it insures. The assumptions UNIQA Group uses in assessing the appropriateness of its technical provisions and in calculating the embedded value in its life and health insurance segments may differ from actual results. UNIQA Group calculates its tariffs, technical provisions, reserves for outstanding claims and embedded value based on actuarial and statistical methods and assumptions. These assumptions include estimates of long-term developments in interest rates, financial investment yields, participations in profits, mortality and morbidity rates, surrender and annuity take-up rates as well as future expense rates. Changes in these assumptions or incorrect assumptions could adversely affect the embedded value and may require UNIQA Group to increase technical provisions for its life and health insurance business and provisions for pension obligations at the expense of equity capital, which could have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

The Core Shareholders may exercise significant influence over UNIQA, and their interests may be inconsistent with the interests of UNIQA Group or other shareholders. In particular, they may be able to out-vote other shareholders on key issues.

As of the date of this Prospectus, the Core Shareholders held in the aggregate 64,29% of UNIQA's issued share capital and voting stock. The Core Shareholders have entered into a shareholders' agreement, which provides that the Core Shareholders will exercise joint control over UNIQA, including the election of directors, pooled voting at any shareholders' meeting and mutual rights of first refusal.

The Core Shareholders are able to exercise significant influence with respect to major decisions by UNIQA, including amendments to the articles of association, increases of UNIQA's share capital and the issuance of convertible bonds, profit participation bonds and profit sharing instruments, exclusion of subscription rights of existing shareholders, appointments to the supervisory board, approval of UNIQA's annual financial statements, resolutions regarding the appropriation of UNIQA's net income and appointment of UNIQA's auditor, changing the corporate purpose, mergers, spin-offs and conversions to a different form of legal entity. Furthermore, the Core Shareholders are able to influence UNIQA's dividend policy and therefore are able to decide whether or not dividends will be distributed to shareholders in any given year. The Core Shareholders are able to pass resolutions requiring a simple majority of votes cast or of the share capital represented in the shareholders' meeting. Due to the Core Shareholders' controlling influence, UNIQA's other shareholders possess limited voting rights and cannot have the power to influence UNIQA and UNIQA Group in any meaningful way. The Core Shareholders do not necessarily pursue the same interests as other shareholders. In particular, there is no assurance that the Core Shareholders will align their voting behaviour with the interests of other shareholders. If the Core Shareholders, through their votes at the shareholders' meetings or otherwise, were to exert influence on UNIQA in such a way as to conflict with the interests of UNIQA Group or the Noteholders, this could have a significant adverse effect on the Noteholders and the price of the Notes.

As part of its long-term strategy, UNIQA Group implemented a significant corporate restructuring and integration program. Due to the risk of being unable to manage the level of change efficiently UNIQA Group may not reach its 2015 profit targets.

Within the scope of its long-term strategy (the "UNIQA 2.0 Programme"), UNIQA Group has since 2011 been undergoing a number of significant restructuring measures, which aim, among others, at concentrating UNIQA Group's operations on its core insurance business in its core markets in Austria and Central and Eastern Europe ("CEE"), optimizing the distribution network, raising the number of customers and increasing UNIQA Group's profit on ordinary activities.

The restructuring measures include profitability and cost efficiency initiatives and relate mainly to back-office headcount reduction, improvement of efficiency of systems and operations, including restructuring of its Austrian insurance operations, reorganization of its regional offices and setup of central service centres, enhancement of its bancassurance relationship with the Raiffeisen banking group and Raiffeisen Bank International AG, expansion of the corporate insurance business and investment restructuring, including risk capital and exposure reduction. These restructuring measures pose several risks to UNIQA Group's operations, including, in particular, to UNIQA Group's information technology systems due to migration of UNIQA Group's databases, optimization and standardization of claims handling, and the development of a data management system to calculate and manage group-wide solvency and risk based key performance indicators. These changes may result in a weakening of UNIQA Group's frameworks of control, compliance and risk management, data may be lost or service quality compromised, specifically in the instance of application backlogs and delays in disbursement in claims handling. In addition, the relocation of a large number of staff and headcount reduction in connection with the restructuring program may subject UNIQA Group to labour disputes and collective action. Restructuring costs may be higher than anticipated and other run-rate costs may increase, such as additional tax payments as a result of the restructuring. UNIQA Group must also continue to implement profitability initiatives to achieve additional cost savings in future periods. The successful implementation of UNIQA Group's restructuring program, strategy and its profitability further depends upon the continued service of key members of its senior management and key employees, and on its ability to attract, motivate and retain highly skilled management and other personnel, including actuaries, portfolio and liability managers, risk managers and executive officers. Competition for qualified, motivated and skilled personnel in the insurance and asset management industries remains significant. If UNIQA Group is unable to attract, motivate and retain key personnel, its prospects, business, financial condition and results of operations may be materially adversely affected.

Due to possible further economic disruptions, UNIQA Group may not reach its 2015 profit targets

In November 2014, UNIQA Group significantly reduced the outlook on 2015 profit targets, caused by significantly reduced growth in CEE and continuing and further decreasing low interest rates. There can be no assurance that UNIQA Group will be able to achieve its financial and operational targets under the UNIQA 2.0 program within the intended timeframe or at all. UNIQA Group may experience unexpected impediments, delays or cost increases that offset the savings that it expects to achieve. In particular, there can be no assurance that UNIQA Group will be able to increase considerably its profit on ordinary activities. More generally, if UNIQA Group is unable to successfully implement its UNIQA 2.0 Programme or to implement it within the contemplated timeframe, this could lead to higher operating expenses and could overall have a material adverse effect on UNIQA Group's prospects, business, financial condition and results of operations.

UNIQA Group's historical operating and financial results are not indicative of future operating and financial results of UNIQA Group.

The financial information discussed in this Prospectus and the Consolidated Financial Statements relate to UNIQA Group's past performance. UNIQA Group's future development could deviate significantly and adversely from past results due to a number of internal and external factors. UNIQA Group's historical operating and financial results cannot be treated as indicative of its future operating and financial results.

UNIQA Group's efforts to expand geographically or to expand its existing products and services portfolio may not be effective.

UNIQA Group's growth strategy relies heavily on CEE and UNIQA Group has dedicated considerable financial, management and other resources to increase its market position in this region. UNIQA Group seeks to increase its geographic expansion by, among other things, focusing on operations in countries that management believes offer good growth prospects, including through acquisitions and strengthening its bancassurance relationships and its sales

network. As part of its growth strategy, UNIQA Group has established a number of subsidiaries and acquired various participations in CEE. In order to manage potential growth of UNIQA Group's future operations, UNIQA Group will be required to improve its information technology ("IT") systems, operational and financial systems, risk management procedures and controls, and to hire, train and manage its internal and external sales force. If UNIQA Group's financial, management and other resources (e.g. personnel, IT systems, internal procedures and controls) are not adequate to support its intended future expansion, UNIQA Group may not be able to take advantage of market opportunities in other geographic markets (if any). In addition, UNIQA Group may be unable to maintain the required licenses in order to operate in the geographic regions targeted. If UNIQA Group fails to realize its strategy for geographic expansion, this could have a material adverse effect on UNIQA Group's prospects, business, financial condition and results of operations.

Further, UNIQA Group intends to implement various initiatives to improve pricing within its existing portfolio, especially in the property and casualty business for corporate customers, facility managers and for agricultural insurance. To that end, UNIQA Group has implemented a standardized product development process, in order to obtain better estimates of profitability for various business lines. UNIQA Group also intends to further segment its portfolio based on historical loss experience, which will result in an increase in the amount of tariffs applying to policyholders grouped into different risk classes. In addition, UNIQA Group intends to review and adapt vehicle insurance tariffs on an annual basis and to set new discount rules for brokers, especially in property insurance in the corporate business. If UNIQA Group is unable to effectively implement these measures, it may have a material adverse effect on its business, financial condition and results of operations.

UNIQA Group's business depends on bancassurance partnerships for a substantial portion of its revenues.

UNIQA Group derives a substantial portion of its gross premiums written from bancassurance partnerships. UNIQA Group's most important bancassurance partners are the Raiffeisen banking group (which includes Raiffeisen Bank International AG) with which UNIQA Group currently cooperates to sell insurance products in Austria and CEE, and Veneto Banca S.c.p.A., UNIQA Group's cooperation partner for selling life insurance products in Italy.

In Austria, Raiffeisen Versicherung AG sells its products exclusively through the Raiffeisen banking group. With effect of 1 January 2013, Raiffeisen Versicherung AG (and FINANCE LIFE Lebensversicherung AG) entered into cooperation agreements with the eight regional Raiffeisen banks (*Raiffeisen Landesbanken*) which, amongst others, provide that the regional Raiffeisen banks will actively assist only Raiffeisen Versicherung AG as provider of retail insurance products and will not actively cooperate with brokers in the retail sector or act as brokers themselves. The cooperation agreements are concluded at the level of the eight regional Raiffeisen banks and not at the level of the individual Raiffeisen banks, which ultimately sell the insurance policies in Austria but which are not parties to the cooperation agreements. Similarly, with effect of 5 June 2013, Raiffeisen Bank International AG and UNIQA International AG, UNIQA Group's holding company for its non-Austrian insurance operations, entered into a framework agreement regarding a preferred (non-exclusive) strategic bancassurance partnership in CEE. This framework agreement formalizes the mutual bancassurance cooperation between UNIQA Group and Raiffeisen Bank International AG in CEE which, until June 2013, was based on a preferred partnership and local product related agreements. Again, the framework agreement is concluded at the level of Raiffeisen Bank International AG but not at the level of the individual Raiffeisen local entities which ultimately sell the insurance policies in CEE. Therefore, if individual local Raiffeisen banks conduct business with insurance companies other than UNIQA Group or if they otherwise do not conduct business as provided for in the cooperation/framework agreement(s), this may adversely affect UNIQA Group's business, results of operations and financial condition.

The Italian life insurance business is strongly linked to the bancassurance partnership with Veneto Banca S.c.p.A. Further restructuring and consolidation of the Italian banking sector, might lead in a specific scenario to a change in the ownership structure of Veneto Banca S.c.p.A. which may result in changes in UNIQA's partnership with Veneto Banca S.c.p.A. and thus, to a significant loss of business volume for UNIQA.

Changing circumstances and strategic needs could cause a withdrawal from CEE markets of the associated distribution partners. In February 2015, Raiffeisen Bank International AG announced its intention to withdraw from the Polish and Slovenian markets. Accordingly, for UNIQA Group, there remains the issue of the subsequent strategic direction of bancassurance sales in these markets.

Generally, if bancassurance partners were to terminate their relationships with UNIQA Group, if terms and conditions of such cooperation were to change to UNIQA Group's detriment, or if UNIQA Group generally fails to agree on acceptable terms of cooperation with any of its partners, it may lose all or a substantial portion of business provided by any such partner. All this could result in a loss of market share and a reduction of UNIQA Group's sales volumes,

resulting in reduced premium income, which, in turn, could have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

UNIQA Group depends on external distribution channels and the misrepresentation of UNIQA Group's products or services could have an adverse effect on UNIQA Group's revenues and income.

Many of UNIQA Group's products and services are complex and are frequently sold through intermediaries, and UNIQA Group is reliant on intermediaries to describe and explain its products to potential customers. The intentional or unintentional misrepresentation of UNIQA Group's products and services in advertising materials or other external communications, or inappropriate activities by UNIQA Group's personnel or an intermediary, could adversely affect UNIQA Group's reputation and business prospects, as well as lead to potential regulatory actions or litigation.

UNIQA Group is dependent on its exclusive sales agents, brokers, bancassurance partners and other distributors of its products. Building and maintaining an efficient distribution network across the region is instrumental to UNIQA Group's future performance, especially in its international business, where sales are primarily generated by brokers and exclusive sales agents. UNIQA Group's relationships with its various third-party distributors may be adversely affected by an inability to offer attractive and competitive products. Non-exclusive product distributors used by UNIQA Group, such as brokers, can determine which insurance company's products they offer by assessing a variety of factors, such as the characteristics and price of products, services provided, or the sale commission. An unsatisfactory assessment of UNIQA Group and its products based on any of these factors by such intermediaries could result in both UNIQA Group and its products not being actively marketed. UNIQA Group competes with other insurers and financial institutions to attract and retain commercial relationships with third-party distributors, especially exclusive sales agents. Exclusive sales agents may decide to leave or start cooperating with other insurance companies, ending their relationship with UNIQA Group or changing the cooperation with UNIQA Group to a non-exclusive one. If UNIQA Group's relationships with key distributors deteriorate, it may be unable to secure alternative, equally cost-effective distribution channels, which may have a material adverse effect on UNIQA Group's prospects, business, financial condition and results of operations.

The growing importance of the internet and social media is likely to have an impact on the distribution of insurance policies and it is uncertain that UNIQA Group is able to adequately adapt to the changing business environment.

Traditionally, insurance products have been distributed through intermediaries in face-to-face transactions. However, the increasing use of the internet, smart phones and social media is currently changing the way how customers and insurance companies interact. When purchasing insurance products, a growing number of customers moves between different distribution channels. For instance, customers generally use the internet to gather information about the products and seek personal advice when purchasing the policy itself. For the acquisition and the retention of such so-called "hybrid customers", sales agents play a much less important role compared to the traditional customer. Moreover, it is expected that internet-savvy customers will increasingly ask for direct sales of insurance products via the internet, i.e. without the use of an intermediary. These new market trends are likely to have a significant effect on the distribution of insurance products in the future. If UNIQA Group fails to adapt its business strategy to the changing environment in an adequate way, this may have a material adverse effect on UNIQA Group's prospects, business, financial condition and results of operations.

UNIQA Group's actual claims experience, underwriting assumptions and pricing may not reflect its risk exposure, and its claims provisions may not be adequate to cover actual claims.

UNIQA Group's results depend significantly on whether its claims experience is consistent with the assumptions it has used in underwriting, setting prices for its products and establishing provisions for its obligations for future claims. These assumptions include estimates of long-term developments in interest rates, financial investment yields, participations in profits, mortality and morbidity rates, surrender and annuity take-up rates as well as future expense rates. Due to the nature and uncertain timing of the risks that UNIQA Group incurs in underwriting insurance products, it cannot precisely determine the amounts that it will ultimately pay to meet liabilities covered by the insurance policies written. The underlying assumptions could turn out to be incorrect, and therefore UNIQA Group's claims provisions may prove to be inadequate to cover actual claims, particularly when payments of claims may not occur for a significant period. If UNIQA Group concludes that its technical provisions, together with future premiums, are insufficient to cover future claims, UNIQA Group would be required to increase its technical provisions, resulting in the incurrence of income statement charges during the period that decision is made, which could materially and adversely affect UNIQA Group's results of operations and financial condition.

In accordance with industry practice as well as accounting and regulatory requirements, UNIQA Group maintains provisions to cover anticipated future claims payments and related administrative expenses with respect to losses or injuries incurred but not fully settled at the end of any year. These include both losses and injuries that have been reported to the Issuer (reported but not settled – "RBNS") and those that have not yet been reported (incurred but not reported – "IBNR"). Claims provisions represent estimates of the ultimate cost, including related expenses, to bring all pending and incurred, but not reported, claims to final settlement. These estimates are based on actuarial and statistical projections and assumptions, including the time required to identify and settle claims, facts and circumstances known at a given time, as well as estimates of trends in claims severity. The estimates are also based on other variable factors, including changes in the legal and regulatory environment, results of litigation, changes in medical costs, the cost of repairs and replacement, and general economic conditions. If UNIQA Group charges premiums that are insufficient for the cover provided, it will suffer underwriting losses, leading to volatility in earnings and unpredictable results. To the extent that UNIQA Group's actual claims experience is less favourable than the underlying assumptions it used in establishing such liabilities, it could be required to increase the provisions made for its liabilities with a corresponding reduction of UNIQA Group's net income in the period in which the deficiency is identified, which could result in losses. If these risks materialize, UNIQA Group's business, financial condition and results of operations may be adversely affected.

UNIQA Group may be adversely affected by third party reinsurers' unwillingness or inability to meet their obligations under reinsurance contracts, or potential variations and reductions in the nature and scope of cover or in-creased cost of reinsurance.

UNIQA Group seeks to reduce losses through reinsurance arrangements with third parties. As a result, UNIQA Group has substantial exposure to reinsurers through reinsurance arrangements in relation to UNIQA Group's life companies as well as its general insurance business. Under these arrangements, reinsurers assume all or a portion of the costs, losses and expenses associated with the reinsured policies' claims and reported / unreported losses in exchange for a premium, or as part of a sale arrangement. However, the reinsured party remains liable as direct insurer (or reinsurer) on all risks reinsured (or retroceded). Consequently, ceded reinsurance arrangements do not eliminate UNIQA Group's obligation to pay claims, and UNIQA Group is exposed to reinsurer credit risk with respect to its ability to recover amounts due from reinsurers. Reinsurers may become financially unsound, or choose to dispute their contractual obligations when they become due. The inability or failure of reinsurers to meet their financial obligations could adversely affect UNIQA Group's business, results of operations and financial position. Furthermore, the availability, amount and cost of reinsurance depend on general market conditions and may vary significantly. Any decrease in the amount of reinsurance cover purchased may increase UNIQA Group's risk of loss. Should any of these risks materialize, they may have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

UNIQA Group may not be able to complete and manage future acquisitions effectively.

UNIQA Group may conclude acquisitions of companies in countries in which it currently operates. There is no guarantee that UNIQA Group will be able to identify attractive targets or that it will be able to acquire them on favourable terms or at all. In addition, the integration of acquired businesses may be difficult for a variety of reasons, including differing culture or management styles, accounting deficiencies, risk management or internal control systems and, if UNIQA Group acquires a minority stake, difficulty in establishing immediate control over cash flows. In 2014, UNIQA Group has acquired the Croatian and the Serbian insurances undertakings of Baloise Group. If UNIQA Group is unable to integrate acquisitions, it may be unable to generate sufficient revenues to re-cover acquisition costs or may otherwise fail to realize benefits from acquisitions, such as synergies and cost savings, streamlining of the product offering and the underwriting strategy, consolidation of reinsurance purchase or the increase of market share. Significant issues with the integration of a newly acquired entity might lead to regulatory fines or orders given the high level of regulatory scrutiny in the insurance industry. Acquisitions also require significant management attention as well as financial and other resources that would otherwise be available for UNIQA Group's existing business. Should UNIQA Group be unable to pursue its strategy to the extent planned as a result of these or other factors, it may have a material adverse effect on UNIQA Group's market position and in turn on its business, financial condition and results of operations.

UNIQA Group could be subject to liabilities in connection with sales and divestitures.

In recent years, UNIQA Group sold non-core businesses, including, in 2011, its entire participation of 27% in Astra, in 2012 its shareholdings in the Mannheimer Group, in 2013, the Austria Hotels International Group, UNIQA Group's hotel investments, as well as its shareholding in Medicur – Holding Gesellschaft m.b.H., UNIQA Group's media

investments (including related notes and profit participation rights (*Genussrechte*)) and in 2015 UNIQA Group's life insurance business in Liechtenstein. UNIQA Group gave representations and warranties and other covenants to the purchasers in the respective transaction documentation. If representations and warranties or other covenants are breached, UNIQA Group's resulting liability to the relevant purchaser(s) could materially and adversely affect its business, financial condition and results of operations.

UNIQA Group is exposed to operational risk.

UNIQA Group is exposed to operational risk, which is the risk of losses through inadequate or failed processes or systems, human error or external events. In particular, UNIQA Group's policies, systems, procedures and practices used to identify, monitor and control risks, may fail to be effective. As a result, UNIQA Group faces the risk of losses, including losses resulting from human error, the payment of incorrect amounts to policyholders due to incorrect administration, or fraudulent claims from customers. UNIQA Group's risk management methods rely on a combination of technical and human controls and supervision that can be subject to error and failure. Some of UNIQA Group's methods of managing risk are based on internally developed controls and observed historical market behaviour and involve reliance on industry standard practices. These methods may not adequately predict future risk exposure and may therefore not adequately prevent future losses. Other risk management methods depend upon the evaluation of information regarding markets, clients, catastrophe occurrence or other available information. This information may not always be accurate, complete, up-to-date or properly evaluated. UNIQA Group is in the process of updating its internal procedures by establishing a newly integrated risk management culture, organization, policies and systems. Even if this process is successfully completed within UNIQA Group, UNIQA Group may be unable to sufficiently forecast or prevent major operational risks, such as business disruption caused, for instance, by catastrophic events. Any resulting failure in UNIQA Group's risk management systems, temporary or permanent business disruption, or insurance fraud may have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

UNIQA Group may not be able to develop and launch new products in a timely manner or at all, and its products may not be successful.

UNIQA Group expects to continue dedicating significant amounts of time, capital and other resources to develop products that are subject to constantly changing consumer expectations and needs. UNIQA Group cannot ensure that it will continue to be able to launch new products in a timely manner or at all. Furthermore, new products may not be popular with customers or may not adequately reflect local peculiarities of certain markets. In addition, UNIQA Group may not be successful with its strategy of simplifying its products for retail customers and its strategy to modernize its product portfolio. If UNIQA Group's development efforts do not result in efficient products, if UNIQA Group fails to meet the expectations and preferences of its customers and keep pace with market trends, or if UNIQA Group fails to successfully implement its strategy to simplify its products and modernize its product portfolio, this could have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

UNIQA Group depends on advanced information technology systems.

The integrity, reliability and operational performance of UNIQA Group's IT systems are critical to UNIQA Group's operations. UNIQA Group relies on IT systems, in particular for purposes of servicing customers, handling claims, control and quality assurance of its distribution network, recording new business, sales volumes and distribution, monitoring UNIQA Group's investment activities, maintaining its accounting systems and for risk management purposes. Failure of UNIQA Group's IT systems, including the unsuccessful implementation of standardized processes, inadequate data protection, loss of data and hard- or software malfunction, could lead to difficulties in efficient customer service and claims processing, less effective controlling of distribution partners, and accounting or risk management failures. Business continuity procedures, disaster recovery systems and security measures in the event of network or IT failure or disruption, protective measures to detect intrusion or other security breaches (such as sabotage, hackers, viruses, cyber-crime and fraudulent activities on UNIQA Group's systems) may not ensure that UNIQA Group is able to carry on its business if its IT systems fail or are disrupted. Any failure of UNIQA Group's IT infrastructure, systems or protections may require UNIQA Group to divert substantial engineering, financial and marketing resources from other areas to rectify such problems. Deficiencies in UNIQA Group's IT systems may further cause direct or indirect damages or losses and may lead to significant costs and disruptions that may harm the quality of UNIQA Group's products and services and its reputation. All of these factors may have a material adverse effect on its business, financial condition and results of operations.

In answer to the above mentioned risks, UNIQA Group has identified the need to investment in the renewal of its IT infrastructure and systems. In order to maintain the proper operation of its business and in response to changing customer and market expectations, UNIQA Group is faced in numerous instances with the transition to the next generation of IT systems. If UNIQA Group fails in renewing its IT infrastructure and systems, this could have material adverse effects on its business, financial condition and results of operations.

Risks related to criminal behaviour, especially insurance fraud, could result in damages to UNIQA Group.

As an international insurance group, UNIQA Group is exposed to the risk of damages as a result of criminal behaviour, in particular fraudulent claims by policyholders or distribution partners. In order to detect fraudulent activities and other criminal behaviour, UNIQA Group in particular has to rely on its employees to adhere to its compliance and risk policies. UNIQA Group faces the risk of loss due to errors, negligent behaviour, lack of knowledge, fraud or wilful violation of rules and regulations by its employees. Given the scale of UNIQA Group's activities and the large number of customers, distribution partners and employees, UNIQA Group might be unable to detect such misconduct and prevent fraudulent activity, and precautions taken by UNIQA Group may therefore not be effective. This could have material adverse effects on UNIQA Group's business, financial condition and results of operations.

UNIQA Group is exposed to reputational risk, and in particular any failure to protect the confidentiality of customer information could adversely affect UNIQA Group's reputation.

UNIQA Group's operations depend on it displaying a high level of integrity and obtaining the trust and the confidence of its customers. Any mismanagement, fraud or negative publicity resulting from UNIQA Group's activities, or any accusation by a third party in relation to UNIQA Group's activities, even if unfounded, or to the industry generally, could result in UNIQA Group losing current policyholders, subject UNIQA Group to closer scrutiny from regulators than would otherwise be the case, increase UNIQA Group's cost of borrowing, including in debt capital markets transactions, or adversely affect UNIQA Group's ability to obtain reinsurance or to obtain reasonable pricing on reinsurance. In addition, reputational risks affecting one of the Issuers' consolidated subsidiaries (each a "**Group Company**" and, together, the "**Group Companies**") may impact another Group Company solely based on UNIQA Group relationship between the two entities. Further, if, for any reason, any of UNIQA Group's business partners suffers reputational damage, this could also negatively impact UNIQA Group's image and subsequently lead to losses of customers and market share.

UNIQA Group's businesses and relationships with customers are dependent upon its ability to maintain the confidentiality of its own and its customers' trade secrets and confidential information (including customer transactional data and personal data about UNIQA Group's employees and customers). In most of the jurisdictions in which UNIQA Group operates, governments have established rules protecting the privacy and security of personal information. Certain of UNIQA Group's employees and contractors and many sales representatives of UNIQA Group's intermediaries have access to and routinely process personal information of customers through a variety of media, including the internet and software applications. UNIQA Group relies on various internal processes and controls to protect the confidentiality of customer information that is accessible to, or in the possession of, UNIQA Group's employees, contractors and sales representatives. It is possible that an employee, contractor or sales representative could, intentionally or unintentionally, disclose or misappropriate confidential customer information. If UNIQA Group fails to maintain adequate internal controls or if its employees, contractors or sales representatives fail to comply with UNIQA Group's policies and procedures, misappropriation or intentional or unintentional inappropriate disclosure or misuse of customer information could occur. Such internal control inadequacies or non-compliance could materially damage UNIQA Group's reputation, result in regulatory action or lead to civil or criminal penalties.

Any of the above could lead to a negative perception of UNIQA Group by customers, business partners, supervisors or shareholders. If any of these circumstances were to occur, they could have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

UNIQA Group may not be able to attract and retain key personnel.

The success of UNIQA Group's operations is dependent, among other things, on its ability to attract and retain highly qualified professional personnel including key management. Competition for key personnel in most countries in which UNIQA Group operates is intense. In particular, it has been difficult for UNIQA Group to find key personnel in the CEE region since many well and highly qualified people have left this region in response to the economic crisis. UNIQA Group's ability to attract and retain key personnel, in particular senior officers, experienced portfolio managers, sales executives, risk managers, financial reporting managers, software developers, actuaries and compliance officers, is

dependent on a number of factors, including prevailing market conditions and compensation packages offered by companies competing for the same talent. Any failure by UNIQA Group to retain qualified personnel – in the normal course of business as well as in the context of UNIQA Group's reorganisation – could cause loss of know-how about the industry, UNIQA Group's products, its customers and worsen stakeholder relationships and may therefore have a material adverse effect on its business, financial condition and results of operations.

UNIQA Group may in the future need to change the basis under which it reports its embedded value.

European-listed life insurance companies generally publish embedded value information to supplement financial information prepared in accordance with IFRS for their life and health insurance operations. UNIQA Group, as well as most European listed insurance companies, looks to principles or guidelines adopted by the European Insurance CFO Forum (the "**CFO Forum**") for guidance in reporting embedded value. While all member companies of the CFO Forum that report market consistent embedded value ("**MCEV**") were required to adopt the European Insurance CFO Forum Market Consistent Embedded Value Principles© (the "**MCEV Principles**") by 31 December 2009, the CFO Forum, on 22 May 2009, extended this deadline until the effective date of the new European regulatory regime Solvency II in order to enable the CFO Forum to conduct a review of the impact of recent turbulent market conditions on the MCEV Principles. This review is still on-going as a result of continued financial market volatility. The CFO Forum's work may lead to changes to the published MCEV Principles or to the issuance of additional guidance by the CFO Forum. If UNIQA Group adopts new principles or changes to existing principles promulgated by the CFO Forum, this will result in a restatement of reported embedded value results and change the reporting basis of future results.

UNIQA Group derives a significant portion of its income from its investment assets, and UNIQA Group's operating results depend on the performance of its investment portfolio.

Investment returns are an important part of UNIQA Group's overall profitability. UNIQA Group's investment performance is subject to a variety of risks, including risks related to general economic conditions, market volatility, interest rate and inflation rate, fluctuations, liquidity risk, and credit and default risk. Additionally, with respect to some of UNIQA Group's investments, UNIQA Group is subject to early redemption and reinvestment risk. UNIQA Group may be subject to restrictions on redemption, which may limit its ability to withdraw funds or realize on such investments for some period of time after its initial investment. The values of, and returns on, such investments may also be more volatile. In addition, investments in hedge funds may involve certain other risks, including the limited operating history of a fund as well as risks associated with the strategies employed by the managers of the fund.

Because of the unpredictable nature of losses that may arise under insurance or reinsurance policies written by UNIQA Group, its liquidity needs could be substantial and may arise at any time. To the extent UNIQA Group is unsuccessful in managing its investment portfolio within the context of its expected liabilities, UNIQA Group may be forced to liquidate its investments at times and prices that are unfavourable, or UNIQA Group may have difficulty in liquidating some of its alternative investments due to restrictions on sales, transfers and redemptions noted above. This could have a material adverse effect on the performance of UNIQA Group's investment portfolio. If UNIQA Group's liquidity needs or general liability profile unexpectedly change, UNIQA Group may not be successful in continuing to manage its investment portfolio profitably. In addition, investment losses could significantly decrease UNIQA Group's book value, thereby affecting its ability to conduct business.

While UNIQA Group maintains an investment portfolio with mainly high grade investments instruments rated by recognized rating agencies, there are no assurances that these ratings will be maintained. The assignment of a high credit rating does not preclude the potential for the risk of default on any investment instrument.

UNIQA Group is exposed to liquidity risk. An inability to maintain sufficient liquidity could adversely affect expected levels of operations and UNIQA Group's growth strategy.

UNIQA Group must satisfy its payment obligations on a daily basis. UNIQA Group's ability to honour its payment obligations, to fund planned or committed capital expenditures and investments or to implement its growth strategy mainly depends on its future operating performance, its ability to generate sufficient cash flow from investment activities and, its ability to secure third-party funding. There can be no assurance that UNIQA Group's business will generate sufficient cash flow from operations or from investment activities when needed, as this depends on numerous factors, including general market conditions, interest rate developments, UNIQA Group's financial condition and performance as well as the assessment of UNIQA Group's credit quality by investors. Furthermore, if credit spreads on fixed income securities or the general level of interest rates decline, UNIQA Group's income from investment activities decreases. Any increase in the incidence of claims, compensation payments or policy lapse/surrender rates, among other

events, can lead to unexpected increased cash demands. Accordingly, if UNIQA Group fails to generate sufficient liquidity, it may not be able to honour its payment obligations, to fund planned or committed capital expenditures and to implement its growth strategy. All of these factors may have a material adverse effect on UNIQA Group's, business, financial condition and results of operations.

UNIQA Group holds illiquid assets that might not be able to be sold in a timely manner or only for a value materially below its fair value.

UNIQA Group holds certain investments that may lack liquidity, e.g. its asset backed securities portfolio. If UNIQA Group required significant amounts of cash on short notice in excess of normal cash requirements or were required to post or return collateral in connection with its investment portfolio or derivatives transactions, UNIQA Group may have difficulty selling these investments in a timely manner, be forced to sell them for less than it otherwise would have been able to realize, or both. In addition, UNIQA Group's valuations of these financial instruments include methodologies, estimations and assumptions that are subject to differing interpretations and could result in changes to investment valuations. Valuation of these instruments includes inputs and assumptions that are not directly observable or require greater estimates than valuations of assets for which a liquid market exists. This may result in values which may differ materially from the values at which the investments may be ultimately sold. Should an active market for asset backed securities develop, these instruments would need to be valued at their fair value, which may be significantly below their current valuations. If, for any other reason, UNIQA Group decides to sell certain of these assets, there is a risk that the proceeds would be significantly below their current valuations. All of these factors may have a material adverse effect on UNIQA Group's, business, financial condition and results of operations.

Requirements to post collateral or make payments related to changes in market value of certain assets may adversely affect UNIQA Group's liquidity.

The amount of collateral UNIQA Group may be required to post under short-term financing agreements and derivative transactions may increase under certain circumstances. Pursuant to the terms of some transactions, UNIQA Group could be required to make payment to UNIQA Group's counterparties in the event of an adverse change in the market value of the collateral assets. Such requirements could have an adverse effect on UNIQA Group's liquidity. Furthermore, with respect to any such payments, UNIQA Group may have unsecured risk to the counterparty as these amounts may not be required to be segregated from the counterparty's other funds, may not be held in a third-party custodial account and may not be required to be paid to UNIQA Group by the counterparty until the termination of the transaction. All of these factors may have a material adverse effect on UNIQA Group's, business, financial condition and results of operations.

UNIQA Group uses certain derivative hedging instruments which may be inadequate or ineffective to protect UNIQA Group from losses.

UNIQA Group is exposed to, amongst others, credit spread fluctuations, fluctuations in equity markets, the impact of interest rate and exchange rate fluctuations, fluctuations in the fair value of its investments and liabilities. UNIQA Group uses financial derivative instruments such as swaps, options, futures and forward contracts, which it has entered into with a number of counterparties in order to partly hedge certain of these exposures, in particular currency risks and fluctuations of interest rates. These derivative hedging instruments may be inadequate or ineffective to protect UNIQA Group from substantial losses, which may have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

Downgrading or the revocation of the Issuer's credit rating could affect the Issuer's standing in the market and may decrease premiums and earnings.

Credit ratings are becoming an increasingly important factor in establishing the competitive position of insurance companies. In October 2014, the international rating agency Standard & Poor's Rating Services ("**S&P**") confirmed the rating of the Issuer as "A-". The ratings of UNIQA Österreich Versicherungen AG and UNIQA Group's reinsurer, UNIQA Re AG in Switzerland, remained "A". UNIQA Versicherung AG in Liechtenstein was rated for the first time and received an "A-" rating. The rating of UNIQA supplementary capital bond issued in 2013 continues to be "BBB". The outlook for all the companies is considered by Standard & Poor's to be "stable". UNIQA Group's S&P rating is subject to periodic review and may be revised downward or revoked at the sole discretion of S&P. Furthermore, UNIQA Group may have other credit ratings assigned by other rating agencies in the future, the results of which are uncertain. If UNIQA Group and/or the Issuer's rating is revised downward or revoked, UNIQA Group may face

difficulties marketing its products, as insured parties, particularly large corporate customers, will seek to insure risks with companies that pose limited credit risk. Credit rating revisions or revocations could therefore result in a significant reduction in the number and size of insurance contracts UNIQA Group underwrites and, ultimately, in a substantial loss of business. This may adversely affect UNIQA Group's liquidity and capital position. In addition, any rating downgrade or revocation could increase costs of borrowing, including in debt capital markets transactions and could adversely affect UNIQA Group's ability to obtain reinsurance or to obtain reasonable pricing on reinsurance.

UNIQA's CEO is also chairman of the board of UNIQA Versicherungsverein auf Gegenseitigkeit Privatstiftung, one of UNIQA's core shareholders, which may create conflicts of interest.

Mr. Andreas Brandstetter, UNIQA's CEO, is also chairman of the management board of UNIQA Versicherungsverein auf Gegenseitigkeit Privatstiftung ("UNIQA PS"), one of UNIQA's core shareholders. To the extent that interests of UNIQA PS are not fully aligned with the interests of UNIQA and/or UNIQA Group, holding an executive position in the management of UNIQA PS while at the same time being CEO of the Issuer may potentially create conflicts of interest for Mr. Brandstetter. If Mr. Brandstetter, in his position as chairman of the management board of UNIQA PS, was to exert influence of UNIQA PS in a way that it conflicts with the interests of UNIQA and/or UNIQA Group, this may have a material adverse effect on UNIQA Group's prospects, business, financial condition and results of operations.

UNIQA Group is dependent on arrangements with related parties.

UNIQA Group depends on its various relationships and agreements with affiliates of Raiffeisen Zentralbank Österreich Aktiengesellschaft ("RZB"), one of its core shareholders. The Raiffeisen banking group is UNIQA Group's primary distribution partner in Austria and CEE. In particular the bancassurance partnership with the Raiffeisen banking group has in the past often formed the basis for entering new markets, such as most recently in Russia and is therefore central to UNIQA Group's expansion and growth in CEE. UNIQA Group is also a co-investor and joint-venture partner of the Raiffeisen banking group in financial and/or strategic participations outside the insurance sector such as, for instance, STRABAG, Raiffeisen evolution project development GmbH, Medial Beteiligungs-Gesellschaft m.b.H., Valida Holding AG or LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft. In addition, UNIQA Group and the Raiffeisen banking group have reciprocal investments in their portfolios.

Moreover, UNIQA Group has outsourced the operations of its main IT and telecommunication infrastructure to Raiffeisen Informatik Consulting GmbH ("RIC"), an affiliate of RZB. These relationships are crucial to UNIQA Group. A termination of any or all of the services and transactions which are currently provided to, or entered into by, UNIQA Group could cause disruption to UNIQA Group's business and could cause UNIQA Group's revenues to decline significantly as UNIQA Group would need to source other long term distribution and cooperation partners or service providers. There can be no assurance that UNIQA Group will be able to find appropriate distribution and cooperation partners. Also, new distribution and cooperation partners or service providers may be more costly or may be less acquainted with UNIQA Group's peculiarities and requirements. If, in the future, RZB uses its influence over its respective affiliates in such a way that these companies no longer continue to provide their services to UNIQA Group or no longer provide these services on terms acceptable to UNIQA Group, UNIQA Group will need to seek alternative means of securing comparable services, which may not be available on terms that are as favourable as the current terms or at all. If any of these events occur, this may have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

UNIQA Group could be exposed to reputational risks deriving from a prior business connection with Infinus AG and related persons.

In late 2013, the management of Infinus AG, a German financial service group with past business relations to UNIQA Group were detained on allegations of misappropriating investor funds. In the years from 2004 to 2011, businesses related to the Infinus AG had acted as brokers for UNIQA Group, which continues to serve existent retail insurance contracts closed at the time. Business ties with related parties were severed in 2011 together with UNIQA's retreat from the German insurance market. While UNIQA believes that no grounds for allegations against insurance companies whose products were brokered by such companies exist, reputational risk remains as renewed media coverage may be expected as the case goes to court in Dresden, Germany. This could have material negative effects on UNIQA's reputation, and thus UNIQA Group's business, financial condition and results of operations.

UNIQA's Risks related to the market and competition

A downturn in global financial markets and economic conditions could adversely affect UNIQA Group's prospects, business, and the global economic outlook remains uncertain.

UNIQA Group's revenues, financial condition and results of operation are affected by conditions in the global financial markets which have shown significant volatility in recent years. Since mid-2007, international financial markets experienced severe disruptions, resulting in significant negative impacts on the global economy. In the fixed-income markets, these volatile conditions affected a broad range of mortgage and asset-backed and other fixed-income securities, including those rated investment grade, the U.S. and international credit and interbank money markets generally, and a wide range of financial institutions and markets, asset classes and sectors. Domestic and international equity markets have also experienced heightened volatility and turmoil. The measures taken by governments and central banks in many countries to support the financial system and the real economy led, especially in Europe and the United States, to sharply increasing budget deficits and levels of public debt, which in many cases were previously already considerable. In general, the global economy has remained volatile and could be further negatively affected by many factors, including but not limited to rising national debts, investor concerns about the cohesion of and disruption within the euro-zone (for example a disorderly exit of one or more of the member states), the Russian crisis, low growth and unfavorable growth prospects, insufficient productivity, high unemployment, inadequate liquidity, volatility in the capital markets, lower consumer spending, higher inflation, political instability or terrorism.

There continues to be significant uncertainty regarding the economic recovery (if any). As such, another global recession, recessions affecting significant parts of the global economy or evolving market conditions in general may reduce the demand for UNIQA Group's products and the value of the investments it holds. There exist risks in some advanced economies of a prolonged period of low economic growth, low inflation and low interest rates invoked by low aggregate demand ("secular stagnation") or a lack of economic reform, adverse long-term demographic trends, low productivity growth and subdued aggregate supply.

The demand for insurance coverage could decline if a large number of consumers delay purchasing new insurance or terminate existing insurance due to, for example, lower disposable income or high unemployment. Consumer mistrust in the financial sector could lead to consumers purchasing fewer insurance products through banks and similar institutions, resulting in lower sales of UNIQA Group through its bancassurances partners. The demand of corporate insurance clients is also dependent on general economic conditions, as the demand for corporate and industrial insurance products is usually higher in growing economic environments where companies make investments and take new risks. Generally, weaker demand for insurances coverage could increase the pressure on pricing and competition, adversely affecting UNIQA Group's profitability.

UNIQA Group's investments could also be adversely affected by the global economic conditions. Economic downturn often leads to a decline in value for investments. UNIQA Group's investments mainly comprise fixed income securities, real estate, cash, equity securities and participations.

If any of the risks set out above materialize, UNIQA Group's business, financial condition and results of operations may be adversely affected.

The continuing sovereign debt crisis in the euro-zone could result in an economic instability and possible defaults on government debt with adverse effects for UNIQA Group's prospects, business, financial condition and results of operations.

The measures taken by European governments, the U.S. Federal Reserve, the European Central Bank (the "ECB") and national central banks since 2008 to support distressed financial institutions and to stimulate economic growth have significantly increased expenditures, while slower or negative real economic growth has led to a decrease in tax revenues. These developments resulted in sharply increasing budget deficits and levels of public debt. In most member countries of the European Economic and Monetary Union, the level of sovereign debt exceeds the limit of 60 % of gross domestic product established by the Treaty of Maastricht, while some countries exceed 100% of gross domestic product (e.g. Italy and Greece). Risk premiums for notes issued by increasingly indebted countries in the euro-zone had increased significantly in recent years and certain private noteholders had to accept reductions of the aggregate principal amount of notes issued by Greece. These developments led to doubts about the ability of the governments of some, especially peripheral, European countries to repay in full their government debt.

In July 2015, Greece and its creditors reached an agreement to secure a support programme aimed at ensuring long overdue economic reforms. However, uncertainty remains with regards to further proceedings as well as the

programme's successful implementation. Furthermore, a default of Greece and/or an exit of Greece from the Euro-zone cannot be excluded.

UNIQA has no direct exposure to Greek sovereign bonds, but as a result of the ongoing economic slump in Greece and the related austerity measures implemented by the Greek government, UNIQA could be indirectly affected by a Greek sovereign default or the country's exit from the Euro-zone which could lead to temporary financial market turbulences including a widening of spreads. A Greek default could furthermore lead to spill-over effects impacting the overall GDP growth in Europe and ultimately result in a recession. In addition to negative effects to UNIQA Group's assets, this could have material adverse effects on UNIQA Group's business, financial condition and results of operations.

The sovereign debt crisis poses various risks for UNIQA Group. Defaults or forced write-downs in the value of government notes issued by countries in the euro-zone in general and in particular of government notes issued by Spain, Ireland, Italy, Portugal, Slovenia, Hungary and other countries in Europe negatively affected by the debt crisis could occur.

If further member states of the euro-zone experience payment difficulties or even default, the risks associated with the sovereign debt crisis may materialize to a far greater extent, which may pose a threat to the existence of the European Monetary Union and UNIQA Group. Indirect consequences could include the withdrawal of individual countries from the European Monetary Union. Especially the withdrawal of any of the largest economies, or the complete breakup of the European Monetary Union, would have far-reaching and unpredictable consequences for the financial markets and the real economy. An acceleration of the euro-zone sovereign debt crisis could also undermine the capitalization of banks and other financial service providers potentially resulting in new regulatory measures to be taken. This scenario would have material adverse effects on the net assets, financial position and results of operations of UNIQA Group which can pose a threat to the existence of UNIQA Group.

In mid-2012, the ECB implemented the outright monetary transactions ("**OMT**") program, under which the ECB can, subject to certain conditions, purchase notes issued by euro-zone member states with the aim of stabilizing the euro and the euro-zone economy. However, there can be no assurance that this program will be effective. A termination of the OMT program could have a negative effect on the euro-zone economy, and consequently could adversely affect UNIQA Group's business, financial condition and results of operations.

The significant amount of liquidity provided to the national economies by the central banks in the euro-zone, in particular at the close of 2011 and in the first quarter 2012, to stabilize the financial system in the wake of the sovereign debt crisis, may result in a rise in inflation. This could have materially adverse effects on the economy, in particular if central banks start limiting liquidity in order to fight inflation and taking measures to increase the interest rate level and thereby slow down the economy.

In 2015, the ECB initiated a large-scale, open-ended asset purchase program ("quantitative easing"). It comprises the monthly purchases of public and private sector securities amounting up to EUR 60 bn and is intended to be carried out until September 2016 and is expected to be conducted until the ECB sees a sustained adjustment in the path of inflation consistent with its mandate to achieve price stability in the euro-zone. A prolonged period of expansionary monetary policy could pose risks to financial stability and long-term economic growth. These risks could include adverse incentive effects for governments, misallocation of financial investment and resources and the building of asset and financial bubbles. Ultimately, the bursting of asset bubbles could induce a financial crisis or global recession as experienced in 2008/09.

In particular, risks to financial stability arising from an ultra-loose monetary policy could negatively affect the banking and insurance sectors. Permanently low or negative yields on financial assets could propagate excessive risk taking in the financial sector and could discourage economic agents from long-term saving. In addition near-zero yields could invoke a cash- or near-cash preference of economic agents and thereby lower demand for savings products, life insurance or similar products. As liability driven investor UNIQA aims to minimize possible liquidity problems by pursuing a cash flow matching approach. The liability cash flows of the traditional life in force business are matched with asset cash flows of a suitable investment universe. A lower demand for new business in life savings products therefore would affect the liquidity situation of UNIQA in a bearable manner. In particular, risks to financial stability arising from an ultra-loose monetary policy could negatively affect the banking and insurance sectors. Permanently low or negative yields on financial assets could propagate excessive risk taking in the financial sector and could discourage economic agents from long-term saving. In addition near-zero yields could invoke a cash- or near-cash preference of economic agents and thereby lower demand for savings products, life insurance or similar products.

Any downturn in CEE economies, the difficult market environment and political, legal and regulatory uncertainty could adversely affect UNIQA Group's prospects, business, financial condition and results of operations.

UNIQA Group has a high exposure across the CEE market and its growth strategy relies heavily on this region. The GWP (including saving portion from unit- and index-linked life insurance) for CEE in 2014 was EUR 1.294,4 mn and accounted for 21.34% of total premiums written. UNIQA Group is therefore subject to the economic, legal and political environment in CEE. In particular, certain CEE countries have a history of unexpected changes in governments and problematic political environments which resulted in unfavorable business conditions.

The economic growth in CEE depends to a large extent on the macroeconomic environment. The global financial crisis and the subsequent sovereign debt crisis also negatively impacted the economies of the countries in the CEE region. The CEE region is economically dependent on Western Europe which has been impacted by the sovereign debt crisis and is facing ongoing challenging economic conditions. Additionally, as a result of the volatile international financial markets and economic conditions in recent years, local currencies in the CEE region have seen high volatility against major currencies such as the euro which has negatively impacted consumer spending in the CEE region due to, for example, consumers' exposure to mortgages linked to foreign currencies. Without a sustained recovery of the CEE economies, if consumers in the CEE region are impacted by further volatility of currencies or if the CEE economies are materially impacted by a deterioration of the ongoing European sovereign debt crisis, UNIQA Group could be materially negatively affected.

With regard to the insurance market in CEE countries, the expected economic situation in the Eastern European markets poses a certain challenge to the Group to achieve disproportionately high growth in the short term compared to the Western European insurance markets. The premium volume in the CEE region declined in 2014, mainly in the life insurance business, although this was also attributable to a deliberate reduction in single premium business in Central Europe and a deliberate reduction in the volume of motor vehicle insurance in selected markets. Given this trend in 2014, the expectations for 2015 remain moderate.

The continued political uncertainty in the Ukraine caused by the separatist movement in the east of the country raises questions whether the Ukraine will be able to continue to servicing some of its borrowing. The Ukrainian currency, the hryvnia ("**UAH**"), weakened against the euro during the course of 2014. The total value of all UAH securities in UNIQA Group amounts to a fair value of EUR 4.0 mn.

Together with the fall in oil prices in December 2014, the EU sanctions imposed on Russia caused an immediate and sharp drop in the value of the rouble ("**RUB**") against the euro. In turn, this led to a volatile interest rate environment and the devaluation of Russian government bonds.

The CEE markets are generally very competitive and UNIQA Group's portfolio in these markets is not fully diversified. The competitive pressure in relation to pricing, policy terms and conditions due to excessive underwriting capacity, may result in UNIQA Group reducing prices or extending coverage or increasing commissions.

In particular, UNIQA Group is facing significant challenges in Romania. The Romanian insurance market is characterized by very strong competition among insurers as well as significant pricing pressure. Currently, UNIQA Group's business in Romania relies heavily on the motor insurance segment. In response to these challenges, UNIQA Group has made efforts to improve the claims processes, its audit and control procedures, sanitation program is in progress and regular tariff revise is performed. Nevertheless, UNIQA Group's goodwill related to its Romanian subsidiary was impaired by EUR 15 mn in each of the financial years 2011 and 2012, and by EUR 25 mn in the financial year 2014. There can be no assurance that UNIQA Group's strategy in Romania will be successful or that UNIQA Group will not be required to additionally write-off goodwill in the future.

In terms of actuarial risk, the further development of the motor business in CEE countries (comprehensive vehicle insurance, including liability insurance) continues to represent the greatest challenge because this business segment accounts for a considerable proportion of the property/casualty insurance in the CEE region. The most significant difficulties are, firstly, that there is a continuously changing legal environment leading to higher benefit payments in the event of personal injury claims and, secondly, that many markets are still subject to a price war as UNIQA Group's competitors vie to win customer segments. UNIQA increasingly relies on a professional pricing approach. In addition to conducting ongoing market analyses, UNIQA Group carries out standardised profitability tests to ensure that pricing is appropriate. In addition, UNIQA Group has established certain guidelines in order to ensure that international insurance claims (known as green card claims) are settled within UNIQA affiliated companies or in conjunction with specified partners.

In addition, CEE countries do not always offer the same type of rights, remedies and protections that creditors are accustomed to under the bankruptcy regimes in Western Europe. In many cases, the interpretation and procedural safeguards of the new legal and regulatory systems are still evolving, which may result in an inconsistent and uncertain

application of existing laws and regulations and no legal precedent and no binding guidance from regulatory authorities as to legal interpretation. This may result in UNIQA Group facing legal uncertainty, inadvertently violating applicable law or not being able to collect premiums for the future.

If any of the risks set out above were to occur, it may have an adverse effect on UNIQA Group's business, financial condition and results of operations.

UNIQA Group operates in a competitive environment.

UNIQA Group faces significant competition from domestic insurers in each of UNIQA Group's principal markets, as well as from other international insurance groups, which offer the same or similar products and services. UNIQA Group operates in markets in which the most important competitive factors for general insurance products include brand recognition, the utilization of various distribution channels, product price, and customer service, including claims handling, product flexibility and product innovation. In particular, competitive pressure in relation to pricing, policy terms and conditions due to excess underwriting capacity, such as recently experienced with regard to compulsory vehicle insurance tariffs in Romania and Hungary, may result in UNIQA Group reducing prices or extending coverage or increasing commissions. If UNIQA Group is unable or is perceived to be unable to compete effectively in one or more of these areas, its competitive position may be adversely affected.

The entry into, or the targeting of, UNIQA Group's home markets by international insurers with greater financial resources could adversely affect UNIQA Group's ability to obtain new, or retain existing, customers. UNIQA Group may also find it difficult to enter into new business areas such as corporate business. As a result of these developments, UNIQA Group may be unable to maintain existing market shares, implement its growth strategy or retain existing key customers.

If these developments were to occur, UNIQA Group may lose existing business volume and related revenues and may face limitations on new business activity.

The cyclical nature of certain segments of the insurance market can lead to major fluctuations in premiums generated.

The insurance market is subject to cyclical fluctuations, in particular in the property and casualty insurance segment. The factors that drive these fluctuations are generally outside the control of UNIQA Group and include macroeconomic parameters and the competitive environment. The cyclical nature of the property and casualty insurance business may lead to fluctuations in premiums and revenues in the future, and consequently could have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

UNIQA Group is exposed to sovereign risk.

UNIQA Group's fixed income portfolio contains debt instruments issued by sovereign states. The value of these instruments may be adversely affected by developments in the global sovereign debt markets and the global macroeconomic environment as well as changes in national economic conditions and political frameworks. There can be no assurance that UNIQA Group will not be required to recognize further write-downs on the sovereign debt instruments it holds or that its sovereign debt holdings may increase in the future.

UNIQA Group is exposed to credit risk.

UNIQA Group is exposed to credit risk in relation to third parties. Such risk may be caused by deterioration in the actual or perceived creditworthiness of its counterparties, resulting in an increase in credit spreads or in a failure by UNIQA Group's counterparties to meet their obligations. UNIQA Group is exposed to credit risk through, among other things, providing insurance products to a variety of retail and corporate customers, holdings of fixed income instruments in its investment portfolios, loans and advances, and in relation to tenants of property in its real estate portfolio and reinsurance counterparties. In addition, UNIQA Group is exposed to counterparty credit risk in relation to life insurance products guaranteed by a third party guarantor, as is typically the case with respect to state-subsidized retirement pension products in Austria (*Prämienbegünstigte Zukunftsvorsorge*) or guaranteed unit-linked life products. If any of UNIQA Group's counterparties cannot meet their obligations under their agreements with UNIQA Group, UNIQA Group could incur significant losses.

In addition, bankruptcy laws in many CEE countries are subject to change and can differ significantly from country to country. They do not always offer the same type of rights, remedies and protections to which creditors are accustomed under the bankruptcy regimes in Western Europe. Bankruptcy law systems in the various CEE countries have, at times,

made it comparatively difficult for UNIQA Group to obtain payment when clients default on their contracts, which may have a material adverse effect on UNIQA Group's prospects, business, financial condition and results of operations.

UNIQA Group is exposed to currency risk.

Although UNIQA Group's insurance business operates in different countries, the currencies of its investments do not always correspond to UNIQA Group's underlying insurance obligations. For instance, UNIQA Group's investment portfolio contains fixed income securities denominated in U.S. dollars ("USD"), whereas UNIQA Group's obligations resulting from its insurance operations are primarily in, but not limited to, Euros. UNIQA Group's investment in USD and other foreign currencies expose UNIQA Group to the risk that such foreign currency may decline in value against the Euro, causing the value of such investments to decrease. In addition, UNIQA Group invests in a number of its subsidiaries outside the euro-zone (e.g. investments in UAH and RUB). UNIQA Group currently only hedges against USD exchange rate risk. There can be no assurance, however, that UNIQA Group's foreign exchange hedges will be able to fully mitigate foreign exchange rate risk. UNIQA Group is also exposed to foreign currency translation risk. UNIQA Group's consolidated financial statements are stated in Euros, whereas the revenues and expenses of parts of UNIQA Group's operations are earned and paid, and assets and liabilities of parts of UNIQA Group's operations are held, in currencies other than the Euro. Foreign currency amounts are translated into Euros at the applicable exchange rates for inclusion in UNIQA Group's consolidated financial statements. The exchange rate between these currencies and the Euro can fluctuate substantially, causing asset values to decrease and liabilities to increase. Any of the above could have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

UNIQA Group's exposure to inflation could have a material adverse effect on its technical provisions, results of operation and financial condition.

UNIQA Group's liabilities are exposed to an increase in the rate of general inflation (prices and salaries) which would require an increase in the value of non-life technical provisions. In addition, UNIQA Group is exposed to claims inflation over and above general inflation and in particular to the inflation of court awards in respect of general liability and bodily injury claims. UNIQA Group's assets are exposed to increased inflation or inflationary expectations, which would be accompanied by a rise in the yield curve with a consequent reduction in the market value of the note portfolios. Increased inflation could also negatively affect the solvency of note issuers. Widening credit spreads would lead to a loss of value for the issuers' notes. Finally, depending on the macroeconomic environment, an increase in inflation could also reduce the value of UNIQA Group's equity portfolio. Any negative fluctuations in equity values would lead to a similar decrease in shareholders' equity. As such, inflation could have a material adverse effect on UNIQA Group's financial condition and results of operations.

UNIQA's Risks related to the environment

Catastrophic events and extraordinary risks could result in material financial losses in UNIQA Group's insurance business.

UNIQA Group insures risks related to catastrophes caused by human activity, as well as natural disasters, such as floods, earthquakes, windstorms, tornados, hailstorms, frost or fires. The frequency and intensity of natural catastrophes are unpredictable. If catastrophes damage property protected by UNIQA Group's policies with a significantly greater frequency or intensity than previously experienced, UNIQA Group may be required to make large claim payments and may be forced to fund these obligations by liquidating investments in unfavourable market conditions or raising funds at unfavourable costs. These risks are further augmented if UNIQA Group's reinsurance program should turn out to be insufficient or inadequate upon the occurrence of catastrophic events and extraordinary insurance losses. These factors could have a material adverse impact on UNIQA Group's business, financial condition and results of operations.

UNIQA's Risks related to regulatory and (other) legal matters

UNIQA Group operates in a heavily regulated industry.

The insurance industry is heavily regulated. The Issuer and most of its significant subsidiaries are insurance companies and as such subject to rules and regulations applicable to insurance companies/business in each of their respective jurisdictions. UNIQA Group's operations and products may also be subject to (additional) authorization requirements.

These rules, regulations and authorization requirements may be different in the various jurisdictions and are complex and frequently amended. These laws, regulations and authorization requirements generally, but not only cover the following:

- set conditions for obtaining, maintaining and/or extending licenses, permissions or (other) authorizations;
- require the authorizations of insurers and "fit and proper" testing of their management;
- require the maintenance of solvency levels and capital adequacy ratios, including restrictions on the payment of dividends or other distributions;
- impose the accrual of additional reserves or set specific requirements for the calculation of reserves;
- regulate the marketing, sale, content and pricing of certain policies;
- limit insurers' rights to cancel, refuse or renew policies or to withdraw from markets;
- provide policyholders the right to cancel their policies under certain conditions;
- require approval by the supervisory authorities or governmental bodies for any changes of the insurer's articles of association or structural changes, including changes involving the corporate group structure or approval for qualifying holdings; and
- restrict the amount and type of investment assets the respective Group Company can hold.

In addition to rules and regulations applicable to the Group Companies, UNIQA Group must comply with a variety of EU and other national and local rules and regulations governing a variety of areas, including labour, welfare, competition and tax issues. As these rules and regulations as well as their interpretation by relevant authorities are constantly evolving and generally becoming more stringent, the costs of compliance with applicable rules and regulations are likely to increase in the future and may prevent UNIQA Group from further offering certain insurance products and services. This could materially raise UNIQA Group's operating and fixed costs, require it to make additional investments, or in the worst case, limit or end its activities in one or more jurisdictions. Similarly, if UNIQA Group is not able to adjust its business operations to new rules and regulations in time or if competitors are able to adapt to such changes more quickly than UNIQA Group, UNIQA Group may lose market share to its competitors. Failure to comply with applicable rules, regulations or authorization requirements may lead to regulatory or legal actions, imposing of fines and/or revocation or lack of renewal of licenses, permissions or (other) authorizations necessary to conduct its business in the jurisdictions in which UNIQA Group operates, or to a civil liability. Moreover, if supervisory decisions, measures or fines imposed against UNIQA Group were to become publicly known, this could lead to a loss of confidence among customers and business partners. Should any of these risks materialize, it may have material adverse effects on UNIQA Group's business, financial condition and results of operations.

Failure to meet capital and other regulatory requirements may have material adverse effects on UNIQA Group.

Insurance companies are required to meet certain own funds requirements, which are specific for each entity and are based on their local legislation. In addition, the capital fungibility between the different legal entities of UNIQA Group may be restricted due to regulatory capital requirements. UNIQA Group's future regulatory requirements on own funds depend on many factors, including its ability to successfully underwrite new business, its ability to establish premium rates and reserves at levels sufficient to cover losses, and its return on financial assets. To the extent that funds currently available are insufficient to meet future requirements on own funds, UNIQA and each of its insurance subsidiaries may be required to raise additional own funds in order to meet their respective capital requirements above the minimum-required levels or curtail growth. UNIQA Group cannot assure that it will not need to raise additional own funds in the future, nor can it assure that it will be able to obtain such own funds on favourable terms, in a timely manner or at all. If Group Company fails to obtain necessary financing and fails to meet the capital requirements, that entity may be subject to administrative sanctions, which may result in increased operating costs, loss of reputation, which, consequently, may have material adverse effects on UNIQA Group's business, financial condition and results of operations.

In addition, UNIQA and its insurance subsidiaries are required to maintain assets with a value corresponding at least to each of their liabilities and capital requirements. Qualitative and quantitative restrictions concerning individual categories of assets used to cover the technical provisions apply. If UNIQA Group would be required to strengthen its own funds position, it may need to raise additional own funds, change its current asset structure, reduce assets or slow down its intended and projected growth. Any such measures may have material adverse effects on UNIQA Group's prospects, business, financial condition and results of operations.

Changes in existing, or new, governmental laws or regulations in the countries in which UNIQA Group operates may have a material adverse effect on its results of operations.

Changes in existing, or new, governmental laws and regulations in the countries in which UNIQA Group operates may have a material adverse effect on UNIQA Group, including regulations relating to the provision of financial services, insurance products and other transactions UNIQA Group is conducting. Furthermore, apart from changes to the economic environment, the introduction of new or amending of existing laws and regulations applicable to UNIQA Group and/or changes in their application, including (but not limited to) the new comprehensive framework for risk management for defining required capital levels and to implement procedures to identify, measure, and manage risk levels, commonly known (and further referred to) as "**Solvency II**", and changes in accounting matters and/or their application, may adversely affect UNIQA's business as its implementation and compliance may result in costs that currently cannot be definitively determined.

In particular, the implementation of Solvency II is causing a substantial increase in the regulation applicable to UNIQA Group, including increased (quantitative and qualitative) capital and disclosure requirements, as well as restrictions on certain types of transactions (for details see the risk factor below headed "*A new regulatory framework for insurance companies (Solvency II) will increase regulatory requirements (including own funds and governance)*").

In reaction to the crisis in the global financial markets, many countries' governments and regulators have introduced various rescue schemes for the financial sector. The impact of certain of these schemes may negatively affect the value of companies in the financial sector and thus have an indirect adverse effect on UNIQA Group, as it holds securities issued by such companies in its investment portfolios. In the same context, governments, supervisory and other authorities have made and still make proposals to strengthen the regulatory framework for the financial services industry to enhance its resilience against future crises. Such proposals include, amongst other things, stricter own funds requirements and liquidity standards, the regulation of types of business considered as particularly dangerous, and expansion of the supervisory and resolution powers of competent authorities. Such future changes to the existing regulatory framework for the financial services industry may be significant with negative impacts on UNIQA Group, such as additional administrative cost (incurred to implement and comply with new rules) increased cost of capital (due to stricter own funds requirements) and a materially adverse effect on UNIQA Group's business, results of operation and prospects.

Changes in existing laws and regulations applicable to UNIQA Group may have adverse effects on UNIQA Group's financial conditions and results of operations.

A new regulatory framework for insurance companies (Solvency II) will increase regulatory requirements (including own funds and governance).

In the EU, wide-ranging amendments to the existing regulatory framework applicable to insurance and re-insurance companies are currently being implemented. These new rules commonly known as "Solvency II" include requirements on own funds, the calculation of technical provisions, valuation of assets and liabilities, governance structure, regulatory reporting and disclosure as well as governance of insurance companies. Solvency II stipulates more risk-sensitive standards to capital requirements, aims to align capital requirements for insurance companies with those applicable to banks and investment firms in order to avoid regulatory arbitrage as well as to align own funds with economic capital and bring about an enhanced degree of public disclosure.

EU-Member States are required to bring into force the laws, regulations and administrative provisions necessary to comply with Directive 2009/138/EC (i.e. the "Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (recast)") which sets out the main legal framework for Solvency II by 31 March 2015. Whilst those laws, regulations and administrative provisions shall apply from 1 January 2016, Member States shall apply the laws, regulations and administrative provisions necessary to comply with the phasing in of Solvency II from 1 April 2015.

The Directive 2009/138/EC together with accompanying legal acts, will create a stricter and more comprehensive regulatory framework (compared to the existing supervisory and solvency regime) for insurance and re-insurance companies within the EU. As a result, solvency capital requirements for insurance and reinsurance companies will increase compared to the current Solvency I regime and also result in capital ratios becoming more volatile.

In Austria, the Directive 2009/138/EC has been transposed into national law in particular by the Austrian Insurance Supervision Act 2016 (*Versicherungsaufsichtsgesetz 2016 – VAG 2016*). The Austrian Insurance Supervision Act 2016 shall enter into force on 1 January 2016, apart from certain transitional provisions (in particular on grandfathering and phasing in) which entered/will enter into force on 1 April 2015 respectively 1 July 2015). Furthermore, on 10 October

2014 the EU Commission adopted a delegated act (i.e. the "Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II)") which supplements Directive 2009/138/EC and contains certain implementing rules for Solvency II. This delegated act (which - as an EU-regulation - is immediately applicable in Austria) entered into force on the day following its publication in the Official Journal of the European Union on 17 January 2015.

Solvency II requires insurance companies (including UNIQA Group) to apply a more risk-sensitive approach for calculating their capital requirements, and aims to align the regulatory framework for insurance companies with the one for credit institutions and investment firm. Solvency II, particular requires the following:

- effective and adequate governance systems;
- specific requirements regarding risk management, internal controls, internal audit function, actuarial function and control over outsourcing arrangements;
- effective risk management systems, including strategies, processes and reporting procedures, in order to monitor, manage and report their risk exposures; and
- regular own risk and solvency assessment ("**ORSA**") as part of the risk management system, (also to be taken into account for strategic decision-making) which must demonstrate the methods used for determining the insurance company's solvency needs and the processes for identifying risks in the short and medium term and assess at least the following:
 - the overall solvency needs, allowing for the specific risk profile;
 - approved risk strategy and the business strategy;
 - on-going compliance with requirements on technical provisions and capital requirements; and
 - the extent of deviations between the insurer's risk profile and the assumptions for solvency capital required (SCR) based on the standard approach.

Solvency II introduces economic risk-based capital requirements within the EU. While the current requirements mainly concentrate on the liabilities side (i.e. insurance risks), Solvency II takes account of the asset-side risks, introducing a new "total balance sheet" type regime with the aim of considering all relevant risks and their interactions. Under Solvency II, the solvency capital ratio of UNIQA Group will be lower than under Solvency I.

UNIQA Group has developed and implemented an internal model and intends to opt for approval to use a partial internal model for calculating the solvency capital requirement for non-life risk under Solvency II. The partial internal methodology is used to calculate the required economic capital and hence, the risk bearing capacity for non-life & health non similar to life techniques ("**NSLT**") insurance business lines. However, there is the risk that UNIQA Group's internal models may not be approved by the supervisory authority or may inadequate for calculating the capital actually required to absorb significant losses. This would result in additional operational costs (e.g. for amending the internal model or changing the calculation from using the internal model to the standardized approach) and have negative effects on UNIQA Group's compliance with capital requirements.

In addition to the new reporting obligations, the biggest challenge in this preparatory work is the project being undertaken by UNIQA Group to promptly apply for a partial internal model relating to property/casualty and Health NSLT insurance business. This project is subject to a very narrow timeframe because of the late publication of the regulatory requirements. Sufficient resources must therefore be dedicated to the project to enable the Group to submit an application for approval in a timely manner. UNIQA aims that all significant international subsidiaries in EU member states are to be recorded in UNIQA's partial internal model from the beginning, which requires a series of alignments in these companies and must also take place in harmony with the affected national supervisory authorities in the respective EU member states. UNIQA did not submit the application for the partial internal model to the regulatory authorities for approval at the earliest possible date, the middle of 2015, but will do so presumably by the end of 2016 or even later. There can be no assurance that UNIQA Group's internal model will be approved by the applicable regulator in time or that the model will be adequate to calculate the necessary capital actually required to absorb significant losses.

Any failure to comply with the new requirements under Solvency II in particular on own funds, risk management, documentation, and reporting processes and, in particular, any delay in the implementation of the partial internal model could have a material adverse effect on the business, financial condition and results of operations by UNIQA Group.

There is a risk that under Solvency II, existing instruments issued by the Issuer and/or other members of UNIQA Group will no longer be (full or partly) eligible as own funds and/or will not be sufficient to comply with the increased capital requirements under Solvency II. In addition, refinancing existing debt or raising additional capital might be expensive, difficult or impossible on adequate terms, which could have a material adverse effect on the Issuer and/or UNIQA Group, including its business and financial condition.

The solvency ratio to be calculated under Solvency II rules may change due to amendments to the standards.

Solvency II requires insurance companies to calculate and maintain a certain economic solvency ratio which presents the amount of capital an insurer has relative to the risks it is exposed to, where the solvency capital requirement is calculated according to a "risk based" approach, taking into account all types of risks an insurance company is mainly exposed to. The economic solvency ratio determined under Solvency II is a key figure which will have an impact on whether UNIQA Group can take further risks with future investments or has to change its current portfolio of risks on the asset or liability side. Certain calculation elements are still under discussion and may be amended over time. If the rules and requirements (and/or the interpretation) on the calculation of the solvency ratio may be changed, UNIQA Group may be required to adjust its strategy for future investments which could have a material adverse effect on UNIQA Group's return of investments, business, financial condition and results of operations.

The proposed revisions to the Insurance Mediation Directive (IMD2/IDD) could adversely affect UNIQA Group's business, results of operations and financial condition.

The renamed Insurance Distribution Directive ("**IDD**"), previously known as IMD2, was agreed by the European legislative bodies in June 2015. It is expected to come into effect by the end of 2015. Transposition is expected within two years meaning that the revised rules for the distribution of insurance products ought to be in effect by the end of the year 2017. Some measures will be introduced via various instruments, e.g. by guidelines issued by European Insurance and Occupational Pensions Authority ("**EIOPA**") before that date. Broadly, the IDD introduces the following changes:

- Insurers selling direct to customers or through employed agents are brought within the scope of the regime (general requirement for all distributors to "act in the best interests of customers").
- Member States must introduce rules to ensure that distributors are not remunerated and do not remunerate or assess the performance of their employees in a way that conflicts with the duty to act in the best interests of customers.
- *Disclosure and transparency.* Before the conclusion of an insurance contract, intermediaries are required to provide details about themselves and must describe to their customer the nature of their remuneration (i.e. fee or commission, or other type of arrangement). As of 31 December 2016 insurers selling packaged retail investment and insurance-based investment products ("**PRIIPs**") will have to produce key information documents ("**KIDs**"). KIDs will be uniform disclosure documents giving standardised information about products that are designed to give retail investors sufficient clear information on the range of PRIIPs to compare them for suitability and value. An "insurance-based investment product" is an "insurance product which offers a maturity or surrender value and where that maturity or surrender value is wholly or partially exposed, directly or indirectly, to market fluctuations". The range of products that will be in scope has not been determined in detail. Insurance investment products (such as unit-linked or with-profits policies) will definitely be PRIIPs.
- The IDD will also include rules in relation to product governance. For this purpose EIOPA will issue guidelines on product oversight & governance arrangements, requiring insurers to operate and review processes for the approval of each product before they are marketed to customers. The process should specify the target market and ensure that all relevant risks are identified. There will also be guidelines for cross-selling and bundling. The IDD does allow cross-selling and bundling, however, distributors must inform customers whether different components can be bought separately. A description of each component and separate evidence of costs and charges must also be provided.

These changes are likely to have a significant effect on the European insurance market. In particular, they will increase UNIQA Group's compliance obligations regarding sales requirements. This could raise the costs and complexity of UNIQA Group's sales procedures. They are also likely to significantly affect the relationship between UNIQA Group and its intermediaries in the context of selling insurance products. All this could have material adverse effects on UNIQA Group's business, results of operations and financial condition.

UNIQA is subject to stress tests and similar regulatory analyses which could negatively impact its reputation and financing costs or trigger enforcement actions by the supervisory authorities.

To assess the level of capital in the insurance sector, the national and European authorities for insurance supervision (in particular the FMA and the EIOPA) periodically require solvency calculations and conduct stress tests where they examine the effects of various adverse scenarios on insurers (e.g. a strong downturn in the interest rates). In addition, the supervisory authorities have carried out a number of studies on the quantitative effects of proposed changes to capital rules in the recent past (quantitative impact studies), particularly with regard to Directive 2009/138/EC (Solvency II). Announcements by supervisor authorities about carrying out such tests can destabilise the insurance sector and lead to a loss of trust with regard to individual companies or the insurance sector as a whole. In the event that UNIQA's results in such a calculation or test are worse than those of its competitors and these results become publicly known, this could also have adverse effects on UNIQA's financing costs, customer demand for UNIQA's insurance products and the Issuer's reputation. Furthermore, supervisory authorities could use a poor result in such calculations or tests as a basis on which to take regulatory measures, which could have adverse effects on UNIQA. If any of the risks above occurs, this could materially and adversely affect UNIQA's business, financial condition and results of operations.

Under the Solvency II regime, UNIQA will be required to disclose information on its solvency calculations which could negatively affect financing costs, customer demand and UNIQA's reputation.

In addition to the voluntarily disclosed Economic Capital Requirement Report on the internal and regulatory solvency position of the Issuer, a "Solvency and Financial Condition Report (SFCR)" has to be disclosed starting in 2016. The figures and explanations given therein are public and bear the risk of having adverse effects on UNIQA's financing costs, customer demand for the Issuer's insurance products and UNIQA's reputation. If any of the risks above occurs, this could materially and adversely affect UNIQA's business, financial condition and results of operations.

UNIQA Group might be required to write off all its claims under certain notes issued by HETA ASSET RESOLUTION AG.

As of 31.12.2014 UNIQA Group held certain subordinated and unsubordinated notes issued by HETA ASSET RESOLUTION AG ("**HETA**", formerly: "HYPO ALPE-ADRIA-BANK INTERNATIONAL AG") in an aggregate principal amount of EUR 55 mn on a consolidated basis (the "**HETA-Notes**"). Therein entailed are junior subordinate notes to the aggregate principal amount of EUR 20 mn that have been deemed impaired and have been written down in a prior period. The liabilities of HETA under the HETA-Notes are secured by a deficiency suretyship (*Ausfallshaftung*) provided by the Austrian province of Carinthia. Currently, UNIQA Group is unable to assess whether the province of Carinthia would be able to fulfil all its obligations under this suretyship.

On 1 August 2014, the "Austrian Act on Reorganisation Measures for HYPO ALPE ADRIA BANK INTERNATIONAL AG" (*Bundesgesetz über Sanierungsmaßnahmen für die HYPO ALPE ADRIA BANK INTERNATIONAL AG – the "HaaSanG"*) entered into force. Pursuant to the HaaSanG, upon publication of an FMA-regulation on 7 August 2014 certain subordinated liabilities and all collateral for such liabilities have been extinguished automatically by law. Therefore, HETA's liabilities under the subordinated HETA-Notes as well as all respective collateral (in particular including the respective liability of the province of Carinthia) have been extinguished by law, i.e. the amount of principal, interest and any other amounts, if any, payable by HETA was automatically reduced to zero.

On 1 March 2015, the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde – the "FMA"*), in its capacity as the Austrian resolution authority, issued an administrative decision initiating the resolution of HETA in accordance with the Austrian Act on the Recovery and Resolution of Banks (*Bundesgesetz zur Sanierung und Abwicklung von Banken – the "BaSAG"*). In order to draw up a resolution plan and prepare the resolution of HETA, the FMA imposed a temporary moratorium on certain obligations of HETA (including the HETA-Notes) until 31 May 2016. Furthermore, according to publicly available information, the FMA intends to apply the bail-in tool under the BaSAG with respect to liabilities of HETA (including the HETA-Notes) which would result in a (full or partial) write-down of HETA's liabilities under the HETA-Notes.

As of 31 December 2014, UNIQA Group has written off all its claims under the subordinated HETA-Notes in the amount of EUR 36 mn which resulted in a net loss of EUR 34.1mn. As of 31 March 2015, UNIQA Group has also written off its claims under the unsubordinated HETA-Notes in the amount of EUR 25 mn which resulted in a net loss of EUR 8.7 mn. There is a risk that UNIQA Group will be required to completely write-off the HETA-Notes held within UNIQA Group on a permanent basis, in particular if (in case of the subordinated HETA-Notes) the legal actions

undertaken against the HaaSanG and the FMA-regulation will not be successful and/or (in case of all HETA-Notes) its claims under the HETA-Notes will be subject to a bail-in tool exceeding the write-offs already made. This would have a material negative impact on the financial situation of UNIQA.

Changes in taxation laws or in governmental policy could negatively affect UNIQA Group's business, results of operations, financial condition and liquidity.

UNIQA Group's business is subject to taxation in the markets in which it operates, in particular in Austria, Western Europe and CEE. Changes in the applicable tax legislation, in the interpretation of existing tax laws, amendments to existing tax rates, or the introduction of new tax legislation, specifically with respect to taxation of insurance companies and the pensions and savings of individuals, may adversely affect UNIQA Group's business. UNIQA Group may be required to scale down existing operations, to abstain from its geographical expansion plans or to potentially cease operations in markets.

As of 1 January 2012, Hungary increased the value added tax rate from 25% to 27%, and with effect from 1 January 2013, it implemented a new insurance premium tax levied on insures. A 15% tax rate applies to casco insurances, and a 10% tax rate to property and accident insurances, whereas life and health insurance policies are not subject to the new tax regime. If other countries also implemented a new insurance premium tax or increased their value added tax rate, the demand for UNIQA Group's products in these countries could be adversely affected.

Amendments to applicable laws, orders and regulations may be issued or altered with retroactive effect. Additionally, tax authorities may change their interpretations of tax laws at any time, which may lead to a higher tax burden on UNIQA Group. While changes in taxation laws would affect the insurance sector as a whole, changes may be more detrimental to particular operators in the industry.

Similarly, the design of long term insurance products such as life insurance is predicated on tax legislation valid at that time. Future changes in tax legislation or its interpretation may, when applied to these products, have material adverse effects on policyholder returns and UNIQA Group's customers' demand for certain insurance products, in particular in UNIQA Group's pension and savings business. The design of long-term products takes into account, among other things, risks, benefits, charges, expenses, investment returns (including bonuses) and taxation.

Moreover, changes in governmental policy, such as in relation to government subsidized pension plans, or changes in local tax or legal regulations such as changes in taxation of certain life and health insurance products may affect UNIQA Group's clients' ability or willingness to do business with UNIQA Group and may thus adversely affect demand of UNIQA Group's insurance products.

Any of these developments could have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

UNIQA Group could be required to pay additional taxes following tax audits of the Group Companies.

The Group Companies (including partnerships) are regularly subject to tax audits. All tax assessment notices issued which have not yet become final and binding or issued for tax periods not yet audited are subject to full review and, therefore, can be changed by the tax authorities at any time without restrictions. The most recent Austrian tax audit of UNIQA, UNIQA Österreich Versicherungen AG, UNIQA Österreich Versicherungen AG as the legal successor of UNIQA Sachversicherung AG, UNIQA Österreich Versicherungen AG as the legal successor of CALL DIRECT Versicherung AG and Raiffeisen Versicherung AG for Corporate Income Tax, Value Added Tax, Withholding Tax and Contribution to the Chamber of Commerce covered the fiscal years 2003 through 2007. The most recent Austrian tax audit of UNIQA Österreich Versicherungen AG, UNIQA Österreich Versicherungen AG as the legal successor of UNIQA Sachversicherung AG, UNIQA Österreich Versicherungen AG as the legal successor of CALL DIRECT Versicherung AG and Raiffeisen Versicherung AG for Insurance Premium Tax and Fire Brigade Tax covered the fiscal years 2005 through 2007. The most recent tax audit of Salzburger Landes-Versicherung AG for Corporate Income Tax, Value Added Tax, Withholding Tax, Contribution to the Chamber of Commerce, Insurance Premium Tax and Fire Brigade Tax covered the fiscal years 2005 through 2007. As a result of these tax audits, UNIQA Group had to pay EUR 20 mn in additional taxes. The most recent tax audit of FINANCE LIFE Lebensversicherung AG for Corporate Income Tax, Value Added Tax, Withholding Tax, Contribution to the Chamber of Commerce, Insurance Premium Tax and Fire Brigade Tax covered the fiscal years 2007 through 2011. As a result of this tax audit, the FINANCE LIFE Lebensversicherung AG had to pay EUR 0.5 mn in additional taxes. Currently a tax audit of UNIQA, UNIQA Österreich Versicherungen AG, UNIQA Österreich Versicherungen AG as the legal successor of CALL DIRECT Versicherung AG, Raiffeisen Versicherung AG, Salzburger Landes-Versicherung AG and UNIQA International AG

covering the fiscal years 2008 through 2012 and of UNIQA Österreich Versicherungen AG as the legal successor of UNIQA Sachversicherung AG covering the fiscal years 2008 through 2011 is ongoing, the results of which are uncertain and may in particular oblige UNIQA Group to pay additional taxes. As a result of possibly divergent tax law interpretations by the Austrian tax authorities in the course of tax audits, tax loss carry-forwards could be reduced, or UNIQA Group could be obligated to pay additional taxes. Any of these factors could have material adverse effects on UNIQA Group's business, financial condition and results of operations.

Transferability of private health insurance in Austria could adversely affect UNIQA Group's market position, its prospects, business, financial condition and results of operations.

According to UNIQA Group's assessment, UNIQA Group is a leading provider of private health insurance in Austria. Private health insurance contracts are typically long-term agreements. Like other insurance companies, UNIQA Group uses part of premiums paid to set up ageing provisions to account for increased benefits as the insured gets older. In Austria, switching between private health insurance providers is economically unattractive because policyholders are not entitled to transfer all or part of their ageing provision to a new insurer. Switching would result in significant losses to policyholders and effectively ties the policyholder to UNIQA Group as their private health insurance provider. Should Austria enact rules to allow policyholders to transfer all or part of their ageing provision to a new insurer, UNIQA Group is likely to face strong competition from other Austrian private health insurers. Measures taken by UNIQA Group's competitors may increase and incentivize policyholders to switch to other insurance providers. Such development could have material adverse effects on UNIQA Group's market position, its prospects, business, financial condition and results of operations.

UNIQA Group is exposed to litigation risk.

In the course of its operating activities, UNIQA Group is exposed to risks resulting from legal disputes with its customers, employees and business partners. These disputes mainly relate to insurance claims or employee disputes. UNIQA Group cannot predict the outcome of any pending legal and arbitration proceedings or potential future legal and arbitration proceedings with certainty and may incur substantial expenses in pursuing or defending these proceedings. Potential liabilities may not be covered by insurance, UNIQA Group's insurers may dispute coverage or may be unable to meet their obligations, or the amount of UNIQA Group's insurance coverage may be inadequate. Furthermore, while most of the claims are individually immaterial, such claims, in the aggregate, may material adversely affect UNIQA Group's business. This may result, for instance, if there are a large number of claims with similar facts, and there is an adverse decision against UNIQA Group. Even if claims brought against UNIQA Group are unsuccessful or without merit, UNIQA Group would have to defend itself against such claims. The defense of any such actions may be time consuming and costly, may distract the attention of management and potentially result in reputational damage. As a result, UNIQA Group may incur significant expenses and may be unable to effectively operate its business.

In addition, UNIQA Group may be subject to litigation from consumer protection associations and other unrelated third-parties to enforce consumer protection laws. For instance, under Austrian consumer protection regulation, consumer protection associations, competitors and natural persons may bring a court action in order to prohibit the use of clauses in standard forms of agreements. If a clause or standard form is prohibited by a final judgment of a competent court, such clause may no longer be applied by any entity operating in Austria. No assurance can be given that such claims will not be raised. Even if the individual value of such claims is immaterial, they could adversely affect UNIQA Group's business, financial condition and results of operations if resolved unfavourably for UNIQA Group and the total number and value of such potential claims is material.

UNIQA Group cannot rule out the possibility that the number of such claims could increase in the future. Increasing numbers of claims may result in negative publicity and may damage UNIQA Group's reputation, regardless of whether or not allegations are valid, and ultimately lead to a decline in new business. Any of these factors may have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

The legal systems and procedural safeguards in many CEE countries are not yet fully developed.

The legal systems of most CEE countries have changed dramatically in recent years, particularly as a result of entry into the European Union. In many cases, the interpretation and procedural safeguards of the new legal and regulatory systems are still evolving, which may result in an inconsistent application of existing laws and regulations. Frequently, there is no legal precedent or binding guidance from regulatory authorities as to legal interpretation. Courts or regulatory authorities may interpret laws or regulations in a way that differs from then current practice, which may result in UNIQA Group having to cease certain business practices or in UNIQA Group inadvertently violating

applicable law. Additionally, in some circumstances, it may not be possible to obtain a legal remedy in a reasonably timely manner. If any of these events were to occur, it may have a material effect on UNIQA Group's business, financial condition and results of operations.

UNIQA Group may be exposed to re-privatization claims relating to certain of its real estate property in CEE.

After the Second World War, in certain CEE countries, privately-held real estate and business enterprises were nationalized. In many cases, nationalization was in violation of prevailing laws. Many former owners or their legal successors took steps to recover property that was expropriated after the war, or sought equivalent compensation. UNIQA Group cannot rule out the possibility that such claims may be filed against UNIQA Group's companies in the future and that UNIQA Group may be obliged to compensate former owners for nationalization of property or return any real property confiscated. If these risks were to materialize, this may have material adverse effects on UNIQA Group's business, financial condition and results of operations.

Changes in accounting standards or principles may have a material adverse effect on UNIQA Group's business, financial condition and results of operations.

The Consolidated Financial Statements of UNIQA Group have been prepared and presented in accordance with IFRS. IFRS are standards issued by the International Accounting Standards Board ("**IASB**") and are subject to approval by the EU ("endorsement"). Any changes in IFRS may have a material effect on the revenues, results of operations, and consolidated equity presented in the Consolidated Financial Statements in any given year or fluctuations in figures from year to year.

Significant changes in accounting standards may further necessitate organizational changes and expenses to adapt existing or planned IT processes and systems in UNIQA Group. For example, IASB, in consultation with the Financial Accounting Standards Board, has proposed a number of new accountancy standards and modifications to existing standards. The new standard may negatively affect the manner of technical provisions evaluations and revenue and costs identification and reporting. A standard with a particularly high potential impact is IFRS 4 (phase II) – "Insurance Contracts". An amendment of this standard is in preparation and may have a material effect on UNIQA Group's business, financial condition and results of operations.

UNIQA Group is also subject to accounting principles, which are adopted and interpreted by administrative bodies, in particular regulators and ministries in the countries in which UNIQA Group operates. Many of these regulations and interpretations implicate other regulatory requirements, including solvency and other essential ratios, and financial metrics that UNIQA Group uses, such as the level of technical provisions which it must maintain to satisfy obligations under insurance agreements. Considering the numerous regulations and administrative entities applying or interpreting accountancy principles, there may be divergent interpretations among these entities of the same accountancy principles and each of them may seek to impose its own interpretation on UNIQA Group. This may result in UNIQA Group reporting different financial information depending on the relevant jurisdiction or in UNIQA Group being in violation of applicable accountancy rules in certain of the jurisdictions in which it operates, which may have material adverse effects on UNIQA Group's business, financial condition and results of operations.

Risks relating to the Notes

An investment in the Notes involves certain risks associated with the characteristics, specification and type of the Notes which could lead to substantial losses that Noteholders would have to bear in the case of selling their Notes or with regard to receiving interest payments and repayment of principal. Risks regarding the Notes comprise, *inter alia*, the following risks:

Notes may not be a suitable investment for all investors

Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus (any applicable supplement to this Prospectus);

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including cases in which the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the Terms and Conditions and the content of this Prospectus;
- be able to evaluate, either alone or with the help of a financial adviser, possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and
- recognise that it may not be possible to dispose of the Notes for a substantial period of time, if at all.

The Notes are complex financial instruments. Sophisticated institutional investors generally purchase complex financial instruments as part of a wider portfolio strategy rather than as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with a measured and appropriate addition of risk to their overall portfolios, and only after performing an intensive analysis of all involved risks. A potential investor should not invest in the Notes - which are complex financial instruments - unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

No Interest Amount will be paid in respect of the Notes if a Mandatory Suspension Event prevails on a due date for interest; the right to receive such payment of interest may be deferred.

Following a Mandatory Suspension Event (as defined in § 4(3) of the Terms and Conditions) and for as long as such Mandatory Suspension Event continues, the Issuer is prohibited from making any payments of interest on the Notes. Accordingly, Noteholders are exposed to not receive payments of interest, if a Mandatory Suspension Event occurs.

No Redemption Amount will be paid in respect of the Notes if the Redemption Conditions are not fulfilled; the right to receive such payment of the Redemption Amount may be deferred.

Pursuant to § 5(6) of the Terms and Conditions certain conditions (the "**Redemption Conditions**") have to be met before payment of the Redemption Amount (i.e. principal plus interest accrued) can be made. The Redemption Conditions are fulfilled on any day with respect to a scheduled redemption or a planned repurchase of the Notes, if: (a) a redemption payment or a repurchase would not result in, or accelerate, the occurrence of an Insolvency Event (as defined in § 4(3) of the Terms and Conditions); and (b) no Solvency Capital Event (as defined in § 4(5)(b) of the Terms and Conditions) has occurred and is continuing or would be caused by the redemption or the repurchase of the Notes, unless: (i) the Supervisory Authority has exceptionally given, and not withdrawn by such date, its prior approval to the redemption of the Notes and the payment of the Redemption Amount or to the repurchase of the Notes despite the Solvency Capital Event; and (ii) the capital is replaced by another tier 1 or tier 2 basic own-fund item of at least the same quality with the approval of the Supervisory Authority; and (iii) the minimum capital requirement (MCR) (howsoever described in the Applicable Supervisory Law) pursuant to the Applicable Supervisory Law is complied with after the redemption of the Notes and the payment of the Redemption Amount or the repurchase of the Notes is made; and (c) the Supervisory Authority has given, and not withdrawn by such day, its prior consent to the redemption of the Notes or to the repurchase of the Notes; and (d) in the event of a redemption or a repurchase of the Notes or a substitution pursuant to § 12 prior the later of 1 January 2021 and the fifth anniversary of the Solvency II Implementation Date, the capital has been replaced by another tier 1 or tier 2 basic own-fund item of at least the same quality (if such replacement is still required at that time for the Notes to be eligible as Tier 2 of the Issuer and/or the UNIQA Group under the Applicable Supervisory Law). Accordingly, Noteholders are exposed to the risk not to receive payments of the Redemption Amount on any day with respect to a scheduled redemption or a planned repurchase of the Notes if the Redemption Conditions are not fulfilled.

Payments of interest under the Notes may be deferred at the election of the Issuer even if no Mandatory Suspension Event has occurred.

The Issuer has the option to defer any payment of interest on the Notes, if the requirements for an optional deferral as set out in § 4(4) of the Terms and Conditions (Optional deferral of interest payments) are satisfied. If the Issuer elects to defer, in whole or in part, accrued interest on an Optional Interest Payment Date, then it will not have any obligation to pay accrued interest on such Optional Interest Payment Date or will only be obliged to pay such part of the accrued

interest it elects not to defer, respectively. Any such non-payment will not constitute a default of the Issuer or any other breach of its obligations under the Notes or for any other purpose.

The Competent Supervisory Authority may not consent to the payment of deferred interest or principal.

The Terms and Conditions contain provisions stipulating that payment of deferred interest and principal is subject to, *inter alia*, consent to such payment by the Supervisory Authority. The Supervisory Authority may reject such consent even though the Issuer and UNIQA Group comply with the Applicable Supervisory Law.

Claims under the Notes are subordinated.

The Issuer's obligations under the Notes are direct, unsecured and subordinated obligations of the Issuer ranking (i) junior to all present or future unsubordinated instruments or obligations of the Issuer; (ii) *pari passu* among themselves, and at least *pari passu* with all other present or future unsecured instruments or obligations of the Issuer which rank, or are expressed to rank junior to all unsubordinated obligations or instruments (including obligations in relation to supplementary capital (*Ergänzungskapital*) pursuant to § 73c(2) of the Austrian Insurance Supervision Act) of the Issuer (the "**Parity Instruments**"); and (iii) senior to all present or future instruments or obligations of the Issuer which rank, or are expressed to rank, junior to the obligations of the Issuer under the Notes, including obligations in relation to, participation capital (*Partizipationskapital*) pursuant to § 73c(1) of the Austrian Insurance Supervision Act as well as share capital (*Grundkapital*) of any class and any other tier 1 own-fund item pursuant to Applicable Supervisory Law (all such obligations and shares, the "**Junior Instruments**").

In the event of the liquidation, dissolution or insolvency of the Issuer or any proceeding for the avoidance of insolvency of the Issuer, the obligations of the Issuer under the Notes shall be subordinated to the claims of all holders of unsubordinated obligations so that in any such event and as long as the equity of the Issuer is negative in the meaning of § 255(1) Austrian Commercial Code (*Unternehmensgesetzbuch – UGB*) (*negatives Eigenkapital*) payments in respect of the Notes will not be made until all claims against the Issuer under obligations which rank senior to obligations of the Issuer under the Notes in accordance with the Terms and Conditions or by operation of law have been satisfied in full. Only after the aforementioned claims will first have been satisfied and the obligations of the Issuer under the Notes have been satisfied in full, may any remaining assets be distributed to holders of any instruments that rank junior to the Notes.

The Noteholders declare that no insolvency proceedings against the Issuer are required to be opened in relation to the obligations of the Issuer under the Notes. The Notes do not contribute to a determination that the liabilities of the Issuer exceed its assets; therefore the obligations of the Issuer under the Notes, if any, will not contribute to the determination of over-indebtedness (*Überschuldung*) in accordance with § 67(3) of the Austrian Insolvency Code (*Insolvenzordnung - IO*).

The Noteholders must accept that, in the circumstances described above, (i) the Issuer will make payments in respect of the Notes only in accordance with the subordination described above, and (ii) the rights of the Noteholders under the Notes will be subject to the provisions of the insolvency laws applicable to the Issuer from time to time.

In any case, there is a significant risk that an investor in the Notes will lose all or some of its investment should the Issuer become insolvent.

Investors are subject to the risk of partial or total failure of the Issuer to make interest and/or redemption payments that the Issuer is obliged to make under the notes. This may lead to the partial or total loss for the investor in the Notes. This risk is aggravated by the fact that the Notes are unsecured and subordinated.

There is no limitation on the Issuer to incur additional indebtedness or guarantees ranking senior or pari passu with the Notes.

The Issuer has not entered into any restrictive covenants in connection with the issuance of the Notes regarding its ability to incur additional indebtedness or guarantees ranking *pari passu* or senior to the obligations under or in connection with the Notes. The incurrence of any such additional indebtedness or guarantees may significantly increase the likelihood of a deferral of interest payments under the Notes and/or may reduce the amount recoverable by Noteholders in the event of insolvency or liquidation of the Issuer.

Potential postponement of the maturity date of the Notes.

If on the Scheduled Maturity Date (as defined in § 1 of the Terms and Conditions) the Redemption Conditions are not fulfilled, the Notes will only be redeemed on the next Floating Interest Payment Date following the Scheduled Maturity Date, and on which the Redemption Conditions are fulfilled.

Therefore, Noteholders are exposed to the risk not to receive their investment back at the Scheduled Maturity Date but at a later point in time than initially expected.

If the Notes are not redeemed on the Scheduled Maturity Date due to the reasons set out above, Noteholders will not receive any additional compensation for the postponement of the redemption.

Despite their long maturity, the Notes may not be redeemed at the option of the Noteholders, and any rights of the Issuer to redeem or repurchase the Notes prior to their Scheduled Maturity Date (if any) are subject to the prior approval of the Supervisory Authority.

The Noteholders have no rights to call for the redemption of their Notes and should not invest in the Notes in the expectation that any redemption right will be exercised by the Issuer.

Subject to certain conditions as set forth in § 5(2) of the Terms and Conditions, the Issuer may at its sole discretion, upon the occurrence of certain Early Redemption Events (i.e. a Regulatory Event, a Gross-up Event, a Tax Event, an Accounting Event or a Rating Agency Event), redeem the Notes early at the Redemption Amount on the date fixed for redemption. This redemption is subject to the Redemption Conditions (as defined in § 5(6) of the Terms and Conditions, the "**Redemption Conditions**") being fulfilled. In addition, the Issuer may at its sole discretion redeem the Notes, on a specified call date (i.e. the First Issuer Call Date) at the applicable Redemption Amount and subject to the Redemption Conditions being fulfilled.

Noteholders should therefore be aware that they may be required to bear the financial risks of an investment in the Notes until their final maturity.

If the Notes are redeemed prior to the Scheduled Maturity Date, a Noteholder is exposed to the risk that due to the early redemption his investment will have a lower than expected yield and to the risks connected with any reinvestment of the cash proceeds received as a result of the early redemption. Noteholders will receive the Redemption Amount upon any early redemption. The Redemption Amount may be lower than the then prevailing market price of the Notes.

The Terms and Conditions do not provide for any express events of default provision and no termination rights.

Noteholders should be aware that the Terms and Conditions do not contain any express events of default provisions. Accordingly, Noteholders may not be in a position to call their Notes for redemption upon default of the Issuer.

Noteholders are exposed to the risk not to receive payments of Arrears of Interest prior to the redemption of the Notes

Accrued interest in respect of an interest period for which the Issuer may not pay interest or decides not to pay interest according to the Terms and Conditions will constitute arrears of interest ("**Arrears of Interest**"). Noteholders will not receive any interest or other compensation in case of a deferral of interest payments. In particular, Arrears of Interest will not bear interest. The Issuer is only in certain cases (see § 4(7) of the Terms and Conditions) obliged to pay Arrears of Interest prior to a redemption of the Notes. Thus, investors must not expect to receive any payments of Arrears of Interest prior to the redemption of the Notes.

Payments under the Notes may be subject to withholding tax pursuant to FATCA

The Issuer, any intermediary or agent may under certain circumstances, be required under Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended and the regulations promulgated thereunder ("**FATCA**") to withhold, as of 1 January 2017 (at the earliest), U.S. tax at a rate of 30.00 per cent. on all or a portion of payments of principal and interest which are treated as "foreign pass-thru payments" if the Issuer is or becomes a foreign financial institution (as defined in FATCA) if such payment is made to certain holders that do not comply with certain information requests and to foreign financial institutions unless the payee foreign financial institution enters into an agreement with the U.S. Internal Revenue Service or other relevant taxing authority to, among other things, disclose the identity of certain U.S. account holders at the institution (or the institution's affiliates), annually report certain

information about such accounts and comply with certain rules or laws relating to an applicable intergovernmental agreement implementing FATCA in a specific jurisdiction or otherwise deemed compliant with FATCA.

Whilst the Notes are in global form and held within or on behalf of Clearstream Banking S.A., Luxembourg 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg and Euroclear Bank SA/NV 1, Boulevard du Roi Albert II, B - 1210 Brussels as operator of the Euroclear System (the "**Clearing Systems**"), in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the relevant Clearing System. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Notes are discharged once it has made payments to, or to the order of, the relevant Clearing System and the Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the relevant Clearing System and custodians or intermediaries.

The future development of the Issuer's assets, financial and profit position, inter alia, depends on the tax framework. Every future change in legislation, in particular the introduction of a financial transaction tax, may negatively impact on the Issuer's assets, financial and profit position.

Pursuant to the proposal by the EU-Commission for a "Council Directive implementing enhanced cooperation in the area of financial transaction tax" eleven EU-Member States, *i.e.* Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, the Slovak Republic, Slovenia and Spain ("**Participating Member States**") shall charge a financial transaction tax ("**FTT**") on financial transactions as defined if at least one party to the transaction is established in the territory of a Participating Member State and a financial institution (which term includes insurance companies) established in the territory of a Participating Member State is party to the transaction, acting either for its own account or for the account of another person, or is acting in the name of a party to the transaction (residency principle). In addition, the proposal contains rules pursuant to which a financial institution and, respectively, a person which is not a financial institution are deemed to be established in the territory of a Participating Member State if they are parties to a financial transaction in certain instruments issued within the territory of that Participating Member State (issuance principle). Financial transactions related to derivatives contracts shall be taxed at a minimum rate of 0.01% on the notional amount referred to in the derivatives contract; all other financial transactions (e.g. the purchase and sale of shares, bonds and equivalent securities, money market instruments or fund units) shall be taxed at a minimum rate of 0.1% with the taxable amount being everything which constitutes consideration paid or owed from the counterparty or a third party in return for the transfer. The proposal provides for the FTT to apply as of 1 January 2014 (which deadline, however, has obviously not been met). It is unclear whether the FTT will be introduced in the proposed form at all. The proposed FTT has a very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. If the FTT is introduced, due to higher costs for investors there is a risk that it would result in fewer transactions taking place, thereby negatively affecting the investment income of the Issuer. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

There is a risk that no liquid secondary market for the Notes will develop or, if it does develop, that it will not continue (liquidity risk)

Application has been made to the Vienna Stock Exchange for the Notes to be admitted to trading and to be listed on the *Geregelter Freiverkehr* (Second Regulated Market) of the Vienna Stock Exchange. However, there is a risk that no liquid secondary market for the Notes will develop or, if it does develop, that it will not continue. The fact that the Notes may be listed does not necessarily lead to greater liquidity as compared to unlisted Notes. In an illiquid market, an investor is subject to the risk that he will not be able to sell its Notes at any time or at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

There is a risk that trading in the Notes will be suspended, interrupted or terminated

The listing of the Notes may, depending on the applicable rules, be suspended or interrupted by the stock exchange or the competent regulatory authority for a number of reasons, including violation of price limits, breach of statutory provisions, occurrence of operational problems of the stock exchange or generally if deemed required in order to secure a functioning market or to safeguard the interests of investors. Furthermore, trading in the Notes may be terminated, either upon decision of the stock exchange, a regulatory authority or upon application by the Issuer. Noteholders should note that the Issuer has no influence on trading suspension or interruptions (other than where trading in the Notes is terminated upon the Issuer's decision) and that Noteholders in any event must bear the risks connected therewith. In particular, Noteholders may not be able to sell their Notes where trading is suspended, interrupted or terminated, and the stock exchange quotations of such Notes may not adequately reflect the price of such Notes. Finally, even if trading in Notes is suspended, interrupted or terminated, Noteholders should note that such measures may neither be sufficient nor adequate nor in time to prevent price disruptions or to safeguard the Noteholders' interests; for example, where trading in Notes is suspended after price-sensitive information relating to such Notes has been published, the price of such Notes may already have been adversely affected. All these risks would, if they materialize, have a material adverse effect on the price of the Notes.

Noteholders assume the risk that the credit spread of the Issuer changes (credit spread risk).

Noteholders should be aware that the market yield has two components, namely the risk free rate and the credit spread. A credit spread is the margin payable by the Issuer to the Noteholder as a premium for the assumed credit risk. Credit spreads are offered and sold as premiums on current risk-free interest rates or as discounts on the price.

The credit spread is reflective of the yield that investors require in addition to the yield on a risk free investment of equal tenor as a compensation for the risks inherent in the Notes. The credit spread changes over time and can decrease as well as increase for a large number of different reasons. The market yield of the Notes can change due to changes of the credit spread, the risk free rate, or both.

Factors influencing the credit spread include, among other things, the creditworthiness and rating of the Issuer, probability of default, recovery rate, remaining term to maturity of the Notes and obligations under any collateralization or guarantee and declarations as to any preferred payment or subordination. The liquidity situation, the general level of interest rates, overall economic developments, and the currency, in which the relevant obligation is denominated may have a positive or negative effect.

Noteholders are exposed to the risk that the credit spread of the Issuer widens resulting in a decrease in the price of the Notes.

Noteholders are exposed to market price risk in any sale of Notes (market price risk).

The development of market prices of the Notes depends on various factors, such as changes of market interest rate levels, the policies of central banks, overall economic developments, inflation rates or the lack of or excess demand for the Note. The Noteholders are therefore exposed to the risk of an unfavourable development of market prices of their Notes which materialise if the Noteholders sell the Notes prior to the final maturity. If a Noteholder decides to hold the Notes until final maturity, the Notes will be redeemed at the principal amount of the Notes.

Noteholders are exposed to the risk of partial or total failure of the Issuer to make interest and/or redemption payments under the Notes, including a total loss of the invested capital (credit risk)

Investors are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments that the Issuer is obliged to make under the Notes. The worse the creditworthiness of the Issuer, the higher is the risk of loss. A materialization of the credit risk may result in partial or total failure of the Issuer to make interest and/or redemption payments. This risk is even higher for the Notes than for other (unsubordinated) debt of the Issuer as the Notes are according to their Terms and Conditions subordinated to all unsubordinated obligations of the Issuer. Thus, Noteholders would be among the first investors of the Issuer suffering losses if the credit risk would materialize.

The market price of the Notes could decrease if the creditworthiness of the Issuer worsens

If the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due decreases, for example, because of the materialisation of any of the risks regarding UNIQA Group or the Issuer, the market value of the Notes will suffer. In addition, even if the likelihood that the Issuer will be in a position to fully

perform all obligations under the Notes when they fall due actually has not decreased, market participants could nevertheless have a different perception. In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as UNIQA Group could adversely change. If any of these risks occurs, third parties are likely only to be willing to purchase Notes for a lower price than before the materialisation of the mentioned risk. Under these circumstances, the market value of the Notes will decrease. Furthermore, market participants may utilize credit ratings issued by credit rating agencies in relation to the Notes or the Issuer to assess the credit quality of the Notes or the creditworthiness of the Issuer. Such credit ratings may however not accurately reflect the actual credit quality of the Notes or the actual financial position of the Issuer. Should such inaccuracy be discovered, the market value of the Notes may change to a level adequate for the actual credit quality or financial position respectively. Moreover, changes in ratings of the Issuer or the Notes may have an impact on the market value of the Notes.

Noteholders for whom the Euro represents a foreign currency are exposed to the risk of changes in currency exchange rates.

The Notes are denominated in Euro. If such currency represents a foreign currency to a Noteholder, such Noteholder is particularly exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes in the currency of the Noteholder. Changes in currency exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks and governments. In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

Fixed rate Notes bear a market risk

A holder of Notes with a fixed interest rate is exposed to the risk that the price of such Notes falls as a result of increasing market interest rates. While the nominal interest rate of the Notes is fixed, the current interest rate on the capital market (market interest rate) typically changes on a daily basis. As the market interest rate changes, the price of the Notes changes typically in the opposite direction. If the market interest rate increases, the price of the Notes would typically fall and if the market interest rate falls, the price of the Notes would typically increase. Hence, holders of Notes should be aware that movements of the market interest rate can adversely affect the price of the Notes and can lead to losses if holders of Notes sell their Notes.

A change of the interest rate may affect the secondary market and the market value of the Notes (fixed-to-floating rate Notes).

The Notes bear interest at a fixed rate to (but excluding) the First Issuer Call Date.

During that time, Noteholders are exposed to the risk that the price of such Notes may fall because of changes in the market yield. While the nominal interest rate (i.e. the coupon) of the Notes is fixed until (but excluding) the First Issuer Call Date, the market yield typically changes on a daily basis. As the market yield changes, the price of the Notes changes in the opposite direction. If the market yield increases, the price of the Notes falls. If the market yield falls, the price of the Note increases. Noteholders should be aware that movements of the market yield can adversely affect the price of the Notes and can lead to losses for the Noteholders.

If the Notes are not called on the First Issuer Call Date, the Notes will bear interest at a floating rate from the First Issuer Call Date (including) on (i.e. until the Final Maturity Date (excluding), if any).

The floating rate applicable to the Notes from (and including) the First Issuer Call Date is based on two components, namely the Rate of Interest and the Margin. The floating rate (i.e. the coupon) is payable quarterly, and will be adapted immediately prior to any Floating Interest Period to the then prevailing Rate of Interest plus the Margin.

Noteholders should be aware that the floating rate interest income is subject to changes to Rate of Interest and therefore cannot be anticipated. Hence, Noteholders are not able to determine a definite yield of the Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments in simple fixed rate (i.e. fixed rate coupons only) instruments.

Since the Margin is fixed at issuance of the transaction, Noteholders are subject to the risk that the Margin does not reflect the spread that investors require in addition to the Rate of Interest as a compensation for the risks inherent in the Notes ("market spread"). The market spread typically changes on a daily basis. As the market spread changes, the price of

the Notes changes in the opposite direction. A decrease of the market spread has a positive impact on the price of the Notes, an increase of the market spread has a negative impact on the price of the Notes. However, the price of the Notes is subject to changes in the market spread, changes in the Rate of Interest or both. Noteholders should be aware that movements of the market spread can adversely affect the price of the Notes and can lead to losses for the Noteholders.

Due to future money depreciation (inflation), the real yield of an investment may be reduced.

The value of assets such as the Notes or income therefrom will decrease as inflation reduces the purchasing power of a currency. Inflation causes the rate of return to decrease in value. If the inflation rate exceeds the interest paid on any Notes, the real yield on such Notes will become negative.

There is a risk that Noteholders may not be able to reinvest proceeds from the Notes at equal conditions (reinvestment risk).

In case of sales before maturity, in the event of an early redemption or redemption at maturity of the Notes, there is no assurance that investors are able to reinvest the proceeds in comparable notes with an at least equal yield. The same applies to interest payments. If Noteholders want to invest such proceeds in comparable transactions, Noteholders will only be able to reinvest such proceeds in comparable transactions at the then prevailing lower market yields (or market spreads respectively).

Because the Global Notes are held by or on behalf of the relevant Clearing System(s), Investors will have to rely on their procedures for transfer, payment and communication with the Issuer.

The Notes will be represented by one or more Global Notes. The Global Notes will be kept in custody by or on behalf of a Clearing System. Investors will not be entitled to receive definitive Notes. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through the Clearing System(s) and the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of, the Clearing System(s) for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of the Clearing System(s) to receive payments under the Notes. The Noteholders shall be aware that the Issuer has no responsibility or liability for the records relating to, or payments made in respect of beneficial interests in the Global Notes.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The transaction costs may reduce the earnings from the Notes.

The yield on the Notes may be reduced by transaction costs. When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the price for the Notes. These incidental costs may significantly reduce or even exclude the profit potential of the Notes. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Noteholders must take into account that they may also be charged for brokerage fees, commissions and other fees and expenses of such parties (third party costs). In addition to such costs directly related to the purchase of Notes (direct costs), Noteholders must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

Noteholders must further take into account that upon sales or purchases of Notes prior to an interest payment date (depending on their type and features), the consideration received or paid may or may not include a compensation for accrued interest.

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges when implementing the transaction.

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. An effective yield on the Notes may be diminished by the tax impact on an investment in the Notes. Payments of interest on the Notes, or profits realised by the Noteholder upon the sale or repayment of the Notes, may be subject to taxation in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. The tax impact on an individual Noteholder may differ from the situation described for Noteholders generally. Potential investors are advised not to rely upon the tax summary contained in this document and/or in the Final Terms but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes.

All investors are advised to contact their own tax advisors for advice on the tax impact of an investment in the Notes. Examples of taxation risk that investors should consider together with their advisors include among others the risk of double taxation (in Austria and their home jurisdiction). Only these advisers are in a position to duly consider the specific situation of the potential investor.

Under the EU Savings Directive, if a payment were to be made or collected through a paying agent in a state which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Notes as a result of the imposition of such withholding tax (no gross-up). Further, the EU Savings Directive generally requires EU Member States to provide details of payments of interest and other similar income to the tax authorities of another EU Member State.

Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments, as amended (the "**EU Savings Directive**") obliges each EU Member State to provide to the tax authorities of other EU Member States details of payments of interest (or similar income) paid by a paying agent within its jurisdiction to an individual resident in that other EU Member State, except that originally Austria, Belgium and Luxembourg had instead imposed a withholding system for a transitional period (the ending of such transitional period being dependent upon the conclusion of agreements relating to information exchange with certain other countries) unless during that period they elect otherwise. Belgium abandoned the transitional withholding system and has been providing information in accordance with the EU Savings Directive since 1 January 2010. Also Luxembourg switched from the withholding system to the exchange of information system as of 1 January 2015. A number of other non-EU countries and territories, including Switzerland, have agreed to adopt measures similar to those contained in the EU Savings Directive (a withholding system in the case of Switzerland) with effect from the adoption of the EU Savings Directive.

Council Directive 2014/48/EU of 24 March 2014 amending Directive 2003/48/EC on taxation of savings income in the form of interest payments broadens the definition of interest income (thereby including, inter alia, income from instruments equivalent to debt claims and certain life insurance products) and extends the scope to interest income derived by individuals via certain entities and legal arrangements.

On 18 March 2015 the European Commission published a proposal for a "Council Directive repealing Council Directive 2003/48/EC". Pursuant thereto, the EU Savings Directive shall in general be repealed with effect from 1 January 2016. However, pursuant to detailed grandfathering provisions, Austria shall in general continue to apply it until 31 December 2016.

If a payment were to be made or collected through a paying agent in a state which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Notes as a result of the imposition of such withholding tax.

Margin lending may increase the risk to a Noteholder of non-performance of the Notes.

Margin lending, where it is permitted, can materially increase the risk to a Noteholder of non-performance of the Notes. If a loan is used to finance the acquisition of the Notes and the Notes subsequently go into default, or if the trading price diminishes significantly, the Noteholder not only has to face a potential loss on its investment, but it will also have to repay the loan and pay interest thereon. This may significantly increase the risk of a loss. Investors should not assume that they will be able to repay the loan or pay interest thereon from the profits of a transaction. Instead, investors should assess their financial situation prior to an investment, as to whether they are able to pay interest on the loan, or to repay the loan on demand, even if they may suffer losses instead of realising gains.

Resolutions of Noteholders

Since the Notes provide for meetings of Noteholders or the taking of votes without a meeting, a Noteholder is subject to the risk of being outvoted by a majority resolution of the Noteholders. As such majority resolution is binding on all Noteholders, certain rights of such Noteholder against the Issuer under the Terms and Conditions may be amended or reduced or even cancelled.

Noteholders' Representative

Since the Notes provide for the appointment of a Noteholders' representative (*gemeinsamer Vertreter*), it is possible that a Noteholder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer, such right passing to the Noteholders' representative who is then exclusively responsible to claim and enforce the rights of all the Noteholders.

An Austrian court can appoint a trustee for the Notes to exercise the rights and represent the interests of Noteholders on their behalf in which case the ability of Noteholders to pursue their rights under the Notes individually may be limited.

Pursuant to the Austrian Notes Trustee Act (*Kuratorenengesetz*), a trustee (*Kurator*) can be appointed by an Austrian court upon the request of any interested party (e.g. a Noteholder) or upon the initiative of the competent court, for the purposes of representing the common interests of the Noteholders in matters concerning their collective rights. In particular, this may occur if insolvency proceedings are initiated against the Issuer, in connection with any amendments to the Terms and Conditions or changes relating to the Issuer, or under other similar circumstances. If a trustee is appointed, it will exercise the collective rights and represent the interests of the Noteholders and will be entitled to make statements on their behalf which shall be binding on all Noteholders. Where a trustee represents the interests and exercises the rights of Noteholders, this may conflict with or otherwise adversely affect the interests of individual or all Noteholders.

Ratings of the Notes, if any, may not reflect the potential impact of all risks and may be subject to change or withdrawal at any time.

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Rating agencies may change their methodologies for rating securities with features similar to the Notes in the future. If the rating agencies were to change their practices for rating such securities in the future and the ratings of the Notes were to be subsequently lowered, this may have a negative impact on the trading price of the Notes.

The Notes are governed by German (and partly Austrian) law, and changes in applicable laws, regulations or regulatory policies may have an adverse effect on the Issuer, the Notes and the Noteholders.

The Terms and Conditions will be governed by German law (save for that § 3 (1) of the Terms and Conditions is governed by Austrian law). Noteholders should thus note that the governing law may not be the law of their own home jurisdiction and that the law applicable to the Notes may not provide them with similar protection as their own law. Furthermore, no assurance can be given as to the impact of any possible judicial decision or change to German and/or Austrian law, or administrative practice after the date of this Prospectus.

INFORMATION ON THE ISSUER

Formation, registered office and duration

The Issuer is a stock corporation established in 27 July 1922 under the name "Versicherungsanstalt der österreichischen Bundesländer, Versicherungsaktiengesellschaft" under Austrian law for an indefinite period. The Issuer's legal name is "UNIQA Insurance Group AG". The legal name of the Issuer changed with effect from 16 July 2013 from "UNIQA Versicherungen AG" to the current one. Its registered seat is Vienna, Austria, and its business address is Untere Donaustraße 21, 1029 Vienna, Austria, Tel. +43 1 211 75 3773. The Issuer is registered in the Austrian Companies Register (*Firmenbuch*) in Vienna under registration number FN 92933t.

Financial year

The Issuer's financial year corresponds to the calendar year and thus commences on 1 January and ends on 31 December.

Corporate object of the Issuer

According to Sec. 2 para 1 of UNIQA's Articles of Association, the Issuer's core business includes insurance and reinsurance as well as activities related thereto, to the extent that such operations have been licensed by the FMA. Moreover, pursuant to Sec. 2 para 2 of UNIQA's Articles of Association, the Issuer may hold interests in other companies, act as insurance broker, be active in the business of brokerage of mortgage loans and personal loans as well as securities brokerage, to the extent that such activities are connected with the insurance business, and brokerage of building savings contracts, may further provide services in automatic data processing and information technology, establish and manage organizational facilities for companies in which the Issuer holds an interest or with which cooperation agreements have been entered into, engage in administrative services for companies in which the Issuer holds an interest, and may temporarily provide workforce to companies in which the Issuer holds an interest and which provide services for the Issuer or its subsidiaries.

Auditors

The German language consolidated financial statements of the Issuer for the years ended 31 December 2014 and 31 December 2013 were audited by PwC Wirtschaftsprüfung GmbH, Erdbergstraße 200, 1030 Wien. The German language audit opinions (which do not contain any qualifications) for the consolidated financial statements of the Issuer for the years ended 31 December 2014 and 31 December 2013 were rendered on 25 March 2015 and 25 March 2014, respectively. The auditors and their responsible employees are members of the Austrian Chamber of Chartered Accountants, Schönbrunner Straße 222-228/1/6, A-1120 Vienna.

Business Description

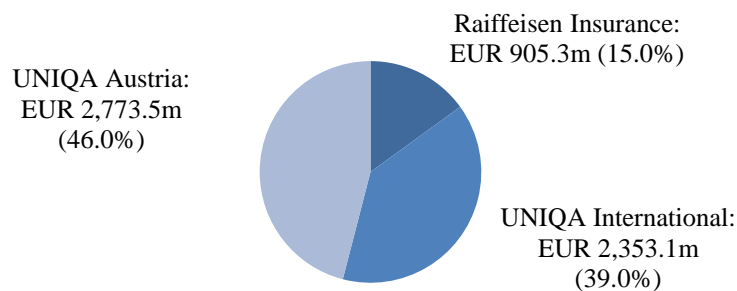
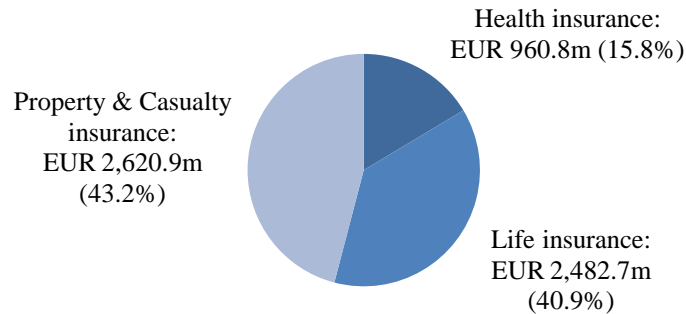
Overview

The Issuer is the holding company of UNIQA Group and its business is primarily conducted by its subsidiaries operating under a number of other commercial names, most notably "UNIQA Österreich Versicherungen AG", "Raiffeisen Versicherung AG" and "UNIQA International AG" outside Austria. The Issuer manages UNIQA Group, operates the indirect insurance business. In addition, it carries out numerous service functions for Austrian and international insurance companies, in order to take best advantage of synergy effects and to consistently implement UNIQA Group's long-term corporate strategy. UNIQA International AG manages the international activities of UNIQA Group. This entity is also responsible for the ongoing monitoring and analysis of the international target markets and for acquisitions and post-merger integration. Swiss-based UNIQA Re AG acts as a reinsurer for UNIQA Group's operating companies.

The Issuer is one of the leading international insurance groups in Austria and across CEE based on gross premiums written of EUR 6,064.4 mn in 2014 (EUR 5,885.5 mn in 2013, in each case including the savings portion of unit-linked and index-linked life insurance). The Issuer is active in all lines of the insurance business and organizes its operations in

five operating segments: UNIQA Austria, Raiffeisen Insurance, UNIQA International, Reinsurance and Group functions and consolidation.

The following charts give an overview of the gross premiums written per segment and per entity in the financial year 2014 (including the savings portion of unit-linked and index-linked life insurance):



Source: Internal information from the Issuer.

Key markets

The macro-economic data in this chapter is derived from EUROSTAT (Source: <http://ec.europa.eu/eurostat/de/home>). Where data in this chapter has been derived from other sources, such sources are cited below.

The Issuer is active in Austria and across CEE and Italy. UNIQA Group has a particular strong position in Austria, where it is the second largest insurance group with an overall market share of 21,4% in 2014, based on gross premiums written (source: Annual Report 2014 of the Association of the Austrian Insurance Companies -- *Verband der Versicherungsunternehmen Österreichs* – "VVO" which can be retrieved from VVO's website [http://www.vvo.at/vvo/vvo.nsf/sysPages/x832F438C600424A9C1257E37003DC7AA/\\$file/VVO_GB_2014_220x280_KOMPLETT.pdf](http://www.vvo.at/vvo/vvo.nsf/sysPages/x832F438C600424A9C1257E37003DC7AA/$file/VVO_GB_2014_220x280_KOMPLETT.pdf), the "VVO Report 2014"). The focus of the Issuer's international activities is on CEE where UNIQA Group has operations in Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Hungary, Kosovo, Macedonia, Montenegro, Poland, Romania, Russia, Serbia, Slovakia and the Ukraine. The largest share of UNIQA Group's gross premiums written (including the savings portion of unit-linked and index-linked life insurance) is generated in Austria (2014: 60.7%), followed by CEE (2014: 21.3%) (Source: Internal information from the Issuer).

Austria

Austria is the fifth wealthiest country in the European Union with a GDP *per capita* of EUR 38,200 in 2014. Austria's competitive and well diversified export sector contributes significantly to its GDP and Austria's level of public debt as per end of 2014 amounted to EUR 278.1 bn or 84.5% of Austria's GDP. Austria had an insurance penetration of approximately 5.2% of GDP in 2014, and an insurance density of EUR 2,008 premiums *per capita*. The Austrian insurance market is mature and saturated (source: VVO Report 2014).

Market operators on the Austrian insurance market are listed companies, mutuals and foreign insurers operating in Austria via a subsidiary, branch or servicing the Austrian market cross-border under the EU freedom to provide services. The industry is highly concentrated, stable and over the past years, no new players entered the market. The top five insurance groups (Vienna Insurance Group, UNIQA Group, Generali Group, Allianz Group and Grazer Wechselseitige) hold an aggregate total market share of 71,7% in 2014 (2013: 72,2%; source: VVO Report 2014). Only a few market players are present on a larger scale and across all product lines.

Central and Eastern Europe

With a population of over 300 mn people and an overall GDP of approximately EUR 2,100 bn in 2014, CEE is a large and diverse region that experienced an average annual real economic growth rate of approximately 4.0% over the past 15 years and plays an important role for Austrian insurance companies and in particular for UNIQA Group. Due to the still low insurance density and insurance penetration, as well as comparatively higher GDP growth forecasts, growth opportunities are perceived to be significantly better than in Western Europe. In the 15 countries in CEE in which UNIQA Group operates the insurance penetration was approximately 2.4% of GDP in 2014, and the insurance density was EUR 162 premiums per capita.

In CEE, UNIQA Group competes with international players who are active throughout CEE such as Vienna Insurance Group, Generali, Allianz and Talanx, and with regional/local well established competitors, such as PZU Group in Poland, Croatia Osiguranje in Croatia and Dunav Osiguranje in Serbia. In general, the more developed economies, represented, for example, by high insurance penetration (premiums as a proportion of GDP) and high insurance density (premiums per capita), have a higher proportion of life insurance business than less developed economies. The less developed economies have a greater bias towards the motor insurance business as the life insurance markets in these economies are less developed.

Italy

Nominal GDP of EUR 1,616.5 bn made Italy the fourth largest economy in the European Union in 2014. Italy had a GDP per capita of EUR 26,600 in 2014. Italy's level of public debt as per end of 2014 amounted to EUR 2,134.9 bn or 132.1% of Italy's GDP. Italy had an insurance penetration of approximately 8.1% of GDP in 2013, and an insurance density of EUR 2,072 premiums per capita. The Italian insurance market is mature and saturated. The insurance penetration measured by share of insurance premiums (in %) relative to GDP decreased from 8.4% in 2010 so that penetration still lacks behind the European Union as a whole. Especially in the non-life insurance sector, the penetration rate of around 2.4% of GDP in 2013 is rather low.

Distribution channels

UNIQA Group offers its products and services through all customary sales and distribution channels, including the salaried sales force, agencies, brokers, banks and direct sales. UNIQA Group benefits from the bancassurance cooperation and distribution partnership with the Raiffeisen banking group in Austria and Raiffeisen Bank International AG across CEE. UNIQA Group focuses primarily on serving retail and SME customers. However, UNIQA Group has recently launched several initiatives to expand its business with corporate customers.

Distribution in Austria

In Austria, UNIQA Group operates through its wholly owned subsidiaries UNIQA Österreich Versicherungen AG and Raiffeisen Versicherung AG, whereas the latter operates solely in the bancassurance segment. As of 31 December 2014, UNIQA Group's own sales force consisted of 1,719 employees in Austria and accounted for EUR 1,169.9 mn or 31.8% of the total gross premiums written by UNIQA Group in Austria. Further, UNIQA Group cooperated with 906 exclusive insurance agents, defined as agents who cooperate exclusively with a single insurance company, and with a total of about 3,800 brokers, defined as a natural or legal person with a special license to conduct insurance brokerage business

and registered in the insurance brokers' register. In 2014, the exclusive agencies accounted for EUR 717.4 mn or 19.5% of the total gross premiums written by UNIQA Group in Austria, whereas brokers accounted for EUR 838.8 mn or 22.8% of the total gross premiums written by UNIQA Group in Austria for that period. In addition, in 2014, direct sales via the internet and others amounted to EUR 117.7 mn or 3.2% of the total gross premiums written by UNIQA Group in Austria. In the bancassurance segment in Austria, UNIQA Group acts through Raiffeisen Versicherung AG which sells its products exclusively via the Raiffeisen banking group. In 2014, gross premiums written through the bancassurance sales channel amounted to EUR 838.8 mn or 22.8% of UNIQA Group's sales in Austria.

International distribution

Outside Austria, UNIQA Group acts through its wholly owned subsidiary UNIQA International AG, which in turn operates via its subsidiaries in 18 European countries. UNIQA International employs a multi-channel distribution strategy by offering services to clients via an own exclusive sales network, brokers and multi-level marketing, banks, car dealers and online sales. The sales channel mix in specific countries depends mainly on the market situation, strategy and the respective legal and regulatory environment. In Q 1 2015, the broker sales channel accounted for EUR 139 mn or 41.3% in the CEE region and the exclusive sales channel accounted for EUR 125 mn or 37.1% in this region. Similar to Austria, in the CEE region UNIQA Group also focuses on close cooperation in the bancassurance distribution with Raiffeisen Bank International AG in the 15 CEE countries in which UNIQA Group operates. Further, UNIQA International AG cooperates with Veneto Banca Group in Italy and other banks in CEE on a selective basis. Total gross premiums written through the bancassurance sales channel amounted to EUR 394 mn or 44.6% of UNIQA Group's sales in Q 1 2015 outside Austria (CEE and Western Europe).

Products and Services

UNIQA Group offers a wide range of products in each of the property and casualty insurance, life insurance and health insurance segments. The product range and the specific composition of individual products offered differ in the various markets in which UNIQA Group operates as a result of varying market conditions with respect to calculation of premiums, differences in scope of coverage, country specific customer needs and preferences as well as regulatory and tax considerations.

Property and casualty insurance

UNIQA Group is active in many lines of property and casualty insurance and offers its products under the brands "UNIQA" and "Raiffeisen Versicherung". UNIQA Group conducts its direct property and casualty insurance business in Austria through its insurance subsidiaries UNIQA Österreich Versicherungen AG, Raiffeisen Versicherung AG and Salzburger Landes-Versicherung Aktiengesellschaft. Outside Austria, UNIQA Group conducts its direct property and casualty insurance business through a number of local insurance subsidiaries all of which are grouped under UNIQA International AG.

In 2014, UNIQA Group's property and casualty segment generated gross premiums written of EUR 2,620.9 mn (2013: EUR 2,590.5 mn) and a net-combined ratio (after reinsurance) of 99.5% (2013: 99.8%). The segment's profit on ordinary activities amounted to EUR 61.0 mn in 2014 (2013: EUR 47.3 mn).

The product portfolio of UNIQA Group in the property and casualty segment is divided into (i) motor vehicle insurance and (ii) other property and casualty insurance, including in particular property, casualty and other third party liability insurance. The majority of the property and casualty insurance products offered are standard products and insurance packages for retail customers and small and medium sized enterprises, including in particular motor insurance, homeowners and household insurance, casualty insurance, legal expense insurance and travel insurance. UNIQA Group also offers comprehensive insurance protection for commercial and corporate customers, including in particular property and business (interruption) insurance and agricultural insurance.

Life insurance

UNIQA Group conducts its life insurance business in Austria through its insurance subsidiaries UNIQA Österreich Versicherung AG, Raiffeisen Versicherung AG, Salzburger Landes-Versicherung Aktiengesellschaft and FINANCE LIFE Lebensversicherung AG (specializing in unit- and index-linked life insurance). Outside Austria, UNIQA Group operates its life insurance business through a number of local insurance subsidiaries all of which are grouped under UNIQA International AG.

In 2014, UNIQA Group's Life insurance segment generated gross premiums written, including the savings portion of unit-linked and index-linked life insurance, of EUR 2,482.7 mn (2013: EUR 2,357.4 mn). The segment's profit on ordinary activities amounted to EUR 187.2 mn in 2014 (2013: EUR 176.6 mn).

UNIQA Group offers a variety of conventional risk and protection life insurance products as well as capital investment oriented products, serving both security and investment purposes. The range of products offered by UNIQA Group varies in the individual markets in which UNIQA Group operates and includes single premium and recurring premium policies. Traditional life products make up a greater share of premiums in Austria, Western Europe (Italy) and CEE.

Health insurance

In Austria, UNIQA Group conducts its health insurance business through UNIQA Österreich Versicherungen AG. Outside Austria, health insurance is provided by a number of local insurance subsidiaries all of which are grouped under UNIQA International AG. By region, UNIQA Group sells health insurance policies primarily in Austria and Italy and currently only on a small scale in other markets. UNIQA Assurances S.A. (Geneva, Switzerland) specializes in health insurance for employees of international organizations.

In 2014, UNIQA Group's health insurance segment generated gross premiums written of EUR 960.8 mn (2013: EUR 937.6 mn). The segment's profit on ordinary activities amounted to EUR 129.7 mn in 2014 (2013: EUR 83.7 mn).

UNIQA Group sells a variety of private health insurance products supplementing statutory health insurance. The most important products are special care (health) insurance, daily allowance insurance, insurance for ambulatory patients' medical expenses and travel medical insurance. More recently, nursing care insurance has gained in importance.

Major Subsidiaries and Organisational Structure

The following table provides an overview (which is not exhaustive) of the major operating subsidiaries of UNIQA Group as of the date of this Prospectus. A complete list of all subsidiaries and associates is included in the notes to UNIQA Group Report 2014, which are incorporated in this Prospectus by reference and thus deemed to be part of it.

Company	Type	Domicile	Share of equity In per cent ¹⁾
Austrian insurance companies			
UNIQA Insurance Group AG (Group holding company)		1029 Vienna	
UNIQA Österreich Versicherungen AG	Consolidated	1029 Vienna	100.0
Salzburger Landes-Versicherung AG	Consolidated	5020 Salzburg	100.0
Raiffeisen Versicherung AG	Consolidated	1029 Vienna	100.0
FINANCELIFE Lebensversicherung AG	Consolidated	1029 Vienna	100.0
SK Versicherung Aktiengesellschaft	Equity-accounted	1050 Vienna	25.0
Foreign insurance companies			
UNIQA Assurances S.A.	Consolidated	Switzerland, Geneva	100.0
UNIQA Re AG	Consolidated	Switzerland, Zurich	100.0
UNIQA Assicurazioni S.p.A.	Consolidated	Italy, Milan	100.0
UNIQA pojišťovna a.s.	Consolidated	Slovakia, Bratislava	99.9
UNIQA pojišťovna, a.s.	Consolidated	The Czech Republic, Prague	100.0
UNIQA osiguranje d.d.	Consolidated	Croatia, Zagreb	100.0
UNIQA Towarzystwo Ubezpieczeń S.A.	Consolidated	Poland, Lodz	98.6
UNIQA Towarzystwo Ubezpieczeń na Życie S.A.	Consolidated	Poland, Lodz	99.8
UNIQA Biztosító Zrt.	Consolidated	Hungary, Budapest	100.0
UNIQA Lebensversicherung AG	Consolidated	Liechtenstein, Vaduz	100.0
UNIQA Versicherung AG	Consolidated	Liechtenstein, Vaduz	100.0
UNIQA Previdenza S.p.A.	Consolidated	Italy, Milan	100.0
UNIQA Osiguranje d.d.	Consolidated	Bosnia and Herzegovina, Sarajevo	99.8
UNIQA Insurance plc.	Consolidated	Bulgaria, Sofia	99.9
UNIQA Life Insurance plc.	Consolidated	Bulgaria, Sofia	99.7
UNIQA životno osiguranje a.d.	Consolidated	Serbia, Belgrade	100.0
Insurance company "UNIQA"	Consolidated	Ukraine, Kiev	100.0
UNIQA LIFE	Consolidated	Ukraine, Kiev	100.0
UNIQA životno osiguranje a.d.	Consolidated	Montenegro, Podgorica	100.0
UNIQA neživotno osiguranje a.d.	Consolidated	Serbia, Belgrade	100.0
UNIQA neživotno osiguranje a.d.	Consolidated	Montenegro, Podgorica	100.0
UNIQA Asigurari S.A.	Consolidated	Romania, Bucharest	100.0
UNIQA Life S.A.	Consolidated	Romania, Bucharest	100.0
Raiffeisen Life Insurance Company LLC	Consolidated	Russia, Moscow	75.0
UNIQA Life S.p.A.	Consolidated	Italy, Milan	90.0
SIGAL UNIQA GROUP AUSTRIA Sh.a.	Consolidated	Albania, Tirana	68.6
UNIQA AD Skopje	Consolidated	Macedonia, Skopje	100.0
SIGAL Life UNIQA Group AUSTRIA Sh.a.	Consolidated	Albania, Tirana	100.0
SIGAL UNIQA Group AUSTRIA Sh.a.	Consolidated	Kosovo, Priština	100.0
UNIQA Life AD Skopje	Consolidated	Macedonia, Skopje	100.0
SIGAL Life UNIQA Group AUSTRIA Sh.a.	Consolidated	Kosovo, Priština	100.0
SH.A.F.P SIGAL Life UNIQA Group AUSTRIA Sh.A.	Consolidated	Albania, Tirana	51.0

¹⁾ Share of equity corresponds to control before taking account of any non-controlling interests in the Group.

Source: Internal information from the Issuer. In Q1/2015 UNIQA Lebensversicherung AG, Vaduz has been sold.

Risk Management

A priority of UNIQA Group is the refinement of risk management and the implementation of value-driven UNIQA Group management against the background of Solvency II. The establishment of an UNIQA Group chief risk officer (CRO) function on UNIQA's Management Board demonstrates that risk management is a core controlling function and a crucial part of the business steering process. UNIQA Group has developed and is in the course of implementing a number of internal projects which are designed to establish an effective risk management system, related organizational measures and a new value-based UNIQA Group wide risk culture to control risks and preserve an adequate level of capitalization. The key risk management tool is UNIQA Group's risk management policy which is reviewed on an annual basis. This policy applies to all UNIQA Group insurance companies. UNIQA Group generally manages the following risk categories on group as well as on business unit level: underwriting risk, market risk and asset-liability risk, credit risk/counterparty default risk, liquidity risk, concentration risk, strategic risk, reputational risk, operational risk and contagion risk.

UNIQA Group's risk management is controlled centrally. Each UNIQA Group insurance company has a chief risk officer and a risk manager who is responsible for the risk management process and reports to UNIQA Group risk management team. UNIQA Group's risk management structure is set up in a way that reflects the principles of the three lines defense concept: (i) the persons in charge of the individual business operations have to implement an adequate control system to identify and monitor risks related to business operations (first line of defense), (ii) the risk management and oversight functions, such as controlling, have to monitor business activities, but without having decision-making authority (second line of defense), and (iii) an independent review of the organization and effectiveness of the overall internal control system, including risk management and compliance is provided (third line of defense).

A central component of the risk management organisation is the risk management committee for UNIQA Group. This committee carries out monitoring and initiates appropriate action in relation to the current development as well as the short- and long-term management of the risk profile. The risk management committee establishes the risk strategy, monitors and controls compliance with risk-bearing capacity and limits, and therefore plays a central role in the management process implemented under UNIQA Group's risk management system.

UNIQA Group risk management process provides periodic information on UNIQA Group wide risk exposure to enable top management to reach or maintain long-term strategic targets. Its purpose is to keep an adequate economic solvency ratio, an appropriate measurement of risks and a value based management approach to ensure that UNIQA Group has sufficient risk bearing capacity for running its business and is able to implement its strategy. UNIQA Group welcomes the "Own Risk and Solvency Assessment" principles of Solvency II as a tool to further set up and improve processes for an efficient risk management system and a forward-looking approach on managing the risks UNIQA Group is exposed to. UNIQA Group has set up a risk management strategy which defines UNIQA Group's willingness to accept risks and the targeted economic solvency ratio and determines UNIQA Group's risk appetite, which is the level of aggregate risk that UNIQA Group will undertake and manage over a defined period of time. For each risk category managed and monitored, individual risk limits are set by UNIQA Group risk management and by the business unit risk management.

Litigation and proceedings

The Issuer and its affiliated companies are involved in a number of legal proceedings resulting from the ordinary course of their respective businesses. The management of the Issuer does not expect legal disputes, legal proceedings government or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), to which Group Companies are a party to will have a material adverse effect on the Issuer's or UNIQA Group's consolidated financial position or profitability.

In their capacity as insurance companies, the Group Companies are involved as a defendant in a number of court proceedings or have been threatened with legal actions. In addition, there are proceedings to which Group Companies are not a party, but whose outcome can have an effect on it due to agreements with other insurance companies on participation in losses. In the opinion of UNIQA Group's management adequate provisions for Austrian affiliated companies have been set aside for all claims, based on the amounts in dispute.

UNIQA Group holds certain subordinated notes issued by HETA in an aggregate principal amount of EUR 36 mn on a consolidated basis that are secured by a deficiency suretyship (*Ausfallhaftung*) provided by the Austrian province of Carinthia and the Kärntner Landes- und Hypothekenbank-Holding (*Kärntner Landesholding*) ("**KLH**"). On 1 August 2014, the HaaSanG entered into force. Pursuant to the HaaSanG, upon publication of an FMA-regulation on 7 August 2014 certain subordinated liabilities and all collateral for such liabilities have been extinguished automatically by law. Therefore, HETA's liabilities under the subordinated HETA-Notes as well as all respective collateral (in particular

including the respective liabilities of the province of Carinthia and KLH) have been extinguished by law, i.e. the amount of principal, interest and any other amounts, if any, payable by HETA was automatically reduced to zero.

UNIQA Group considers the HaaSanG and the respective FMA-regulation as violating Austrian constitutional and European law. Therefore, on 1 December 2014, the concerned Group Companies have filed civil law suits with the district court (*Landesgericht*) Klagenfurt against (i) HETA; (ii) the province of Carinthia; and (iii) KLH, asking the court for (i) for determination that the claims (liabilities respectively) in the total amount of EUR 36 mn still exist; and (ii) for payment of (unpaid) interest of about EUR 0.1 mn. The district court of Klagenfurt has (i) submitted the respective lawsuits to the Austrian Constitutional Court (*Verfassungsgerichtshof*) for assessing the compliance of the HaaSanG and the FMA-regulation with constitutional law and (ii) suspended the civil proceedings until receipt of the Austrian Constitutional Court's decision.

Subject to the above, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering the previous 12 months from the date of the approval of this Prospectus which may have, or have had in the recent past, significant effects on the Issuer and/or UNIQA Group's financial position or profitability.

Solvency II and Own Funds

In the financial year 2014, the Issuer's Solvency I ratio increased from 287% as of 31 December 2013 to 295 % as of 31 December 2014 (Source: Group Economic Capital Requirement Report 2014 which can be retrieved from the Issuer's website under <http://www.uniqagroup.com/gruppe/versicherung/investor-relations/publikationen/presentationen/Presentations.en.html>).

The implementation of Solvency II is being closely followed by UNIQA Group and, in particular, by UNIQA Group's chief risk officer ("**CRO**"). The Issuer and UNIQA Group have fully embraced the requirements of Solvency II. UNIQA Group has established an ongoing project dealing with the implementation and requirements of Solvency II. The solvency ratio expresses the risk related to UNIQA Group's balance sheet according to the principles of Solvency II. The Issuer is reporting its own funds and solvency positions as well as its preparations for the implementation of Solvency II to the FMA pursuant to Austrian provisions on insurance supervision on a regular basis.

As of 31 December 2014, UNIQA disclosed for the first time its Solvency II ratio (153%) following the pure EIOPA standard approach.

The UNIQA Group defines its risk appetite on the basis of an economic capital model ("**ECM**"). The cover for quantifiable risks with eligible own funds (capital ratio) should lie between 150% and 160% in 2015. In the medium term, the capital ratio should be at least 170%. As at 31 December 2014, the solvency ratio in accordance with the ECM was 150% (2013: 161%). Within UNIQA ECM spread risk and concentration risk are valued on the basis of an internal approach (government bonds and ABS are treated like corporate bonds, therefore a risk charge is applied to government bonds). The valuation of underwriting risk non-life (incl. health similar to non-life) in the ECM is based on a partial internal model.

Investment Strategy and Principal Investments

UNIQA Group's investment strategy is an essential part of its value-based-management approach. Based on a liability-driven investment concept, assets are invested according to the defined risk preference set by UNIQA's Management Board, quantified by allocated risk budgets. Subject to applicable regulatory and cash flow requirements, UNIQA Group seeks to use available funds to achieve adequate investment returns, balancing risk and reward, in order to generate additional value for policyholders and shareholders. In pursuing these objectives, UNIQA Group has invested, and is committed to further invest, in various financial asset classes. UNIQA Group's investment activities are centrally managed by UNIQA Capital Markets GmbH.

The principal investments of the UNIQA Group generally comprise investments in equity securities, fixed and variable rate income securities, collective investment schemes, real estate property, derivatives, reinsurance, trade and other receivables, as well as banking deposits. As of 31 December 2014, UNIQA Group's financial assets amounted to a book value of EUR 28,847.7 mn (2013: EUR 27,009.8 mn). Without unit-linked financial assets, UNIQA Group's financial assets as of 31 December 2014 had a book value of EUR 23,461.1 mn (2013: EUR 21,677.3 mn), thereof 63.7% fixed-income securities (book value EUR 18,381.0 mn), 5.2% real estate (book value EUR 1,504.5 mn), 4.7% cash (EUR 1,365.8 mn), 2.9% loans (book value EUR 835.6 mn), 2.5% equity (book value EUR 723.2 mn), 1.8% participations (book value EUR 528.7 mn) and 0.4% derivative instruments (book value EUR 122.3 mn). The principal investments currently held by UNIQA Group consist of fixed income securities and real estate. UNIQA Group's fixed

income securities mainly comprise debt instruments (Notes) issued by companies, including financial institutions, and sovereign states.

Going forward the UNIQA Group plans to establish Infrastructure Debt as a new investment asset class. New investments will be financed through reallocations of existing investments as well as free cash flows.

UNIQA has neither completed nor placed any firm commitments to invest in additional principal investments since 31 December 2014.

Material Contracts

As of the date of this Prospectus, there are no material contracts that are not entered into in the ordinary course of business of UNIQA Group, which could result in any member of UNIQA Group being under an obligation or entitlement that is material to the ability of the Issuer to meet its obligations under the Notes.

Management and Administrative Bodies of the Issuer

Members of the Management Board

Currently, the Management Board consists of five members. As of the date of this Prospectus, the members and their respective responsibilities are:

<u>Name</u>	<u>Position</u>	<u>Responsibilities</u>	<u>Principal Outside Activity</u>
Andreas Brandstetter	Chief Executive Officer	Investor Relations, Group Communication, Group Marketing, Group Human Resources, Group Internal Audit and Group General Secretary	Chairman of the management board of: <ul style="list-style-type: none"> - UNIQA Versicherungsverein Privatstiftung; and - Austria Versicherungsverein Beteiligungs-Verwaltungs GmbH. Member of the supervisory board of Raiffeisen Zentralbank Österreich Aktiengesellschaft. (On 27 May 2015, Mr Brandstetter has resigned as a member of the supervisory board giving 1 month notice.)
Hannes Bogner	Chief Investment Officer	Group Asset Management (Front Office), Real Estate, Investments/Equity Affairs, Legal & Compliance and Group Internal Audit	Member of the supervisory board of: <ul style="list-style-type: none"> - Casinos Austria Aktiengesellschaft; - CEESEG Aktiengesellschaft; - Niederösterreichische Versicherung AG; - STRABAG SE; - Valida Holding AG; and - Wiener Börse AG.
Wolfgang Kindl	Member of the Management Board	UNIQA International	None.
Thomas Mündel	Chief Operating Officer	Group Processes, Group IT and Strategic Project Office	Member of the supervisory board of Raiffeisen Informatik GmbH.
Kurt Svoboda	Chief Financial Officer/Chief Risk Officer	Group Finance-Accounting, Group Finance-Controlling, Group Risk Management, Group Asset Management (Back Office), Group Actuary, Group Reinsurance, Regulatory Management Solvency II	None.

The business address of the members of the Management Board is Untere Donaustraße 21, 1029 Vienna, Austria.

Conflicts of Interest of members of the Management Board

With the exception of Mr. Brandstetter, who is Chief Executive Officer ("CEO") of the Issuer and also chairman of the Management Board of UNIQA Versicherungsverein Privatstiftung, one of the Issuer's core shareholders (see *Risk Factors — Risks relating to UNIQA Group – Risks related to UNIQA Group's business and the company — "UNIQA's CEO is also chairman of the board of Austria Versicherungsverein auf Gegenseitigkeit Privatstiftung, one of UNIQA's core shareholders, which may create conflicts of interest."*), the Issuer has not been notified and has not otherwise been informed by any of the members of the Management Board named above about any potential conflicts of interest between the obligations of the persons towards the Issuer and their own interests and other obligations.

Members of the Supervisory Board

As of the date of this Prospectus, the members of the Supervisory Board and their respective responsibilities are:

Name	Position	Principal Outside Activity
Members elected by the Shareholders' Meeting		
Walter Rothensteiner.....	Chairman	<p>Chairman of the supervisory board of:</p> <ul style="list-style-type: none"> - Raiffeisen Bank International AG; - Casinos Austria Aktiengesellschaft; - Kathrein Privatbank Aktiengesellschaft; - Österreichische Lotterien Gesellschaft m.b.H.; and - Oesterreichische Kontrollbank Aktiengesellschaft. <p>Vice Chairman of the supervisory board of LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft.</p> <p>Member of the General Council of Oesterreichische Nationalbank.</p> <p>Member of the supervisory board of:</p> <ul style="list-style-type: none"> - KURIER Redaktionsgesellschaft m.b.H.; - KURIER Zeitungsverlag und Druckerei Gesellschaft m.b.H.; and - UNIQA Versicherungsverein Privatstiftung. <p>Chairman of the management board of Raiffeisen Zentralbank Österreich Aktiengesellschaft.</p> <p>Member of the management board of Raiffeisen International Beteiligungs GmbH.</p>
Christian Kuhn	1st Vice Chairman	<p>Chairman of the supervisory board of UNIQA Versicherungsverein Privatstiftung.</p> <p>Vice Chairman of the supervisory board of:</p> <ul style="list-style-type: none"> - BIPA Parfumerien Gesellschaft m.b.H.; - REWE International AG; - REWE International Dienstleistungsgesellschaft m.b.H.; and - REWE International Lager- und Transportgesellschaft m.b.H. <p>Member of the supervisory board of:</p> <ul style="list-style-type: none"> - Bankhaus Schelhammer & Schattera Aktiengesellschaft; - Billa Aktiengesellschaft; - CS Caritas Socialis GmbH; - Herz Jesu Krankenhaus GmbH; - Krankenhaus Göttlicher Heiland GmbH; - Krankenhaus der Barmherzigen Schwestern Wien Betriebsgesellschaft m.b.H.; - Merkur Warenhandels-Aktiengesellschaft; - Orthopädisches Spital Speising GmbH; and

Name	Position	Principal Outside Activity
Erwin Hameseder.....	2nd Vice Chairman	<p>- St. Josef Krankenhaus GmbH.</p> <p>Member of the management board of:</p> <ul style="list-style-type: none"> - "M. Erthal & Co." Beteiligungsgesellschaft m.b.H.; - IRZ Holding GmbH; - IRZ Liegenschaftsverwertung GmbH; and - KUHN RECHTSANWÄLTE GMBH. <p>Board member of various private foundations.</p> <p>Chairman of the supervisory board of:</p> <ul style="list-style-type: none"> - Raiffeisen Zentralbank Österreich Aktiengesellschaft; - AGRANA Beteiligungs-Aktiengesellschaft; - Mediaprint Zeitungs- und Zeitschriftenverlag Gesellschaft m.b.H.; - RAIFFEISENLANDESBANK NIEDERÖSTERREICH-WIEN AG; and - Z&S Zucker und Stärke Holding AG. <p>Vice Chairman (including 1st Vice Chairman) of the supervisory board of:</p> <ul style="list-style-type: none"> - STRABAG SE; - AGRANA Zucker, Stärke und Frucht Holding AG; - Flughafen Wien Aktiengesellschaft; and - Raiffeisen Bank International AG. <p>Member of the supervisory board of:</p> <ul style="list-style-type: none"> - Südzucker AG, Mannheim/Ochsenfurt; - LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft; and - RWA Raiffeisen Ware Austria Aktiengesellschaft. <p>Chairman of RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung.</p> <p>Member of the management board of:</p> <ul style="list-style-type: none"> - Medicur - Holding Gesellschaft m.b.H.; and - Printmedien Beteiligungsgesellschaft m.b.H.
Eduard Lechner.....	3rd Vice Chairman	<p>Member of the supervisory board of UNIQA Versicherungsverein Privatstiftung.</p> <p>Member of the management board of Lechner Wirtschaftsprüfung GmbH and DL Holding GmbH.</p> <p>Board member of various private foundations.</p>
Markus Andréewitch.....	Member	<p>Chairman of the supervisory board of Collegialität Versicherung Privatstiftung.</p>
Ernst Burger.....	Member	<p>Vice Chairman of the supervisory board of Josef Manner & Comp. Aktiengesellschaft.</p> <p>Member of the supervisory board of:</p> <ul style="list-style-type: none"> - UNIQA Versicherungsverein Privatstiftung; and - Kathrein Privatbank Aktiengesellschaft. <p>Member of the management board of:</p> <ul style="list-style-type: none"> - BSSA Immobilienentwicklungs GmbH;

Name	Position	Principal Outside Activity
Peter Gauper.....	Member	<ul style="list-style-type: none"> - Burger & Partner Wirtschaftsprüfungsgesellschaft m.b.H.; - Dr. Ernst Burger Wirtschaftsprüfungsgesellschaft m.b.H.; - FIDEVENTURA Beteiligungs GmbH; - Mühlweg 84 Immobilien GmbH; - Ooppelgasse 2 Immobilien GmbH; and - Sallesta Beteiligungsverwaltungs GmbH. <p>Board Member of various private foundations.</p> <p>Member of the supervisory board of Raiffeisen Zentralbank Österreich Aktiengesellschaft.</p> <p>Member of the management board of:</p> <ul style="list-style-type: none"> - Raiffeisen-Bezirksbank Klagenfurt, registrierte Genossenschaft mit beschränkter Haftung; - Raiffeisenlandesbank Kärnten - Rechenzentrum und Revisionsverband, registrierte Genossenschaft mit beschränkter Haftung; - Österreichische Raiffeisen-Einlagensicherung eGen; - RAIFFEISEN - VERMÖGENSWERTUNGS GMBH.; - RB Verbund GmbH; - RBK GmbH; - RLB Beteiligungsmanagement GmbH; - RLB Innopart Beteiligungs GmbH; - RLB Unternehmensbeteiligungs GmbH; - RLB Verwaltungs GmbH; and - RS Beteiligungs GmbH. <p>Chairman of Raiffeisen-Einlagensicherung Kärnten, registrierte Genossenschaft mit beschränkter Haftung.</p> <p>Director of:</p> <ul style="list-style-type: none"> - Raiffeisen-Bezirksbank Klagenfurt, registrierte Genossenschaft mit beschränkter Haftung; and - Raiffeisenlandesbank Kärnten - Rechenzentrum und Revisionsverband, registrierte Genossenschaft mit beschränkter Haftung.
Johannes Peter Schuster	Member	<p>Chairman of the supervisory board of:</p> <ul style="list-style-type: none"> - Raiffeisen Bausparkasse Gesellschaft m.b.H.; - Raiffeisen Factor Bank AG; - Raiffeisen Wohnbaubank Aktiengesellschaft; - Raiffeisen e-force GmbH; - Raiffeisen-Leasing Gesellschaft m.b.H; and - Raiffeisen-Leasing Management GmbH and Valida Holding AG. <p>Vice Chairman of the supervisory board of:</p> <ul style="list-style-type: none"> - card complete Service Bank AG RSC; and - Raiffeisen Service Center GmbH. <p>Member of the supervisory board of:</p> <ul style="list-style-type: none"> - Raiffeisen Bank International AG; - Raiffeisen Informatik GmbH;

Name	Position	Principal Outside Activity
		<ul style="list-style-type: none"> - Raiffeisen Software Solution und Service GmbH; and - Raiffeisen Versicherungen AG. Member of the management board of: <ul style="list-style-type: none"> - Raiffeisen Zentralbank Österreich AG; - Österreichische Raiffeisen-Einlagesicherung eGen; and - Raiffeisen International Beteiligungs GmbH.
Kory Sorenson	Member	Member of the board of directors of: <ul style="list-style-type: none"> - SCOR SE; and - Phoenix Group Holdings.
Members delegated by the Works Council		
Johann Anton Auer	Member	None
Heinrich Kames.....	Member	None
Harald Kindermann.....	Member	None
Franz Michael Koller	Member	None
Friedrich Lehner.....	Member	None

The business address of the members of the Supervisory Board is Untere Donaustraße 21, 1029 Vienna, Austria.

Conflicts of Interest of the Supervisory Board

The Issuer has not been notified and has not otherwise been informed by any of the members of the Supervisory Board named above about any potential conflicts of interest between the obligations of the persons towards the Issuer and their own interests and other obligations.

Committees of the Supervisory Board of the Issuer

The following committees have been established by the Supervisory Board of the Issuer:

Audit Committee

The Audit Committee is responsible for examining and preparing the approval of the annual financial statements and management report, the consolidated financial statements and group management report, the recommendation for the distribution of profit and the corporate governance report. The Audit Committee currently consists of Walter Rothensteiner (Chairman), Christian Kuhn, Erwin Hameseder, Eduard Lechner, Kory Sorenson, Johann Anton Auer, Heinrich Kames and Franz Michael Koller.

Committee for Board Affairs

The Committee for Board Affairs handles the relationships between the Issuer and the members of its Management Board with respect to employment and salary issues. Its current members are Walter Rothensteiner (Chairman), Christian Kuhn, Erwin Hameseder and Eduard Lechner.

Working Committee

The Working Committee of the Supervisory Board shall be called upon for decisions only if the urgency of the issue does not permit taking a decision in the next meeting of the Supervisory Board. The Chairman decides whether or not an issue is urgent. The Working Committee decides in principle on all issues that lie within the responsibility of the Supervisory Board; issues of particular importance or stipulated by law are excepted. The Working Committee's current

members are Walter Rothensteiner (Chairman), Christian Kuhn, Erwin Hameseder, Eduard Lechner, Ernst Burger, Johannes Schuster, Johann Anton Auer, Heinrich Kames and Franz Michael Koller.

Investment Committee

The Investment Committee advises the Management Board with respect to its investment policy; it has however no decision-making authority. Its current members are Erwin Hameseder (Chairman), Christian Kuhn, Eduard Lechner, Peter Gauper, Kory Sorenson, Johann Anton Auer, Heinrich Kames and Franz Michael Koller.

Corporate Governance Code

UNIQA Group has committed itself since 2004 to compliance with the Austrian Corporate Governance Code (the "Code") and publishes this compliance declaration both in UNIQA Group annual report, which is incorporated in this Prospectus by reference and thus deemed to be part of it, and on UNIQA Group website under <http://www.uniqagroup.com/gruppe/versicherung/investor-relations/anleihen.html>.

In accordance with the code, the "L rules" (legal requirements) are all fully adhered to. However, the Issuer deviates from certain of the Code with regard to the following "C rules" (comply or explain) and explains as follows: The Issuer will not apply rule 49. Due to the Issuer's shareholder structure and the special nature of the insurance business with regard to the investment of insurance assets, there are a number of contracts with companies associated with individual members of the Supervisory Board. As long as such contracts require approval by the Supervisory Board, according to Sec. 95 para 5 no 12 of the Stock Corporation Act (rule 48), the details of these contracts cannot be made public for reasons of company policy and competition laws. In any case, all transactions are handled under customary market conditions.

Share Capital and Dividends

Share Capital

As of the date of this Prospectus, the issued and fully paid in share capital of the Issuer amounts to EUR 309.000.000 divided into 309.000.000 ordinary no-par-value bearer shares. The calculated notional value of each share amounts to EUR 1. Each share confers one vote at the Shareholders' Meeting.

By resolution of the Shareholders' Meeting dated 26 May 2015, the Management Board has been authorized, subject to approval by the Supervisory Board, to purchase own shares of up to 10% of the share capital, thereby using the 10% limit repeatedly. The authorization expires on 27 May November 2018.

As of the date of this Prospectus, the Issuer holds 819,650 treasury shares which represent 0.27% of the share capital.

The shares of the Issuer are listed for trading on the Official Market on the Vienna Stock Exchange.

Dividends

Pursuant to the Commercial Code and the Stock Corporation Act, the Issuer may only pay dividends out of distributable profits. Distributable profits are based on accumulated profits, as shown in the unconsolidated financial statements of the Issuer in accordance with the Commercial Code, after allocations have been made to reserves, including retained earnings.

On the basis of the Management Board's proposal and the Supervisory Board's report, the Shareholders' Meeting resolves whether dividends will be paid for any financial year and the amount and timing of any such dividend payment.

The Issuer has distributed the following dividends for the last three financial years:

	Financial year ending 31 December		
	2014	2013	2012
Dividend per share (in EUR)	0.42	0.35	0.25
Total amount of dividends (in EUR mn)	129.44	107.86	53.36

Source: Internal information from the Issuer.

Major Shareholders

As of the date of this Prospectus, the major shareholders of the Issuer are Raiffeisen Zentralbank Österreich AG which holds 31.4% of the shares in the Issuer, UNIQA Versicherungsverein Privatstiftung which holds 30.58% of the shares in the Issuer, and Collegialität Versicherungsverein Privatstiftung (together with Raiffeisen Zentralbank Österreich AG and UNIQA Versicherungsverein Privatstiftung, the "**Core Shareholders**") which holds 2.32% of the shares in the Issuer.

The Core Shareholders hold their respective shares in the Issuer directly or indirectly through subsidiaries they control. Raiffeisen Zentralbank Österreich Aktiengesellschaft holds its shares in the Issuer via its subsidiaries BL Syndikat Beteiligungs Gesellschaft m.b.H. and RZB Versicherungsbeteiligung GmbH. According to the information available to the Issuer, except for the Core Shareholders, no natural person or legal entity holds more than 5% of the Issuer's shares.

The Core Shareholders entered into a shareholders' agreement under which they agreed on a pooling of votes in respect of all shares held by them directly or indirectly in the Issuer. The voting rights in shareholders' meetings of the Issuer shall be exercised in accordance with the resolutions of the shareholders' committee established among the Core Shareholders (which is identical with the members of the Supervisory Board nominated by the Core Shareholders and in which votes are cast pursuant to the principle of one man one vote).

According to the Austrian Stock Corporation Act, the members of the managing board of the Issuer must act in their own responsibility in the best interest of the Issuer, taking into account its shareholders, employees and the public interest. In particular, the members of the managing board are not obliged to follow instructions of shareholders or members of the supervisory board; if such instructions would be detrimental to the Issuer or would be contrary to its best interest, the members of the managing board would need to reject such instructions. The appointment and dismissal of members of the managing board is effected by the supervisory board by a simple majority vote.

Recent Developments, Outlook, Trends and Significant Changes in the Financial or Trading Position

UNIQA expects moderate economic growth for 2015. The very low level of interest rates is also placing a strain on the insurance industry as a whole, with no reversal in this trend expected in the near future. UNIQA believes that there are exceptionally high levels of uncertainty in relation to medium-term economic developments in Europe in combination with the geopolitical tensions. UNIQA is continuing to focus its attention on increasing profitability in its core insurance market and to concentrate on cost and capital management.

Other than disclosed in this Prospectus, UNIQA is not aware

- (i) of any recent events particular to UNIQA which are to a material extent relevant to the evaluation of UNIQA's solvency,
- (ii) of any material adverse changes in the prospects of UNIQA since 31 December 2014;
- (iii) of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on UNIQA's prospects for at least the current financial year; and
- (iv) of any significant changes in the financial or trading position of UNIQA Group which have occurred since 31 March 2015.

Selected Consolidated Financial Information for the Financial Years Ending 31 December 2014 and 31 December 2013

The following selected financial information was derived from the audited consolidated financial statements of the Issuer for the financial year ending on 31 December 2014 and 31 December 2013 and from the unaudited consolidated interim financial statements of the Issuer for the period ending on 31 March 2015 which are incorporated into this Prospectus by reference and thus deemed to be part of it. The below figures in this chapter are derived from the sources indicated below the respective tables and internal calculations of the Issuer.

Consolidated Income Statement Data

Financial Years Ending 31 December 2014 and 31 December 2013

CONSOLIDATED INCOME STATEMENT

Financial year ending 31 December

Amounts in EUR thousand (unless otherwise indicated)

	2014 ⁽¹⁾ (adjusted)	2014 ⁽²⁾ (as last published)	2013 ⁽³⁾ (adjusted)	2013 ⁽⁴⁾ (as published in YE 2014)
Premiums written (gross)	5,519,700	5,519,700	5,157,576	5,157,576
1. Premiums earned (net)				
a) Gross	5,523,218	5,523,218	5,149,467	5,149,467
b) Reinsurers' share	-210,322	-210,322	-210,867	-210,867
	5,312,896	5,312,896	4,938,600	4,938,600
2. Technical interest income	560,384	560,384	489,799	489,799
3. Other insurance income				
a) Gross	32,595	32,595	22,305	22,305
b) Reinsurers' share	1,897	1,897	1,203	1,203
	34,492	34,492	23,508	23,508
4. Insurance benefits				
a) Gross	-4,517,700	-4,517,700	-4,078,083	-4,078,083
b) Reinsurers' share	134,038	134,038	118,635	118,635
	-4,383,662	-4,383,662	-3,959,448	-3,959,448
5. Operating expenses				
a) Expenses for the acquisition of insurance	-938,593	-938,593	-942,528	-942,528
b) Other operating expenses	-386,558	-362,782	-472,385	-439,941
c) Reinsurance commission and share of profit from reinsurance ceded	26,044	26,044	28,302	28,302
	-1,299,106	-1,275,330	-1,386,611	-1,354,167
6. Other technical expenses				
a) Gross	-71,304	-71,304	-56,921	-56,921
b) Reinsurers' share	-25,994	-25,994	-32,600	-32,600
	-97,298	-97,298	-89,521	-89,521
7. Technical result	127,706	151,482	16,328	48,772
8. Net investment income	888,151	864,375	812,446	780,002
of which profit from associates	23,583	23,583	22,229	22,229
9. Other income	62,428	62,428	40,589	40,589
10. Reclassification of technical interest income.....	-560,384	-560,384	-489,799	-489,799
11. Other operating expenses	-70,334	-70,334	-32,413	-32,413
12. Non-technical result	319,860	296,084	330,823	298,379
13. Operating profit/(loss).....	447,566	447,566	347,151	347,151
14. Amortisation of goodwill and impairment losses	-32,292	-32,292	-7,301	-7,301
15. Finance costs	-37,343	-37,343	-32,281	-32,281
16. Profit/(loss) from ordinary activities..	377,932	377,932	307,569	307,569
17. Income taxes	-85,055	-85,055	-69,711	-69,711
18. Profit/(loss) from discontinued operations (after tax)	0	0	50,000	50,000
19. Profit for the year	292,877	292,877	287,858	287,858
of which attributable to shareholders of UNIQA Insurance Group AG.....	289,863	289,863	284,660	284,660
of which attributable to non-controlling interests	3,014	3,014	3,198	3,198
Earnings per share in EUR⁽⁴⁾	0.94	0.94	1.21	1.21
Average number of shares in circulation.	308,180,350	308,180,350	235,294,119	235,294,119

Sources:

(1) The financial information has been derived from the Q1 2015 Report and includes the latest adjustments made in Q1 2015.

- (2) The financial information has been derived from the audited consolidated financial statements of the Issuer as of and for the year ending on 31 December 2014.
- (3) The financial information is based on the audited consolidated financial statements of the Issuer as of and for the year ending on 31 December 2013 adjusted in the light of the adjustments made in the Q1 2015 Report.
- (4) The financial information has been derived from the audited consolidated financial statements of the Issuer as of and for the year ending on 31 December 2014.

Consolidated Comprehensive Income Statement Data

Financial Years Ending 31 December 2014 and 31 December 2013

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

Amounts in EUR thousand (unless otherwise indicated)

	Financial year ending 31 December	
	2014 ⁽¹⁾	2013 ⁽¹⁾
	(as last published)	(as published in YE 2014)
Profit for the year	292,877	287,858
Items not to be reclassified to profit or loss in subsequent periods		
Actuarial gains and losses on defined obligations		
Gains (losses) recognised in equity	- 46,042	- 32,157
Gains (losses) recognised in equity – deferred tax	8,841	6,757
Gains (losses) recognised in equity – deferred profit participation	9,779	4,579
	- 27,422	- 20,821
Items to be reclassified to profit or loss in subsequent periods		
Currency translation		
Gains (losses) recognised in equity	- 64,364	- 24,897
Recognised in the consolidated income statement	0	- 6,332
Unrealized gains and losses on investments		
Gains (losses) recognized in equity	1,318,234	- 170,192
Gains (losses) recognised in equity – deferred tax	- 127,346	21,194
Gains (losses) recognised in equity – deferred profit participation	- 893,479	76,778
Recognised in the consolidated income statement	- 174,736	- 239,082
Recognised in the consolidated income statement – deferred tax	11,112	28,104
Recognised in the consolidated income statement – deferred profit participation	98,135	150,511
Change from measurement under the equity method		
Gains (losses) recognised in equity	- 7,445	- 10,979
Recognised in the consolidated income statement		- 1,710
Other changes	2,238	- 1,540
	162,350	- 178,143
Other comprehensive income	134,928	- 198,964
Total comprehensive income	427,805	88,894
Of which attributable to shareholders of UNIQA Insurance Group AG	426,516	86,282
Of which attributable to non-controlling interests	1,289	2,612

Sources:

- (1) The financial information has been derived from the audited consolidated financial statements of the Issuer as of and for the year ending on 31 December 2014. No adjustments as made in the Consolidated Income Statement according Q1 2015 have been necessary.

Consolidated Balance Sheet Data

Financial Years Ending 31 December 2014 and 31 December 2013

CONSOLIDATED BALANCE SHEET

ASSETS

Amounts in EUR thousand

	Financial year ending 31 December	
	2014 ⁽¹⁾	2013 ⁽¹⁾
	(as last published)	(as published in YE 2014)
A. Tangible assets		
I. Land and buildings for own use	187,746	198,433
II. Other property, plant and equipment	95,760	88,156
	283,506	286,589
B. Investment property	1,504,483	1,652,485
C. Intangible assets		
I. Deferred acquisition costs	998,952	994,501
II. Goodwill	490,059	510,174
III. Other intangible assets	28,046	24,455
	1,517,058	1,529,131
D. Investments in associates	528,681	545,053
E. Investments		
I. Variable-yield securities		
1. Available for sale	625,189	863,810
2. At fair value through profit or loss	98,005	131,264
	723,194	995,074

CONSOLIDATED BALANCE SHEET**ASSETS**

Amounts in EUR thousand

	Financial year ending 31 December	
	2014⁽¹⁾	2013⁽¹⁾
	<i>(as last published)</i>	<i>(as published in YE 2014)</i>
II. Fixed interest securities		
1. Held to maturity		
2. Available for sale	18,016,323	15,136,246
3. At fair value through profit or loss	364,630	439,374
	18,380,953	15,575,620
III. Loans and other investments		
1. Loans	835,603	944,813
2. Cash at credit institutions	390,046	1,273,852
3. Deposits with ceding companies	123,554	126,761
	1,349,202	2.345,426
IV. Derivative financial instruments		
1. Variable-yield	0	98
2. Fixed interest	122,340	73,283
	122,340	73,381
V. Investments under investment contracts	53,664	48,590
	20,629,354	19,038,091
F. Unit-linked and index-linked life insurance investments	5,386,650	5,332,611
G. Reinsurers' share of technical provisions		
I. Unearned premiums	16,030	14,643
II. Insurance provision	394,307	413,385
III. Provisions for unsettled claims	151,240	123,620
IV. Other technical provisions	1,964	1,604
	563,540	553,252
H. Reinsurers' share of technical provisions for unit-linked and index-linked life insurance	332,974	389,206
I. Receivables including insurance receivables		
I. Reinsurance receivables	45,883	84,821
II. Other receivables	1,014,694	856,146
III. Other assets	33,967	38,778
	1,094,544	979,746
J. Income tax receivables	53,917	69,881
K. Deferred tax assets	6,630	8,695
L. Current bank balances and cash-in-hand	975,764	616,976
M. Assets in disposal groups available for sale	161,053	0
Total assets	33,038,153	31,001,715

Sources:

(1) The financial information has been derived from the audited consolidated financial statements of the Issuer as of and for the year ending on 31 December 2014. No adjustments as made in the Consolidated Income Statement according Q1 2015 have been necessary.

CONSOLIDATED BALANCE SHEET**EQUITY AND LIABILITIES**

Amounts in EUR thousand

	Financial year ending 31 December	
	2014⁽¹⁾	2013⁽¹⁾
	<i>(as last published)</i>	<i>(as published in YE 2014)</i>
A. Total equity		
I. Shareholders' equity		
1. Subscribed capital and capital reserves	1,789,920	1,789,920
2. Retained earnings	894,474	792,204
3. Revaluation reserves	410,778	177,133
4. Actuarial gains and losses on defined benefit obligations	- 143,503	-116,081
5. Consolidated profit	130,572	119,951
	3,082,242	2,763,127
II. Minority interests in shareholders' equity	20,193	22,012
	3,102,434	2,785,139
B. Subordinated liabilities	600,000	600,000
C. Technical provisions		
I. Unearned premiums	626,641	631,588
II. Insurance provision	16,773,299	16,447,408
III. Provision for unsettled claims	2,584,844	2,367,882
IV. Provision for non-profit related premium refunds	49,743	46,479
V. Provision for profit related premium refunds and/or policyholder profit participation	1,141,282	360,676
VI. Other technical provisions	44,260	46,182
	21,220,068	19,900,215
D. Technical provisions for unit-linked and index-linked life insurance	5,306,000	5,251,035
E. Financial liabilities		
I. Liabilities from loans	16,692	18,535

**CONSOLIDATED BALANCE SHEET
EQUITY AND LIABILITIES**

Amounts in EUR thousand

	Financial year ending 31 December	
	2014 ⁽¹⁾ <i>(as last published)</i>	2013 ⁽¹⁾ <i>(as published in YE 2014)</i>
II. Derivative financial instruments	32,489	8,301
	49,181	26,836
F. Other provisions		
I. Provisions for pensions and similar obligations	611,670	586,757
II. Other provisions.....	222,245	249,924
	833,914	836,681
G. Liabilities and other items classified as equity and liabilities		
I. Reinsurance liabilities	758,583	834,056
II. Other liabilities	583,539	505,022
III. Other items classified as equity and liabilities	26,628	23,040
	1,368,751	1,362,117
H. Income tax liabilities	43,272	40,712
I. Deferred tax liabilities	355,424	198,980
J. Liabilities in disposal group held for sale	159,107	0
Total equity and liabilities	33,038,153	31,001,715

Sources:

- (1) The financial information has been derived from the audited consolidated financial statements of the Issuer as of and for the year ending on 31 December 2014. No adjustments as made in the Consolidated Income Statement according Q1 2015 have been necessary.

Consolidated Cash Flow Statement Data

Financial Years Ending 31 December 2014 and 31 December 2013

CONSOLIDATED CASH FLOW STATEMENT

Amounts in EUR thousand

	Financial year ending 31 December	
	2014 ⁽¹⁾ <i>(as last published)</i>	2013 ⁽¹⁾ <i>(as published in YE 2014)</i>
Net cash flow from operating activities	183,849	628,027
Net cash flow used in investing activities	286,457	- 1,781,325
Net cash flow used in financing activities.....	- 111,185	813,009
Change in cash and cash equivalents⁽³⁾	359,121	- 340,289
Change in cash and cash equivalents due to movements in exchange rates	- 334	- 2,800
Cash and cash equivalents ⁽³⁾ at beginning of period.....	616,976	960,065
Cash and cash equivalents⁽³⁾ at end of period	975,764	616,976

Sources:

- (1) The financial information has been derived from the audited consolidated financial statements of the Issuer as of and for the year ending on 31 December 2014. No adjustments as made in the Consolidated Income Statement according Q1 2015 have been necessary.

Selected Consolidated Financial Information for the First Quarter of 2015

Figures in € million	Q1 2015	Q1 2014	Q1 2014	2014	2014	2013	2013
		<i>(adjusted) (5)</i>	<i>(as published in Q1 2014)</i>	<i>adjusted</i>	<i>(as last published)</i>	<i>adjusted</i>	<i>(as published in YE 2014)</i>
Premiums written	1,919.9	1,576.3	1,576.3	5,519.7	5,519.7	5,157.6	5,157.6
Premiums written including the savings portion from unit- and index-linked life insurance	2,039.5	1,702.6	1,702.6	6,064.4	6,064.4	5,885.5	5,885.5
Premiums earned (net) ¹⁾	1,707.7	1,370.9	1,370.9	5,312.9	5,312.9	4,938.6	4,938.6
Premiums earned (net) including the savings portion of premiums from unit- and	1,823.9	1,492.8	1,492.8	5,839.0	5,839.0	5,640.9	5,640.9

index-linked life insurance							
Net insurance benefits	-1,485.9	-1,098.9	-1,098.9	-4,383.7	-4,383.7	-3,959.4	-3,959.4
Operating expenses (net) ²⁾	-335.7	-325.8	-316.4	-1,299.1	-1,275.3	-1,386.6	-1,354.2
Cost ratio (net after reinsurance)	18.4%	21.8%	21.2%	22.2%	21.8%	24.6%	24.0%
Combined ratio non-life (net after reinsurance)	98.8%	97.9%	97.8%	99.6%	99.5%	99.9%	99.8%
Net investment income	237.2	152.9	143.6	888.2	864.4	812.4	780.0
Profit/loss on ordinary activities	94.0	81.4	81.4	377.9	377.9	307.6	307.6
Net profit/loss	77.8	57.7	57.7	292.9	292.9	287.9	287.9
Consolidated net profit	76.9	55.9	55.9	289.9	289.9	284.7	284.7
Return on equity (ROE) after taxes and minority interests	2.4%	2.0%	2.0%	9.9%	9.9%	11.9%	11.9%
Investments ³⁾	30,299.5	28,264.7	28,264.7	29,212.7	29,212.7	27,383.6	27,383.6
Total equity including minority interests	3,292.1	2,915.2	2,957.0	3,102.4	3,102.4	2,785.1	2,785.1
Technical provisions (net) ⁴⁾	26,276.6	25,009.3	24,928.0	25,629.6	25,629.6	24,208.8	24,208.8
Total assets	33,955.2	31,959.4	32,026.4	33,038.2	33,038.2	31,001.7	31,001.7

Source and Notes:

Source: Q1 2015 Report and internal information of the Issuer

- (1) Fully consolidated values.
- (2) Including reinsurance commissions and profit shares from reinsurance business ceded.
- (3) Including land and buildings, land and buildings held as financial investments, unit-linked and index-linked life insurance investments, current bank balances, cash in hand and shares in associated companies.
- (4) Including technical provisions for life insurance policies held on account and at risk of policyholders.
- (5) Starting in 2015, income from management fees that were deducted from the operating expenses in previous years was reported under investment income. Prior-year amounts have been adjusted in accordance with IAS 8.42.

Historical Financial Information

The audited consolidated financial statements of the Issuer for the financial years ending 31 December 2014 and 31 December 2013 and the respective auditors' reports thereon are incorporated by reference into this Prospectus.

The unaudited consolidated interim financial statements of the Issuer for the period ending on 31 March 2015 are incorporated by reference into this Prospectus.

The aforementioned financial statements of the Issuer have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union.

TERMS AND CONDITIONS

THE GERMAN TEXT OF THE CONDITIONS OF ISSUE IS LEGALLY BINDING
THE ENGLISH TRANSLATION IS FOR INFORMATION PURPOSES ONLY

DER DEUTSCHE TEXT DIESER ANLEIHEBEDINGUNGEN IST RECHTSVERBINDLICH
DIE ENGLISCHE ÜBERSETZUNG DIEN LEDIGLICH INFORMATIONSZWECKEN

The English language translation of the legally binding German text of the Terms and Conditions relating to the Notes has not been reviewed by the FMA.

ANLEIHEBEDINGUNGEN
der

EUR 500.000.000

Nachrangige Fest zu Variabel verzinslichen
Schuldverschreibungen mit vorgesehener
Endfälligkeit in 2046

begeben von der

UNIQA Insurance Group AG, Wien, Österreich

TERMS AND CONDITIONS
of the

EUR 500,000,000

Subordinated Fixed to Floating Rate Notes with
scheduled maturity in 2046

issued by

UNIQA Insurance Group AG, Vienna, Republic of
Austria

§ 1

DEFINITIONEN UND AUSLEGUNG

Soweit aus dem Zusammenhang nichts anderes hervorgeht, haben die nachfolgenden Begriffe in diesen Anleihebedingungen die folgende Bedeutung:

"**Anleihebedingungen**" bezeichnet diese Anleihebedingungen.

"**Anleihegläubiger**" bezeichnet jeden Inhaber eines Miteigentumsanteils oder -rechts an einer Globalurkunde.

"**Anzuwendendes Aufsichtsrecht**" bezeichnet (i) die Bestimmungen des österreichischen Versicherungsaufsichtsrechts, einschließlich (aber nicht beschränkt auf) das österreichische Versicherungsaufsichtsgesetz; (ii) Solvency II nach dem Solvency II-Umsetzungsdatum; (iii) alle Verordnungen, Standards, Vorgaben, Bescheide, Entscheidungen oder andere Regeln sowie allgemein anerkannte Verwaltungspraktiken der Aufsichtsbehörde; und/oder (iv) alle Standards oder Vorgaben der Europäischen Aufsichtsbehörde für das Versicherungswesen und die betriebliche Altersversorgung (*European Insurance and Occupational Pensions Authority – EIOPA*) oder jeder Nachfolgebehörde, jeweils betreffend Kapitalanforderungen der Emittentin und/oder der UNIQA Gruppe, und in der jeweils geltenden Fassung.

"**Anzuwendendes Insolvenzrecht**" bezeichnet die auf die Emittentin anwendbaren Bestimmungen des relevanten Insolvenzrechts einschließlich (aber nicht beschränkt auf) die österreichische Insolvenzordnung (IO) und alle diesbezüglichen Regelungen und Verordnungen (einschließlich anwendbarer Gerichtsentscheidungen), in der jeweils geltenden

§ 1

DEFINITIONS AND INTERPRETATION

Unless the context otherwise requires, the following terms shall have the following meanings in these Terms and Conditions:

"**Terms and Conditions**" means these Terms and Conditions.

"**Noteholder**" means any holder of a proportional co-ownership participation or right in a Global Note.

"**Applicable Supervisory Law**" means (i) the provisions of Austrian insurance regulatory law, including (but not limited to) the Austrian Insurance Supervision Act; (ii) Solvency II, after the Solvency II Implementation Date; (iii) any regulations, standards, guidelines, rulings, decisions or other rules as well as generally recognised administrative practices of the Supervisory Authority; and/or (iv) any standards or guidelines of the European Insurance and Occupational Pensions Authority (*EIOPA*) or any such successor authority, in each case, regarding capital requirement purposes of the Issuer and/or UNIQA Group, and as amended from time to time.

"**Applicable Insolvency Law**" means the provisions of the relevant insolvency laws, including (but not limited to) the Austrian Insolvency Code (*Insolvenzordnung - IO*), and any rules and regulations thereunder (including any applicable decision of a court) applicable to the Issuer, as amended from time to time.

Fassung.

"Anzuwendende Rechnungslegungsvorschriften" bezeichnet die International Financial Reporting Standards (IFRS), wie sie zu den jeweiligen Stichtagen und für die jeweiligen Rechnungslegungsperioden anzuwenden sind, oder andere, von der Emittentin angewandte, in Österreich allgemein anerkannte Rechnungslegungsgrundsätze, die diese in Zukunft ersetzen.

"Aufsichtsbehörde" bezeichnet die österreichische Finanzmarktaufsichtsbehörde (FMA) oder jede Nachfolgebehörde, die für die Aufsicht der Emittentin und/oder der UNIQA Gruppe gemäß dem Anzuwendenden Aufsichtsrecht zuständig ist.

"Aufsichtsrechtliches Ereignis" hat die in § 5(2)(h) festgelegte Bedeutung.

"Ausgabetag" bezeichnet den 27. Juli 2015.

"Austauschtag" hat die in § 2(2)(b) festgelegte Bedeutung.

"Berechnungsstelle" hat die in § 9(2) festgelegte Bedeutung.

"Berechnungszeitraum" hat die in § 4(2)(d) festgelegte Bedeutung.

"Bildschirmseite" hat die in § 4(2)(c) festgelegte Bedeutung.

"Clearingsystem" bezeichnet Clearstream Banking S.A., Luxemburg, 42 Avenue JF Kennedy, L-1855 Luxemburg, Luxemburg und Euroclear Bank SA/NV 1, Boulevard du Roi Albert II, B-1210 Brüssel als Betreiber des Euroclear-Systems.

"Dauerglobalurkunde" hat die in § 2(2)(a) festgelegte Bedeutung.

"Depotbank" bezeichnet ein Kredit- oder sonstiges Finanzinstitut, bei dem der Anleihegläubiger Schuldverschreibungen im Depot verwahren lässt.

"Emittentin" bezeichnet die UNIQA Insurance Group AG.

"Endfälligkeitstag" hat die in § 5(1) festgelegte Bedeutung.

"Ergänzungskapital" bezeichnet Ergänzungskapital gemäß § 73c(2) des Österreichischen Versicherungsaufsichtsgesetzes, das als Eigenmittel anrechenbar ist.

"Erster Emittenten Kündigungstag" ist der 27. Juli 2026.

"Euro" oder **"EUR"** bezeichnet die zu Beginn der dritten

"Applicable Accounting Standards" means the International Financial Reporting Standards (IFRS) as applicable at the relevant dates and for the relevant accounting periods, or other accounting principles generally accepted in the Republic of Austria, which are applied by the Issuer, which subsequently supersede them.

"Supervisory Authority" means the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde - FMA*) or any successor authority responsible to supervise the Issuer and/or UNIQA Group pursuant to the Applicable Supervisory Law.

"Regulatory Event" has the meaning specified in § 5(2)(h).

"Issue Date" means 27 July 2015.

"Exchange Date" has the meaning specified in § 2(2)(b).

"Calculation Agent" has the meaning specified in § 9(2).

"Calculation Period" has the meaning specified in § 4(2)(d).

"Screen Page" has the meaning specified in § 4(2)(c).

"Clearing System" means Clearstream Banking S.A., Luxembourg 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg and Euroclear Bank SA/NV 1, Boulevard du Roi Albert II, B-1210 Brussels as operator of the Euroclear System.

"Permanent Global Note" has the meaning specified in § 2(2)(a).

"Custodian" means any bank or other financial institution with which the Noteholder maintains a securities account in respect of any Notes.

"Issuer" means UNIQA Insurance Group AG.

"Final Maturity Date" has the meaning specified in § 5(1).

"Supplementary Capital" means supplementary capital (*Ergänzungskapital*) pursuant to § 73c(2) of the Austrian Insurance Supervision Act, eligible as own funds (*Eigenmittel*).

"First Issuer Call Date" means 27 July 2026.

"Euro" or **"EUR"** means the currency introduced at the

Stufe der Wirtschafts- und Währungsunion eingeführte Währung, wie sie in Artikel 2 der Verordnung des Rates (EG) Nr. 974/98 vom 3. Mai 1998 über die Einführung des Euro, in der jeweils geltenden Fassung, definiert wird.

"**Festzins-Betrag**" hat die in § 4(1) festgelegte Bedeutung.

"**Festzins-Zahlungstag**" hat die in § 4(1)(a) festgelegte Bedeutung.

"**Früherer Sitz**" hat die in § 12(1)(d) festgelegte Bedeutung.

"**Geschäftstag**" bezeichnet jeden Tag, der ein TARGET Geschäftstag ist und an dem das Clearing System Zahlungen in Euro abwickelt.

"**Gleichrangige Instrumente**" hat die in § 3(1) festgelegte Bedeutung.

"**Globalurkunden**" hat die in § 2(2)(a) festgelegte Bedeutung.

"**Gross-up Ereignis**" hat die in § 5(2)(b) festgelegte Bedeutung.

"**Hauptzahlstelle**" hat die in § 9(1) festgelegte Bedeutung.

"**Insolvenzereignis**" hat die in § 4(3) festgelegte Bedeutung.

"**Marge**" hat die in § 4(2)(c) festgelegte Bedeutung.

"**Nachfolgeschuldnerin**" hat die in § 12(1) festgelegte Bedeutung.

"**Nachrangige Instrumente**" hat die in § 3(1) festgelegte Bedeutung.

"**Nennbetrag**" hat die in § 2(1) festgelegte Bedeutung.

"**Neuer Sitz**" hat die in § 12(1)(d) festgelegte Bedeutung.

"**Obligatorisches Aussetzungsereignis**" hat die in § 4(3) festgelegte Bedeutung.

"**Obligatorischer Zinszahlungstag**" hat die in § 4(3) festgelegte Bedeutung.

"**Obligatorisches Zinszahlungsereignis**" hat die in § 4(3) festgelegte Bedeutung.

"**Österreichisches Versicherungsaufsichtsgesetz**" bezeichnet das Österreichische Versicherungsaufsichtsgesetz (VAG), in der jeweils geltenden Fassung.

"**Qualifizierte Mehrheit**" hat die in § 13(2) festgelegte

start of the third stage of European economic and monetary union and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended.

"**Fixed Interest Amount**" has the meaning specified in § 4(1).

"**Fixed Interest Payment Date**" has the meaning specified in § 4(1)(a).

"**Former Residence**" has the meaning specified in § 12(1)(d).

"**Business Day**" means any day that is a TARGET Business Day and on which the Clearing System settles payments in Euro.

"**Parity Instruments**" has the meaning specified in § 3(1).

"**Global Notes**" has the meaning specified in § 2(2)(a).

"**Gross-up Event**" has the meaning specified in § 5(2)(b).

"**Principal Paying Agent**" has the meaning specified in § 9(1).

"**Insolvency Event**" has the meaning specified in § 4(3).

"**Margin**" has the meaning specified in § 4(2)(c).

"**Substitute Debtor**" has the meaning specified in § 12(1).

"**Junior Instruments**" has the meaning specified in § 3(1).

"**Principal Amount**" has the meaning specified in § 2(1).

"**New Residence**" has the meaning specified in § 12(1)(d).

"**Mandatory Suspension Event**" has the meaning specified in § 4(3).

"**Compulsory Interest Payment Date**" has the meaning specified in § 4(3).

"**Compulsory Interest Payment Event**" has the meaning specified in § 4(3).

"**Austrian Insurance Supervision Act**" means the Austrian Insurance Supervision Act (*Versicherungsaufsichtsgesetz - VAG*), as amended from time to time.

"**Qualified Majority**" has the meaning specified in

Bedeutung.

"Ratingagentur" bezeichnet jede der Ratingagenturen von Fitch Ratings, Moody's Investors Service oder Standard & Poor's Credit Market Services Europe Limited (Niederlassung Deutschland) und die jeweiligen Rechtsnachfolger ihres Ratinggeschäfts.

"Ratingagenturereignis" hat die in § 5(2)(f) festgelegte Bedeutung.

"Rechnungslegungsergebnis" hat die in § 5(2)(e) festgelegte Bedeutung.

"Referenzbanken" hat die in § 4(2)(c) festgelegte Bedeutung.

"Relevantes Datum" hat die in § 7 festgelegte Bedeutung.

"Rückzahlungsbedingungen" hat die in § 5(6) festgelegte Bedeutung.

"Rückzahlungsbetrag" hat die in § 5(3) festgelegte Bedeutung.

"Rückzahlungstag" bezeichnet den Tag, an dem die Schuldverschreibungen nach Maßgabe dieser Anleihebedingungen zur Rückzahlung fällig werden.

"Schuldverschreibungen" hat die in § 2(1) festgelegte Bedeutung.

"SchVG" hat die in § 13(1) festgelegte Bedeutung.

"Solvency II" bezeichnet die Gesetze und Verordnungen gemäß (i) der Richtlinie 2009/138/EG des Europäischen Parlaments und des Rates vom 25. November 2009 betreffend die Aufnahme und Ausübung der Versicherungs- und der Rückversicherungstätigkeit (Solvabilität II) (Neufassung); (ii) alle weiteren Rechtsakte der Europäischen Union, einschließlich (aber nicht beschränkt auf) die Delegierte Verordnung (EU) 2015/35 der Kommission vom 10. Oktober 2014 zur Ergänzung der Richtlinie 2009/138/EG des Europäischen Parlaments und des Rates betreffend die Aufnahme und Ausübung der Versicherungs- und der Rückversicherungstätigkeit (Solvabilität II); und/oder (iii) die vorstehenden Rechtsakte umsetzendes österreichisches Recht, einschließlich (aber nicht beschränkt auf) das österreichische Versicherungsaufsichtsgesetz 2016 (VAG 2016), jeweils in der geltenden Fassung.

"Solvency II-Umsetzungsdatum" bezeichnet das Datum, an dem Solvency II Teil des Anzuwendenden Aufsichtsrechts wird, aber nicht vor dem 1.1.2016, oder ein späteres Datum im Falle einer Verschiebung von Solvency II.

"Solvencz-Kapitalereignis" hat die in § 4(5)(b)

§ 13(2).

"Rating Agency" means each of the rating agencies of Fitch Ratings, Moody's Investors Service or Standard & Poor's Credit Market Services Europe Limited (German Branch) and their respective successors to their ratings business.

"Rating Agency Event" has the meaning specified in § 5(2)(f).

"Accounting Event" has the meaning specified in § 5(2)(e).

"Reference Banks" has the meaning specified in § 4(2)(c).

"Relevant Date" has the meaning specified in § 7.

"Redemption Conditions" has the meaning specified in § 5(6).

"Redemption Amount" has the meaning specified in § 5(3).

"Redemption Date" means the day on which the Notes become due for redemption in accordance with these Terms and Conditions.

"Notes" has the meaning specified in § 2(1).

"SchVG" has the meaning specified in § 13(1).

"Solvency II" means the laws and regulations under (i) Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (recast); (ii) any other respective legislative acts of the European Union, including (but not limited to) the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II); and/or (iii) Austrian law implementing the same, including (but not limited to) the Austrian Insurance Supervision Act 2016 (*Versicherungsaufsichtsgesetz 2016 – VAG 2016*), in each case, as amended from time to time.

"Solvency II Implementation Date" means the date on which Solvency II becomes part of the Applicable Supervisory Law, but not before 1 January 2016, or any later date, in case of a postponement of Solvency II.

"Solvency Capital Event" has the meaning specified in

festgelegte Bedeutung.

"**Steuerereignis**" hat die in § 5(2)(d) festgelegte Bedeutung.

"**TARGET Geschäftstag**" bezeichnet jeden Tag, an dem das Trans-European Automated Real-time Gross settlement Express Transfer (TARGET 2) System in Betrieb ist.

"**Tier 2**" bezeichnet tier 2 Posten, die gemäß Solvency II als Eigenmittel anrechenbar sind (wie im Anzuwendenden Aufsichtsrecht vorgeschrieben).

"**UNIQA Gruppe**" bezeichnet die Emittentin und sämtliche nach dem Anzuwendenden Aufsichtsrecht durch die Emittentin zu konsolidierende Konzernunternehmen.

"**Variabler Zinsbetrag**" hat die in § 4(2)(d) festgelegte Bedeutung.

"**Variabler Zinszahlungstag**" ist, vorbehaltlich § 4(2)(b), der, 27. Juli, der 27. Oktober, der 27. Januar und der 27. April eines jeden Jahres beginnend mit dem 27. Oktober 2026 (einschließlich).

"**Variabler Zinszeitraum**" bezeichnet jeweils die Zeiträume vom Ersten Emittenten Kündigungstag (einschließlich) bis zum ersten Variablen Zinszahlungstag (ausschließlich) und danach von jedem Variablen Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Variablen Zinszahlungstag (ausschließlich).

"**Vereinbarungen**" hat die in § 12(1)(b) festgelegte Bedeutung.

"**Vereinigte Staaten**" hat die in § 2(2)(b) festgelegte Bedeutung.

"**Vorgesehener Endfälligkeitstag**" ist der Variable Zinszahlungstag, der auf oder um den 27. Juli 2046 fällt.

"**Vorläufige Globalurkunde**" hat die in § 2(2)(a) festgelegte Bedeutung.

"**Vorstand**" bezeichnet jedes Mitglied des Vorstandes der Emittentin.

"**Vorzeitiges Rückzahlungsereignis**" hat die in § 5(2) festgelegte Bedeutung.

"**Wahlweiser Zinszahlungstag**" hat die in § 4(4) festgelegte Bedeutung.

"**Zahlstelle**" hat die in § 9(4) festgelegte Bedeutung.

"**Zinstagequotient**" hat die in § 4(2)(d) festgelegte Bedeutung.

"**Zusätzliche Beträge**" hat die in § 7 festgelegte

§ 4(5)(b).

"**Tax Event**" has the meaning specified in § 5(2)(d).

"**TARGET Business Day**" means a day on which the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET 2) system is operating.

"**Tier 2**" means tier 2 items pursuant to Solvency II eligible as own funds (as stipulated in the Applicable Supervisory Law).

"**UNIQA Group**" means the Issuer and any group entities to be consolidated by the Issuer pursuant to the Applicable Supervisory Law.

"**Floating Interest Amount**" has the meaning specified in § 4(2)(d).

"**Floating Interest Payment Date**" means, subject to § 4(2)(b), 27 July, 27 October, 27 January and 27 April in each year, commencing on and including 27 October 2026.

"**Floating Interest Period**" means each period from and including the First Issuer Call Date to, but excluding, the first Floating Interest Payment Date and, thereafter, from and including each Floating Interest Payment Date to, but excluding, the immediately following Floating Interest Payment Date.

"**Documents**" has the meaning specified in § 12(1)(b).

"**United States**" has the meaning specified in § 2(2)(b).

"**Scheduled Maturity Date**" means the Floating Interest Payment Date falling on or nearest to 27 July 2046.

"**Temporary Global Note**" has the meaning specified in § 2(2)(a).

"**Director**" means a member of the management board (*Vorstand*) of the Issuer.

"**Early Redemption Event**" has the meaning specified in § 5(2).

"**Optional Interest Payment Date**" has the meaning specified in § 4(4).

"**Paying Agent**" has the meaning specified in § 9(4).

"**Day Count Fraction**" has the meaning specified in § 4(2)(d).

"**Additional Amounts**" has the meaning specified in § 7.

Bedeutung.

"**Zinsbetrag**" bezeichnet den Festzins-Betrag oder den Variablen Zinsbetrag.

"**Zinsfestlegungstag**" hat die in § 4(2)(c) festgelegte Bedeutung.

"**Zinssatz**" hat die in § 4(2)(c) festgelegte Bedeutung.

"**Zinszahlungstag**" bezeichnet jeden Festzins-Zahlungstag und jeden Variablen Zinszahlungstag.

"**Interest Amount**" means the Fixed Interest Amount or the Floating Interest Amount.

"**Interest Determination Date**" has the meaning specified in § 4(2)(c).

"**Rate of Interest**" has the meaning specified in § 4(2)(c).

"**Interest Payment Date**" means any Fixed Interest Payment Date and any Floating Interest Payment Date.

§ 2

NENNBETRAG; VERBRIEFUNG; VERWAHRUNG; ÜBERTRAGBARKEIT

(1) Nennbetrag

Die Emission der Nachrangigen Fest zu Variabel verzinslichen Schuldverschreibungen der Emittentin ist eingeteilt in an den Inhaber zahlbare Schuldverschreibungen (die "**Schuldverschreibungen**"; dieser Begriff umfasst sämtliche weiteren Schuldverschreibungen, die gemäß § 10 begeben werden und eine einheitliche Serie mit den Schuldverschreibungen bilden) mit einem Nennbetrag von jeweils Euro 100.000 (in Worten: Euro einhunderttausend) (der "**Nennbetrag**") im Gesamtnennbetrag von Euro 500.000.000 (in Worten: Euro fünfhundert Millionen).

(2) Vorläufige Globalurkunde — Austausch — Dauerglobalurkunde

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "**Vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird gegen eine Dauerglobalurkunde (die "**Dauerglobalurkunde**"; die Vorläufige Globalurkunde und die Dauerglobalurkunde zusammen die "**Globalurkunden**") ohne Zinsscheine ausgetauscht. Jede Globalurkunde trägt die eigenhändigen Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin und ist jeweils von der Hauptzahlstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) Die Vorläufige Globalurkunde wird an einem Tag (der "**Austauschtag**"), der nicht mehr als 180 Kalendertage nach dem Ausgabetag liegt, gegen die

§ 2

PRINCIPAL AMOUNT; FORM; DEPOSIT; TRANSFERABILITY

(1) Principal Amount

The issue of the Subordinated Fixed to Floating Rate Notes by the Issuer is divided into notes (the "**Notes**"; this term includes any further Notes issued pursuant to § 10 that form a single series with the Notes) payable to bearer, with a principal amount of Euro 100,000 (in words: euro one hundred thousand) each (the "**Principal Amount**") in the aggregate principal amount of Euro 500,000,000 (in words: euro five hundred million).

(2) Temporary Global Note — Exchange — Permanent Global Note

(a) The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") without interest coupons. The Temporary Global Note will be exchanged for a permanent global Note (the "**Permanent Global Note**"; the Temporary Global Note and the Permanent Global Note together the "**Global Notes**") without interest coupons. Each Global Note shall be signed manually by two authorised signatories of the Issuer and shall be authenticated by or on behalf of the Principal Paying Agent. Definitive Notes and interest coupons shall not be issued.

(b) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "**Exchange Date**") not later than 180 calendar days after the Issue

Dauerglobalurkunde ausgetauscht. Der Austauschtag darf nicht vor Ablauf von 40 Kalendertagen nach dem Ausgabetag liegen. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen über das Nichtbestehen U.S.-amerikanischen wirtschaftlichen Eigentums (*U.S. beneficial ownership*) an den Schuldverschreibungen, die nach Inhalt und Form den Anforderungen des Rechts der Vereinigten Staaten und den dann bestehenden Usancen des Clearingsystems entsprechen, erfolgen. Solange die Schuldverschreibungen durch die Vorläufige Globalurkunde verbrieft sind, werden Zinszahlungen erst nach Vorlage dieser Bescheinigungen vorgenommen. Für jede Zinszahlung ist eine gesonderte Bescheinigung erforderlich.

"**Vereinigte Staaten**" bezeichnet die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und der Northern Mariana Islands).

Date. The Exchange Date shall not be earlier than 40 calendar days after the Issue Date. Such exchange shall only be made upon delivery of certifications as to non U.S. beneficial ownership of the Notes, the contents and form of which shall correspond to the applicable requirements of the laws of the United States and the then prevailing standard practices of the Clearing System. Payment of interest on Notes represented by the Temporary Global Note shall be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest.

"**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(3) Übertragbarkeit

Den Anleihegläubigern stehen Miteigentumsanteile oder -rechte an den Globalurkunden zu, die nach Maßgabe des anwendbaren Rechts und der jeweils geltenden Regelwerke des Clearingsystems übertragen werden können.

(3) Transferability

The Noteholders shall receive proportional co-ownership participations or rights in the Global Notes that are transferable in accordance with applicable law and applicable rules of the Clearing System.

§ 3

**STATUS DER SCHULDVERSCHREIBUNGEN;
KEINE SICHERHEITEN;
AUFRECHNUNGSVERBOT**

(1) Status der Schuldverschreibungen

Die Schuldverschreibungen sollen ab dem Solvency II-Umsetzungsdatum Tier 2 darstellen.

Die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen begründen direkte, nicht besicherte und nachrangige Verbindlichkeiten der Emittentin, die (i) nachrangig gegenüber allen gegenwärtigen oder zukünftigen nicht-nachrangigen Instrumenten oder Verbindlichkeiten der Emittentin sind; (ii) gleichrangig untereinander und zumindest gleichrangig mit allen anderen gegenwärtigen oder zukünftigen nicht besicherten Instrumenten oder Verbindlichkeiten der Emittentin sind, die nachrangig zu allen nicht-nachrangigen Verbindlichkeiten oder Instrumenten der

§ 3

**STATUS OF THE NOTES; NO SECURITY;
PROHIBITION OF SET-OFF**

(1) Status of the Notes

The Notes are intended to constitute Tier 2 from the Solvency II Implementation Date.

The obligations of the Issuer under the Notes constitute direct, unsecured and subordinated obligations of the Issuer which rank: (i) junior to all present or future unsecured instruments or obligations of the Issuer; (ii) *pari passu* among themselves, and at least *pari passu* with all other present or future unsecured instruments or obligations of the Issuer which rank, or are expressed to rank junior to all unsecured obligations or instruments (including obligations in relation to Supplementary Capital) of the Issuer (the "**Parity Instruments**"); and (iii) senior to all present or future instruments or

Emittentin (einschließlich Verbindlichkeiten in Bezug auf Ergänzungskapital) sind oder als nachrangig zu diesen bezeichnet werden (die "**Gleichrangigen Instrumente**"); und (iii) vorrangig gegenüber allen gegenwärtigen oder zukünftigen Instrumenten oder Verbindlichkeiten der Emittentin sind, die nachrangig zu den Verbindlichkeiten der Emittentin aus den Schuldverschreibungen sind oder als nachrangig zu diesen bezeichnet werden, einschließlich gegenüber Verbindlichkeiten in Bezug auf Partizipationskapital gemäß § 73c (1) des Österreichischen Versicherungsaufsichtsgesetzes sowie Grundkapital jeder Gattung und jedem anderen tier 1-Eigenmittel gemäß dem Anzuwendenden Aufsichtsrecht (alle diese Verbindlichkeiten und Aktien, die "**Nachrangigen Instrumente**").

Im Fall der Auflösung, Liquidation oder Insolvenz der Emittentin oder eines sonstigen Verfahrens zur Abwendung der Insolvenz der Emittentin sind die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen im Rang gegenüber den Ansprüchen aller Inhaber nicht-nachrangiger Verbindlichkeiten nachrangig, so dass in diesen Fällen und so lange das Eigenkapital der Emittentin im Sinne des § 255 (1) des österreichischen Unternehmensgesetzbuchs (UGB) negativ ist, Zahlungen auf die Schuldverschreibungen erst erfolgen, wenn alle Ansprüche gegen die Emittentin aus Verbindlichkeiten, die den Verbindlichkeiten der Emittentin aus den Schuldverschreibungen nach diesen Anleihebedingungen oder kraft Gesetzes im Rang vorgehen, vollständig befriedigt sind. Erst nachdem die zuvor benannten Ansprüche befriedigt sind und die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen vollständig erfüllt sind, können verbleibende Vermögensgegenstände an Inhaber von Instrumenten, die den Schuldverschreibungen im Rang nachgehen, verteilt werden.

Die Anleihegläubiger erklären, dass keine Insolvenzverfahren gegen die Emittentin in Bezug auf Verbindlichkeiten der Emittentin aus den Schuldverschreibungen eröffnet werden müssen. Die Schuldverschreibungen werden bei der Prüfung, ob die Verbindlichkeiten der Emittentin ihre Vermögenswerte übersteigen, nicht berücksichtigt; die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen werden daher auch nicht bei der Prüfung, ob eine Überschuldung gemäß § 67 (3) der österreichischen Insolvenzordnung (IO) vorliegt, berücksichtigt.

obligations of the Issuer which rank, or are expressed to rank, junior to the obligations of the Issuer under the Notes, including obligations in relation to, participation capital (*Partizipationskapital*) pursuant to § 73c (1) of the Austrian Insurance Supervision Act as well as share capital (*Grundkapital*) of any class and any other tier 1 own-fund item pursuant to Applicable Supervisory Law (all such obligations and shares, the "**Junior Instruments**").

In the event of the liquidation, dissolution or insolvency of the Issuer or any proceeding for the avoidance of insolvency of the Issuer, the obligations of the Issuer under the Notes shall be subordinated to the claims of all holders of unsubordinated obligations so that in any such event and as long as the equity of the Issuer is negative in the meaning of § 255 (1) Austrian Commercial Code (*Unternehmensgesetzbuch – UGB*) (*negatives Eigenkapital*) payments in respect of the Notes will not be made until all claims against the Issuer under obligations which rank senior to obligations of the Issuer under the Notes in accordance with these Terms and Conditions or by operation of law have been satisfied in full. Only after the aforementioned claims will first have been satisfied and the obligations of the Issuer under the Notes have been satisfied in full, may any remaining assets be distributed to holders of any instruments that rank junior to the Notes.

The Noteholders declare that no insolvency proceedings against the Issuer are required to be opened in relation to the obligations of the Issuer under the Notes. The Notes do not contribute to a determination that the liabilities of the Issuer exceed its assets; therefore the obligations of the Issuer under the Notes, if any, will not contribute to the determination of over-indebtedness (*Überschuldung*) in accordance with § 67(3) of the Austrian Insolvency Code (*Insolvenzordnung - IO*).

(2) Keine Sicherheiten

Für die Rechte der Anleihegläubiger aus den Schuldverschreibungen ist diesen keine Sicherheit durch die Emittentin oder durch Dritte gestellt; eine solche Sicherheit wird auch zu keinem anderen Zeitpunkt gestellt werden.

(3) Aufrechnungsverbot

Die Anleihegläubiger sind nicht berechtigt, Forderungen aus den Schuldverschreibungen gegen mögliche Forderungen der Emittentin aufzurechnen. Die Emittentin ist nicht berechtigt, mögliche Forderungen gegen Anleihegläubiger mit ihren Verbindlichkeiten aus den Schuldverschreibungen aufzurechnen.

§ 4

ZINSEN; OBLIGATORISCHE ZINSZAHLUNGEN; WAHLWEISE ZINSAUSSETZUNG; ZWINGENDE ZINSAUSSETZUNG; ZAHLUNG AUSGESETZTER ZINSZAHLUNGEN

(1) Festzinszahlungen

Vorbehaltlich einer vorzeitigen Rückzahlung gemäß diesen Anleihebedingungen und der Bestimmungen dieses § 4 werden Zinsen auf die Schuldverschreibungen vom Ausgabetag (einschließlich) bis zum Ersten Emittenten Kündigungstag (ausschließlich) wie folgt gezahlt:

(a) Die Schuldverschreibungen werden mit jährlich 6,00 % auf ihren Nennbetrag verzinst. Diese Zinsen sind nachträglich jährlich am 27. Juli eines jeden Jahres (jeder ein "**Festzins-Zahlungstag**") zur Zahlung geplant, erstmals am 27. Juli 2016, und werden gemäß den in § 4(3), § 4(4) und § 4(5) festgelegten Bedingungen fällig.

(b) Die für einen Zeitraum bis zum Ersten Emittenten Kündigungstag (ausschließlich) an dem jeweiligen Festzins-Zahlungstag anfallenden Zinsen je Schuldverschreibung (der "**Festzins-Betrag**") werden auf Basis des Festzinstagequotienten berechnet.

"**Festzinstagequotient**" bezeichnet bei der Berechnung des Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (ab dem ersten Tag dieses Zeitraums (einschließlich) bis zum letzten Tag dieses Zeitraums (ausschließlich)) (der "**Berechnungszeitraum**"):

(A) wenn der Berechnungszeitraum der Feststellungsperiode entspricht, in die er

(2) No security

No security is, or shall at any time be, granted by the Issuer or any other person securing rights of the Noteholders under the Notes.

(3) Prohibition of set-off

No Noteholder may set off any claims arising under the Notes against any claims that the Issuer may have against the Noteholder. The Issuer may not set off any claims it may have against any Noteholder against any of its obligations under the Notes.

§ 4

INTEREST; COMPULSORY INTEREST PAYMENTS; OPTIONAL INTEREST DEFERRAL; MANDATORY INTEREST DEFERRAL; PAYMENT OF DEFERRED INTEREST

(1) Fixed Interest Payments

Unless previously redeemed in accordance with these Terms and Conditions and subject to the provisions of this § 4, interest on the Notes from and including the Issue Date to, but excluding, the First Issuer Call Date shall be paid as follows:

(a) The Notes bear interest at the rate of 6.00 per cent. *per annum* on their Principal Amount. Such interest shall be scheduled to be paid annually in arrear on 27 July of each year (each a "**Fixed Interest Payment Date**"), commencing on 27 July 2016, and will be due and payable (*fällig*) in accordance with the conditions set forth in § 4(3), § 4(4) and § 4(5).

(b) Interest for any period of time to but excluding the First Issuer Call Date accruing per Note on the respective Fixed Interest Payment Date ("**Fixed Interest Amount**") will be calculated on the basis of the Fixed Day Count Fraction.

"**Fixed Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last day of such period) (the "**Calculation Period**"):

(A) if the Calculation Period is equal to or shorter than the Determination Period

fällt, oder kürzer als diese ist, die Anzahl von Tagen in dem Berechnungszeitraum dividiert durch die Anzahl von Tagen in der betreffenden Feststellungsperiode; und

- (B) wenn der Berechnungszeitraum länger als eine Feststellungsperiode ist, die Summe aus
- (I) der Anzahl der Tage in dem betreffenden Berechnungszeitraum, die in die Feststellungsperiode fallen, in der der Berechnungszeitraum beginnt, dividiert durch die Anzahl der Tage in der betreffenden Feststellungsperiode; und
- (II) die Anzahl der Tage in dem betreffenden Berechnungszeitraum, die in die nachfolgende Feststellungsperiode fallen, dividiert durch die Anzahl der Tage in der betreffenden Feststellungsperiode.

"Feststellungsperiode" bezeichnet jede Periode von 27. Juli (einschließlich) eines beliebigen Jahres bis zum nächsten 27. Juli (ausschließlich).

(2) Zinszahlungen für Variable Zinszeiträume

Vorbehaltlich einer vorzeitigen Rückzahlung gemäß diesen Anleihebedingungen und der weiteren Bestimmungen dieses § 4 werden Zinsen auf die Schuldverschreibungen vom Ersten Emittenten Kündigungstag (einschließlich) bis zum Endfälligkeitstag (ausschließlich) wie folgt gezahlt:

- (a) Die Schuldverschreibungen werden in Höhe des von der Berechnungsstelle gemäß § 4(2)(d) festgesetzten Zinssatzes verzinst. Diese Zinsen sind jeweils vierteljährlich nachträglich an jedem Variablen Zinszahlungstag zur Zahlung geplant, und werden gemäß den in § 4(3), § 4(4) und § 4(5) festgelegten Bedingungen fällig.
- (b) Falls ein Variabler Zinszahlungstag auf einen Kalendertag fallen würde, der kein Geschäftstag ist, ist der Variable Zinszahlungstag der nächstfolgende Geschäftstag, es sei denn, er würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall fällt der betreffende Variable Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag. Die Variablen Zinszeiträume werden

during which it falls, the number of days in the Calculation Period divided by the number of days in such Determination Period; and

- (B) if the Calculation Period is longer than one Determination Period, the sum of:
- (I) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the number of days in such Determination Period; and
- (II) the number of days in such Calculation Period falling in the next Determination Period divided by the number of days in such Determination Period.

"Determination Period" means each period from and including 27 July in any year to but excluding the next 27 July .

(2) Interest Payments for Floating Interest Periods

Unless previously redeemed in accordance with these Terms and Conditions and subject to the further provisions of this § 4, interest on the Notes shall be paid from and including the First Issuer Call Date to, but excluding, the Final Maturity Date as follows:

- (a) The Notes shall bear interest at a rate determined by the Calculation Agent pursuant to § 4(2)(d) below. Such interest shall be scheduled to be paid quarterly in arrear on each Floating Interest Payment Date, and will be due and payable (*fällig*) in accordance with the conditions set forth in § 4(3), § 4(4) and § 4(5).
- (b) If any Floating Interest Payment Date would otherwise fall on a calendar day which is not a Business Day, the Floating Interest Payment Date shall be the next calendar day which is a Business Day unless it would thereby fall into the next calendar month, in which case the relevant Floating Interest Payment Date shall be the immediately preceding Business Day. The Floating Interest Periods will be

entsprechend angepasst.

- (c) Der Zinssatz (der "**Zinssatz**") für jeden Variablen Zinszeitraum ist, sofern nachstehend nichts Abweichendes bestimmt ist, der Angebotssatz (ausgedrückt als Prozentsatz pro Jahr) für Dreimonats-Angebotssätze in Euro für den jeweiligen Variablen Zinszeitraum, der am Zinsfestlegungstag um 11:00 Uhr (Brüsseler Ortszeit) auf der Bildschirmseite angezeigt wird, zuzüglich der Marge, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Sollte die Bildschirmseite nicht zur Verfügung stehen oder wird dort kein Angebotssatz angezeigt, wird die Berechnungsstelle von vier von ihr ausgewählten Referenzbanken deren jeweiliger Angebotssatz für Dreimonats-Angebotssätze in Euro für den betreffenden Variablen Zinszeitraum (jeweils als Prozentsatz pro Jahr ausgedrückt) anfordern. Maßgeblich sind die Angebotssätze zu einer repräsentativen Menge (auf einer Actual/360 Zinstagebasis) von Banken mit bestem Ansehen am Interbankenmarkt der Euro-Zone gegen 11:00 Uhr (Brüsseler Ortszeit) am betreffenden Zinsfestlegungstag. Sofern zwei oder mehr der ausgewählten Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für den betreffenden Variablen Zinszeitraum das arithmetische Mittel der jeweiligen Angebotssätze (falls erforderlich, auf oder abgerundet auf das nächste ein tausendstel Prozent, wobei 0,0005 aufgerundet wird), zuzüglich der Marge, wobei alle Feststellungen durch die Berechnungsstelle erfolgen.

Für den Fall, dass der Zinssatz nicht gemäß den vorstehenden Bestimmungen ermittelt werden kann, ist der Zinssatz der Angebotssatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, am letzten Kalendertag vor dem Zinsfestlegungstag, an dem ein solcher Angebotssatz bzw. solche Angebotssätze angezeigt wurde(n), zuzüglich der Marge.

"**Bildschirmseite**" bezeichnet die Reuters Seite EURIBOR01 (oder eine andere Bildschirmseite von Reuters oder einem anderen Informationsanbieter, die die Reuters Seite EURIBOR01 zur Anzeige

adjusted accordingly.

- (c) The rate of interest (the "**Rate of Interest**") for each Floating Interest Period shall, except as provided below, be the offered quotation (expressed as a percentage rate per annum) for three-month deposits in Euro for that Floating Interest Period which appears on the Screen Page as of 11:00 a.m. (Brussels time) on the Interest Determination Date plus the Margin, all as determined by the Calculation Agent.

If the Screen Page is not available or if no such quotation is available, the Calculation Agent shall request four Reference Banks selected by it to provide the Calculation Agent with their offered quotation (expressed as a percentage rate per annum) for three-month deposits in Euro for the relevant Floating Interest Period and in a representative amount (on an Actual/360 day count basis) to prime banks in the interbank market of the Euro-Zone at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date. As long as two or more of the selected Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Floating Interest Period shall be the arithmetic mean of such offered quotations (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) plus the Margin, all as determined by the Calculation Agent.

If the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last calendar day preceding the Interest Determination Date on which such quotation or, as the case may be, quotations were displayed, plus the Margin.

"**Screen Page**" means Reuters Page EURIBOR01 (or such other screen page of Reuters or such other information service, which is the successor to Reuters Page EURIBOR01 for the purpose of

solcher Sätze ersetzt).

Die "**Marge**" beträgt 5,817 Prozentpunkte pro Jahr und schließt einen Aufschlag von 100 Basispunkten (1,00 Prozentpunkt) ein.

"**Referenzbanken**" sind die Niederlassungen von nicht weniger als vier Banken, deren Angebotssätze zur Ermittlung des maßgeblichen Angebotssatzes benutzt wurden und zwar zu dem Zeitpunkt, zu dem der maßgebliche Angebotssatz letztmals auf der Bildschirmseite angezeigt wurde.

"**Zinsfestlegungstag**" ist der zweite TARGET Geschäftstag vor Beginn des jeweiligen Variablen Zinszeitraums.

- (d) Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zinsfestlegungstag den Zinssatz für jede Schuldverschreibung bestimmen und die auf jede Schuldverschreibung zahlbaren Zinsen für den entsprechenden Variablen Zinszeitraum (der "**Variable Zinsbetrag**") berechnen. Der jeweilige Variable Zinsbetrag ergibt sich aus der Multiplikation des relevanten Zinssatzes mit dem Zinstagequotienten und dem Nennbetrag je Schuldverschreibung. Der daraus resultierende Betrag wird auf den nächsten Cent auf oder abgerundet, wobei 0,5 oder mehr eines Cents aufgerundet werden.

"**Zinstagequotient**" bezeichnet im Hinblick auf die Berechnung des Variablen Zinsbetrages für einen Variablen Zinszeitraum oder einen Teil davon (der "**Berechnungszeitraum**") die tatsächliche Anzahl von Kalendertagen im Berechnungszeitraum geteilt durch 360.

- (e) Die Berechnungsstelle wird veranlassen, dass der Zinssatz und der Variable Zinsbetrag für den jeweiligen Variablen Zinszeitraum, jeder Variable Zinszeitraum und der betreffende Variable Zinszahlungstag der Emittentin und jeder Börse, an der die Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, sowie den Anleihegläubigern gemäß § 11 unverzüglich, aber keinesfalls später als am vierten auf deren Feststellung folgenden Geschäftstag mitgeteilt werden.
- (f) Sämtliche Bescheinigungen, Mitteilungen,

displaying such rates).

"**Margin**" means 5.817 percentage points *per annum* which includes a step-up of 100 basis points (1.00 percentage point).

"**Reference Banks**" means those offices of not less than four banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page.

"**Interest Determination Date**" means the second TARGET Business Day prior to the commencement of the relevant Floating Interest Period.

- (d) The Calculation Agent shall, on or as soon as practicable after each Interest Determination Date, determine the Rate of Interest for each Note and calculate the amount of interest payable per Note for the relevant Floating Interest Period (the "**Floating Interest Amount**"). Each Floating Interest Amount shall be calculated by multiplying the relevant Rate of Interest with the Day Count Fraction and the Principal Amount per Note and rounding the resulting figure to the nearest cent with 0.5 or more of a cent being rounded upwards.

"**Day Count Fraction**" means, in respect of the calculation of the Floating Interest Amount for any Floating Interest Period or part thereof (the "**Calculation Period**"), the actual number of calendar days in the Calculation Period divided by 360.

- (e) The Calculation Agent will cause the Rate of Interest and Floating Interest Amount for each Floating Interest Period, each Floating Interest Period and the relevant Floating Interest Payment Date to be notified to the Issuer and, if required by the rules of any stock exchange on which the Notes are listed from time to time, to such exchange, and to the Noteholders in accordance with § 11 without undue delay, but, in any case, not later than on the fourth Business Day after their determination.
- (f) All certificates, communications,

Gutachten, Festsetzungen, Berechnungen, Angebote und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieser Anleihebedingungen gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht vorsätzliches Fehlverhalten oder ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Anleihegläubiger und die Zahlstellen bindend.

(3) Obligatorische Zinszahlungen

Zinsen, die während eines Zeitraumes auflaufen, der an einem Obligatorischen Zinszahlungstag (ausschließlich) endet, sind an diesem Obligatorischen Zinszahlungstag fällig und zahlbar.

"**Obligatorischer Zinszahlungstag**" bezeichnet jeden Zinszahlungstag, in Bezug auf den während der letzten zwölf Monate vor dem betreffenden Zinszahlungstag ein Obligatorisches Zinszahlungsereignis eingetreten ist, und in Bezug auf den kein Obligatorisches Aussetzungsereignis eingetreten ist und fort dauert.

Ein "**Insolvenzereignis**" ist in Bezug auf eine Zahlung von Zinsen, Zinsrückständen (wie in § 4(5)(a) definiert) oder Kapital auf die Schuldverschreibungen oder einen Rückkauf der Schuldverschreibungen eingetreten, wenn die Emittentin dadurch nach Maßgabe des Anzuwendenden Insolvenzrechts insolvent würde.

Ein "**Obligatorisches Aussetzungsereignis**" ist in Bezug auf einen Tag, an dem Zahlungen von Zinsen und/oder Zinsrückständen gemäß diesen Anleihebedingungen vorgesehen sind, eingetreten, wenn

- (a) die entsprechende Zahlung zu einem Insolvenzereignis führen oder dessen Eintritt beschleunigen würde; oder
- (b) an einem solchen Tag eine Entscheidung der Aufsichtsbehörde in Kraft ist, die der Emittentin im Zusammenhang mit zu diesem Zeitpunkt anzuwendenden Bestimmungen die Leistung von Zahlungen auf die Schuldverschreibungen untersagt; oder
- (c) an oder vor diesem Tag ein Solvenz-Kapitalereignis eingetreten ist und an diesem Tag fort dauert oder durch die Zahlung von Zinsen und/oder Zinsrückständen durch die Emittentin an diesem Tag eintreten würde, es sei denn,

opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of these Terms and Conditions by the Calculation Agent shall (in the absence of willful default or manifest error) be binding upon the Issuer, the Noteholders and the Paying Agents.

(3) Compulsory Interest Payments

Interest which accrues during a period ending on (but excluding) a Compulsory Interest Payment Date shall be due and payable on such Compulsory Interest Payment Date.

"**Compulsory Interest Payment Date**" means any Interest Payment Date in respect of which a Compulsory Interest Payment Event occurred during twelve months before the relevant Interest Payment Date, and in respect of which no Mandatory Suspension Event has occurred and is continuing.

An "**Insolvency Event**" shall occur in respect of a payment of interest, Arrears of Interest (as defined in §4 (5)(a) or principal on the Notes or a repurchase of the Notes, if the Issuer would become insolvent in accordance with the Applicable Insolvency Law as a result thereof.

A "**Mandatory Suspension Event**" shall occur with respect to the date on which any payment of interest and/or Arrears of Interest is scheduled to be paid under these Terms and Conditions, if:

- (a) such payment would result in, or accelerate, the occurrence of an Insolvency Event; or
- (b) there is in effect on such date an order of the Supervisory Authority prohibiting in accordance with regulations applicable at such time the Issuer from making payments under the Notes; or
- (c) a Solvency Capital Event either has occurred on or prior to such date and is continuing on such date or would be caused by such payment by the Issuer of interest and/or Arrears of Interest on the relevant date, unless:

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| <p>(i) an oder vor diesem Tag die Aufsichtsbehörde ihre vorherige Genehmigung zur Zahlung der betreffenden Zinsen und/oder Zinsrückstände trotz des Solvenz-Kapitalereignisses ausnahmsweise erteilt und bis zu diesem Tag nicht widerrufen hat; und</p> <p>(ii) die Zahlung der betreffenden Zinsen und/oder Zinsrückstände die Solvabilität der Emittentin und/oder der UNIQA Gruppe nicht weiter schwächt; und</p> <p>(iii) die Mindestkapitalanforderung (MCR) (wie auch immer im Anzuwendenden Aufsichtsrecht bezeichnet) gemäß dem Anzuwendenden Aufsichtsrecht nach der Zahlung der betreffenden Zinsen und/oder Zinsrückstände eingehalten wird.</p> | <p>(i) on or prior to such date the Supervisory Authority has exceptionally given, and not withdrawn by such date, its prior approval to the payment of the relevant interest and/or Arrears of Interest despite the Solvency Capital Event; and</p> <p>(ii) the payment of the relevant interest and/or Arrears of Interest on the Notes does not further weaken the solvency position of the Issuer and/or UNIQA Group; and</p> <p>(iii) the minimum capital requirement (MCR) (howsoever described in the Applicable Supervisory Law) pursuant to the Applicable Supervisory Law is complied with after the payment of the relevant interest and/or Arrears of Interest is made.</p> |
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"Obligatorisches Zinszahlungsereignis"
bezeichnet jedes der folgenden Ereignisse:

- (a) in der letzten ordentlichen Hauptversammlung der Emittentin wurde eine Dividende, sonstige Ausschüttung oder Zahlung auf eine beliebige Gattung von Aktien der Emittentin wirksam beschlossen; oder
- (b) seit der letzten ordentlichen Hauptversammlung der Emittentin hat die Emittentin eine Abschlagszahlung auf den Bilanzgewinn geleistet; oder
- (c) die Emittentin hat seit der letzten ordentlichen Hauptversammlung der Emittentin, direkt oder indirekt über eine ihrer Tochtergesellschaften, Aktien einer beliebigen Gattung gegen Barzahlung zurückgekauft (mit Ausnahme von Rückkäufen, die in Verbindung mit Aktienoptionen oder Aktienbeteiligungsprogrammen für das Management oder für Angestellte der Emittentin oder verbundene Unternehmen der Emittentin im Rahmen der gewöhnlichen Geschäftstätigkeit gemacht wurden).

"Compulsory Interest Payment Event" means any of the following events:

- (a) the most recent ordinary general meeting of shareholders (*ordentliche Hauptversammlung*) of the Issuer has validly resolved on any dividend, other distribution or payment in respect of any shares of any class of the Issuer; or
- (b) any payment on account of the balance sheet profit has been made by the Issuer since the most recent ordinary general meeting of shareholders of the Issuer; or
- (c) the Issuer, directly or indirectly through any of its subsidiaries, has repurchased for cash shares of any class (with the exception of repurchases in connection with stock option or stock ownership programmes for management or employees of the Issuer or affiliates of the Issuer made in the ordinary course of business) since the most recent ordinary general meeting of shareholders of the Issuer.

(4) Wahlweise Aussetzung von Zinszahlungen

Zinsen, die während eines Zeitraumes auflaufen, der an einem Wahlweisen Zinszahlungstag (ausschließlich) endet, werden an diesem Wahlweisen Zinszahlungstag fällig und zahlbar,

(4) Optional deferral of interest payments

Interest which accrues during an interest period ending on but excluding an Optional Interest Payment Date will be due and payable on that Optional Interest Payment Date, unless the Issuer

es sei denn, die Emittentin entscheidet sich durch eine Mitteilung an die Anleihegläubiger gemäß § 11 innerhalb einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen vor dem betreffenden Zinszahlungstag dazu, die betreffende Zinszahlung auszusetzen.

Wenn sich die Emittentin an einem Wahlweisen Zinszahlungstag zur vollständigen oder teilweisen Aussetzung aufgelaufener Zinsen entschieden hat, ist sie nicht verpflichtet, an dem betreffenden Wahlweisen Zinszahlungstag aufgelaufene Zinsen zu zahlen bzw ist sie nur verpflichtet, den Teil der aufgelaufenen Zinsen zu leisten, für dessen Aussetzung sie sich nicht entschieden hat. Eine solche Nichtzahlung begründet keinen Verzug der Emittentin und keine anderweitige Verletzung ihrer Verbindlichkeiten aus diesen Schuldverschreibungen oder aus sonstigen Gründen.

"Wahlweiser Zinszahlungstag" bezeichnet jeden Zinszahlungstag, der kein Obligatorischer Zinszahlungstag ist, und in Bezug auf den kein Obligatorisches Aussetzungsereignis eingetreten ist und fort dauert.

(5) Zwingende Aussetzung von Zinszahlungen

- (a) Falls in Bezug auf einen Zinszahlungstag ein Obligatorisches Aussetzungsereignis eingetreten ist, werden Zinsen, die während eines Zeitraumes aufgelaufen sind, der an dem betreffenden Zinszahlungstag (ausschließlich) endet, an diesem Zinszahlungstag nicht fällig. Die Emittentin wird die Anleihegläubiger gemäß § 11 über den Eintritt eines Obligatorischen Aussetzungsereignisses baldmöglichst nach seiner Feststellung informieren. Eine Nichtzahlung aus diesem Grunde begründet keinen Verzug der Emittentin oder keine anderweitige Verletzung ihrer Verbindlichkeiten aus diesen Schuldverschreibungen oder für sonstige Zwecke.

Nach Maßgabe der § 4(4) und § 4(5) nicht fällig gewordene aufgelaufene Zinsen für eine Zinsperiode sind Zinsrückstände (die **"Zinsrückstände"**).

Anleihegläubiger erhalten keine Zinsen oder sonstige Entschädigung im Falle einer optionalen Stundung der Zinszahlung. Insbesondere werden Zinsrückstände nicht verzinst.

- (b) Ein **"Solvenzkapitalereignis"** ist eingetreten, falls die Eigenmittel (wie

elects, by giving not less than 10 and not more than 15 Business Days' notice to the Noteholders prior to the relevant Interest Payment Date in accordance with § 11, to defer the relevant payment of interest.

If the Issuer elects to defer, in whole or in part, accrued interest on an Optional Interest Payment Date, then it will not have any obligation to pay accrued interest on such Optional Interest Payment Date or will only be obliged to pay such part of the accrued interest it elects not to defer, respectively. Any such non-payment will not constitute a default of the Issuer or any other breach of its obligations under the Notes or for any other purpose.

"Optional Interest Payment Date" means each Interest Payment Date which is not a Compulsory Interest Payment Date, and in respect of which no Mandatory Suspension Event has occurred and is continuing.

(5) Mandatory deferral of interest payments

- (a) If a Mandatory Suspension Event has occurred with respect to any Interest Payment Date, interest which accrued during the period ending on but excluding such Interest Payment Date will not be due and payable on that Interest Payment Date. The Issuer will give notice to the Noteholders of the occurrence of the Mandatory Suspension Event in accordance with § 11 as soon as possible after its determination. Any such non-payment will not constitute a default of the Issuer or any other breach of its obligations under the Notes or for any other purpose.

Accrued interest in respect of an interest period not due and payable in accordance with § 4(4) and § 4(5) will constitute arrears of interest (**"Arrears of Interest"**).

Noteholders will not receive any interest or other compensation in case of an optional deferral of interest payments. In particular, Arrears of Interest will not bear interest.

- (b) A **"Solvency Capital Event"** shall occur if the own funds (howsoever described in

auch immer im Anzuwendenden Aufsichtsrecht bezeichnet) der Emittentin und/oder der UNIQA Gruppe nicht ausreichen, um die Solvenzkapitalanforderung (SCR) der Emittentin und/oder der UNIQA Gruppe, Mindestkapitalanforderung (MCR) der Emittentin oder jede andere anwendbare Kapitalanforderung (wie auch immer im Anzuwendenden Aufsichtsrecht bezeichnet) gemäß dem Anzuwendenden Aufsichtsrecht zu decken, was auch immer früher eintritt.

(6) Wahlweise Zahlung von Zinsrückständen

- (a) Die Emittentin ist berechtigt, ausstehende Zinsrückstände (ganz oder teilweise) jederzeit zu zahlen, wenn kein Obligatorisches Aussetzungsereignis eingetreten ist und fort dauert.
- (b) Wenn sich die Emittentin für die Zahlung von ausstehenden Zinszahlungen (ganz oder teilweise) entschieden hat, wird sie dies gemäß § 11 den Anleihegläubigern unter Einhaltung einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen bekanntgeben. Diese Mitteilung gibt (i) den Betrag der zu zahlenden Zinsrückstände und (ii) den für diese Zahlung festgelegten Tag an (der "**Wahlweise Abwicklungstag**").
- (c) Bei Bekanntgabe dieser Mitteilung wird der darin angegebene Betrag der Zinsrückstände fällig und die Emittentin ist verpflichtet, diesen Betrag der Zinsrückstände am angegebenen Wahlweisen Abwicklungstag zu zahlen. Allerdings entfällt diese Verpflichtung, wenn an diesem Tag ein Obligatorisches Aussetzungsereignis eingetreten ist und fort dauert.

(7) Pflicht zur Nachzahlung von Zinsrückständen.

Zinsrückstände werden (vollständig, jedoch nicht teilweise) an dem zuerst eintretenden der nachfolgend bestimmten Kalendertage fällig und zahlbar, nur in den Fällen der nachstehenden Absätze (a) und (c) sofern (A) kein Obligatorisches Aussetzungsereignis eingetreten ist oder andauert und (B) die Aufsichtsbehörde am oder vor dem so bestimmten Kalendertag der Zahlung der Zinsrückstände zugestimmt hat (sofern eine solche Zustimmung nach den Anzuwendenden Aufsichtsrecht dann erforderlich ist):

- (a) an dem Tag, an dem die Schuldverschreibungen gemäß diesen Anleihebedingungen zur Rückzahlung

the Applicable Supervisory Law) of the Issuer and/or UNIQA Group are not sufficient to cover the applicable solvency capital requirement (SCR) of the Issuer and/or UNIQA Group or the applicable minimum capital requirement (MCR) of the Issuer or any other applicable capital requirements (in each case, howsoever described in the Applicable Supervisory Law), whichever occurs earlier, pursuant to the Applicable Supervisory Law.

(6) Optional Payment of Arrears of Interest

- (a) The Issuer will be entitled to pay outstanding Arrears of Interest (in whole or in part) at any time if no Mandatory Suspension Event has occurred and is continuing.
- (b) If the Issuer elects to pay outstanding Arrears of Interest (in whole or in part), it will give not less than 10 and not more than 15 Business Days' notice to the Noteholders in accordance with § 11 which notice will specify (i) the amount of Arrears of Interest to be paid and (ii) the date fixed for such payment (the "**Optional Settlement Date**").
- (c) Upon such notice being given, the amount of Arrears of Interest specified therein will become due and payable (*fällig*), and the Issuer will be obliged to pay such amount of Arrears of Interest on the specified Optional Settlement Date. However, this obligation will cease to exist if on such date a Mandatory Suspension Event has occurred and is continuing.

(7) Compulsory payment of Arrears of Interest.

Arrears of Interest shall become due and payable (in whole but not in part) on the first to occur of the following dates, provided that in the case set out in paragraphs (a) and (c) below (A) no Mandatory Suspension Event has occurred or is continuing and (B) the Supervisory Authority has given its prior consent (if such consent is required at the time under the Applicable Supervisory Law) on or prior to the date so determined to the payment of the Arrears of Interest:

- (a) the date on which the Notes fall due for redemption in accordance with these Terms and Conditions;

fällig werden;

- (b) an dem Kalendertag, an dem ein Beschluss zur Auflösung, Abwicklung oder Liquidation der Emittentin ergeht (aber nur, wenn dies nicht für die Zwecke oder als Folge eines Zusammenschlusses, einer Umstrukturierung oder Sanierung geschieht und die Emittentin noch zahlungsfähig ist und die übernehmende Gesellschaft im Wesentlichen alle Vermögenswerte und Verbindlichkeiten der Emittentin übernimmt), oder
- (c) am nächsten Obligatorischen Zinszahlungstag.

§ 5

RÜCKZAHLUNG UND RÜCKKAUF

- (1) Rückzahlung bei Endfälligkeit

Sofern nicht bereits zuvor zurückgezahlt oder zurückgekauft, werden die Schuldverschreibungen am Endfälligkeitstag zum Rückzahlungsbetrag zurückgezahlt.

"Endfälligkeitstag" ist entweder (i) wenn am Vorgesehenen Endfälligkeitstag die Rückzahlungsbedingungen (wie nachstehend definiert) erfüllt sind, der Vorgesehene Endfälligkeitstag; oder (ii) der erste Variable Zinszahlungstag, der auf den Vorgesehenen Endfälligkeitstag folgt, und an dem die Rückzahlungsbedingungen erfüllt sind.

- (2) Vorzeitige Rückzahlung bei Eintritt eines Vorzeitigen Rückzahlungsereignisses

Die Emittentin kann durch eine vorhergehende Bekanntmachung gemäß § 11 unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Kalendertagen vorbehaltlich der Voraussetzungen und Einschränkungen wie nachstehend unter (a) dargestellt und vorbehaltlich der Rückzahlungsbedingungen gemäß § 5(6), die am für die Rückzahlung festgelegten Tag erfüllt sein müssen, die Schuldverschreibungen jederzeit (ganz aber nicht teilweise) zu ihrem Rückzahlungsbetrag im Fall eines Vorzeitigen Rückzahlungsereignisses kündigen.

Ein **"Vorzeitiges Rückzahlungsereignis"** tritt ein, wenn ein Aufsichtsrechtliches Ereignis, ein Gross-up Ereignis, ein Steuerereignis, ein Rechnungslegungsereignis oder ein Ratingagenturereignis eintritt.

- (a) Voraussetzungen für die Vorzeitige Rückzahlung

- (b) the calendar day on which an order is made for the winding-up, dissolution or liquidation of the Issuer (other than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring while solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer); or

- (c) the next Compulsory Interest Payment Date.

§ 5

REDEMPTION AND REPURCHASE

- (1) Redemption at Maturity

To the extent not previously redeemed or repurchased, the Notes will be redeemed on the Final Maturity Date at the Redemption Amount.

"Final Maturity Date" means either (i) if on the Scheduled Maturity Date the Redemption Conditions (as defined below) are fulfilled, the Scheduled Maturity Date; or (ii) the first Floating Interest Payment Date following the Scheduled Maturity Date, and on which the Redemption Conditions are fulfilled.

- (2) Early Redemption upon the occurrence of an Early Redemption Event

The Issuer may, upon prior notice given not less than 30 and not more than 60 calendar days in accordance with § 11 and subject to the preconditions and restrictions set out under (a) below, and subject to the Redemption Conditions pursuant to § 5(6) being fulfilled on the date fixed for redemption, redeem the Notes (in whole, but not in part) at their Redemption Amount at any time if any Early Redemption Event occurs.

An **"Early Redemption Event"** occurs, if a Regulatory Event, a Gross-up Event, a Tax Event, an Accounting Event or a Rating Agency Event occurs.

- (a) Preconditions to Early Redemption

(i) Bescheinigung durch den Vorstand

Die Emittentin hat vor der Kündigungsmittelung der Hauptzahlstelle eine von zwei ordnungsgemäß bevollmächtigten Vertretern der Emittentin unterzeichnete Bescheinigung, die bestätigt, dass die Emittentin berechtigt ist, die maßgebliche Rückzahlung vorzunehmen, und aus der die Tatsachen hervorgehen, auf deren Grundlage die Voraussetzungen für das Rückzahlungsrecht der Emittentin eingetreten sind, zu übermitteln oder zu veranlassen, dass der Hauptzahlstelle eine solche Bescheinigung übermittelt wird; und

(ii) Gutachten

Die Emittentin muss vor der Abgabe einer solchen Kündigungsmittelung der Hauptzahlstelle die folgenden Dokumente übermitteln oder hat dafür zu sorgen, dass der Hauptzahlstelle diese Dokumente übermitteln werden:

(A) Im Fall eines Gross-up Ereignisses ein Gutachten eines angesehenen unabhängigen Steuerberaters, aus dem hervorgeht, dass die Emittentin verpflichtet ist oder verpflichtet sein wird, die betreffenden Zusätzlichen Beträge (wie in § 7 definiert) als Folge eines Gross-up Ereignisses zu zahlen.

(B) Im Fall eines Steuerereignisses ein Gutachten eines angesehenen unabhängigen Steuerberaters, aus dem hervorgeht, dass Zinszahlungen der Emittentin auf die Schuldverschreibungen nicht mehr für Zwecke der österreichischen Körperschaftssteuer voll abzugsfähig sind, bzw. innerhalb von 90 Kalendertagen nach dem

(i) Certification by Directors

Prior to the giving of any such notice of redemption, the Issuer shall deliver or procure that there is delivered to the Principal Paying Agent a certificate signed by any two duly authorised representatives on behalf of the Issuer stating that the Issuer is entitled to effect such redemption and setting out a statement of facts showing that the conditions precedent to the exercise of the right of the Issuer to redeem have been satisfied.

(ii) Opinions

Prior to the giving of any such notice of redemption, the Issuer shall deliver or procure that there is delivered to the Principal Paying Agent:

(A) In the case of a Gross-up Event an opinion of an independent tax adviser of recognized standing to the effect that the Issuer has or will become obliged to pay the Additional Amounts (as defined in § 7) in question as a result of a Gross-up Event.

(B) In the case of a Tax Event an opinion of an independent tax adviser of recognized standing to the effect that interest payments by the Issuer on the Notes are no longer, or within 90 calendar day of the date of such opinion will no longer be, fully deductible by the Issuer for Austrian corporate income tax purposes,

Datum dieses Gutachtens nicht mehr voll abzugsfähig sein werden.

respectively.

- (C) Im Fall eines Rechnungslegungsereignisses ein Gutachten einer angesehenen unabhängigen Wirtschaftsprüfungsgesellschaft, aus dem hervorgeht, dass die Verbindlichkeiten im Zusammenhang mit den Schuldverschreibungen nicht bzw. nicht mehr als Verbindlichkeiten im Konzernabschluss der Emittentin ausgewiesen werden können.
- (b) Ein "**Gross-up Ereignis**" liegt vor, wenn die Emittentin verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge (wie in § 7 definiert) als Folge einer Änderung oder Ergänzung von Gesetzen (oder von Bestimmungen und Vorschriften auf Grundlage dieser Gesetze) Österreichs oder einer Gebietskörperschaft oder Behörde Österreichs, oder als Folge einer Änderung oder Ergänzung der offiziellen Auslegung oder Anwendung dieser Gesetze, Bestimmungen oder Vorschriften zu zahlen, allerdings nur soweit die betreffende Änderung oder Ergänzung an oder nach dem Ausgabetag wirksam wird und die Zahlungsverpflichtung von der Emittentin nicht durch das Ergreifen zumutbarer Maßnahmen vermieden werden kann.
- (c) Im Fall eines Gross-up Ereignisses darf eine solche Kündigungsmitteilung nicht früher als 90 Kalendertage vor dem ersten Kalendertag erfolgen, an dem die Emittentin erstmals verpflichtet wäre, die jeweiligen Zusätzlichen Beträge zu zahlen (wie in § 7 definiert), die in Bezug auf die Schuldverschreibungen fällig sind.
- (d) Ein "**Steuerereignis**" tritt ein, wenn:
- (i) am oder nach dem Ausgabetag als Folge:
- (x) einer Änderung oder Ergänzung der Gesetze (oder von aufgrund dieser Gesetze erlassenen Bestimmungen oder
- (C) In the case of an Accounting Event an opinion of an independent accounting firm of recognised standing to the effect that the obligations under the Notes must not or must no longer be recorded as liabilities on the Issuer's consolidated financial statements.
- (b) A "**Gross-up Event**" shall occur, if the Issuer has or will become obliged to pay Additional Amounts (as defined in § 7) as a result of any change in, or amendment to, the laws (or any rules or regulations thereunder) of the Republic of Austria or any political subdivision or any authority of the Republic of Austria, or any change in or amendment to any official interpretation or application of those laws or rules or regulations, provided that the relevant amendment or change becomes effective on or after the Issue Date and provided further that the payment obligation cannot be avoided by the Issuer taking reasonable measures available to it.
- (c) In case of a Gross-up Event, no notice of redemption may be given earlier than 90 calendar days prior to the earliest calendar day on which the Issuer would be for the first time obliged to pay the Additional Amounts (as defined in § 7) on payments due in respect of the Notes.
- (d) A "**Tax Event**" shall occur, if:
- (i) on or after the Issue Date, as a result of:
- (x) any amendment to, or change in, the laws (or any rules or regulations thereunder) of the Republic of Austria or any political

Vorschriften) Österreichs oder einer ihrer Gebietskörperschaften oder Steuerbehörden, die an oder nach dem Ausgabetag erlassen, verkündet oder anderweitig wirksam wird, oder

- (y) einer Änderung oder Ergänzung der bindenden offiziellen Auslegung solcher Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle oder eine Aufsichtsbehörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen), die an oder nach dem Ausgabetag erlassen, verkündet oder anderweitig wirksam wird, oder

- (z) einer allgemein anwendbaren offiziellen Auslegung oder Verkündung, die an oder nach dem Ausgabetag erlassen oder verkündet wird und nach der die Rechtslage im Hinblick auf diese Gesetze oder Vorschriften von der früheren allgemein anerkannten Rechtslage abweicht,

Zinszahlungen der Emittentin auf die Schuldverschreibungen nicht mehr für die Zwecke der österreichischen Körperschaftsteuer voll abzugsfähig sind, bzw. innerhalb von 90 Kalendertagen nach dem Datum des in § 5(2)(a)(ii)(B) genannten Gutachtens nicht mehr voll abzugsfähig sein werden, und

- (ii) die Emittentin dieses Risiko nicht durch das Ergreifen zumutbarer Maßnahmen vermeiden kann.

- (e) Ein "**Rechnungslegungereignis**" liegt

subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date; or

- (y) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date; or

- (z) any generally applicable official interpretation or pronouncement that provides for a position with respect to such laws or regulations that differs from the previous generally accepted position which is issued or announced on or after the Issue Date,

interest payments by the Issuer on the Notes are no longer, or within 90 calendar days of the date of the opinion referred to in § 5(2)(a)(ii)(B) will no longer be, fully deductible by the Issuer for Austrian corporate income tax purposes, respectively; and

- (ii) such risk cannot be avoided by the Issuer taking reasonable measures available to it.

- (e) An "**Accounting Event**" shall occur, if:

vor, wenn:

- (i) als Folge einer Änderung oder Ergänzung der Anzuwendenden Rechnungslegungsvorschriften, die am oder nach dem Ausgabetag (oder ihrer Auslegung) wirksam wird (einschließlich für den Fall, dass eine solche Änderung oder Ergänzung der Anzuwendenden Rechnungslegungsvorschriften oder ihrer Auslegung rückwirkend erfolgt), die Verbindlichkeiten aus den Schuldverschreibungen für Zahlungen des Kapitals nicht bzw. nicht mehr als Verbindlichkeiten im Konzernabschluss der Emittentin, der gemäß den Anzuwendenden Rechnungslegungsvorschriften erstellt wurde, ausgewiesen werden können; und
- (ii) die Emittentin dies nicht durch das Ergreifen zumutbarer Maßnahmen vermeiden kann.
- (f) Ein "**Ratingagenturereignis**" tritt ein, wenn aus einer Änderung der Kriterien für Eigenkapitalanrechnung einer Ratingagentur (oder der Auslegung oder Anwendung dieser Kriterien), die am oder nach dem Ausgabetag wirksam wird, folgt, dass die Eigenkapitalanrechnung, die den Schuldverschreibungen von der jeweiligen Ratingagentur zugewiesen wurde und der Emittentin mitgeteilt oder von der jeweiligen Ratingagentur veröffentlicht wurde, geringer ist als die Eigenkapitalanrechnung, die den Schuldverschreibungen am Ausgabetag vor Änderung der Kriterien durch die jeweilige Ratingagentur zugewiesen wurde (außer sofern eine solche Reduzierung der Eigenkapitalanrechnung eine Folge einer anwendbaren Beschränkung durch die jeweilige Ratingagentur ist).
- (g) Im Fall eines Ratingagenturereignisses ist die Emittentin berechtigt, die Schuldverschreibungen nur bei Bekanntgabe der Kündigung nicht früher als 90 Kalendertage vor dem ersten Kalendertag, an dem die Emittentin der Reduzierung der Eigenkapitalanrechnung unterliegen würde, zu kündigen.
- (h) Ein "**Aufsichtsrechtliches Ereignis**" tritt ein, wenn es nach dem Anzuwendenden Aufsichtsrecht erlaubt ist, Tier 2 als
- (i) as a result of any change in or amendment on Applicable Accounting Standards, which change becomes effective on or after the Issue Date (or their interpretation) (including in case any such change or amendment to the Applicable Accounting Standards or their interpretation has retroactive effect), the obligations in respect of the Notes for the payment of principal must not or must no longer be recorded as liabilities on the Issuer's consolidated financial statement prepared in accordance with Applicable Accounting Standards; and
- (ii) this cannot be avoided by the Issuer taking reasonable measures available to it.
- (f) A "**Rating Agency Event**" shall occur, if a change by any Rating Agency to its respective equity credit criteria, or the interpretation or application thereof, becoming effective on or after the Issue Date as a result of which the capital treatment assigned by any such rating agency to the Notes, as notified by such rating agency to the Issuer or as published by such rating agency, results in a lower equity credit being given to the Notes as of the date of such changes than the equity credit that was assigned to the Notes at or around the Issue Date prior to such changes by such rating agency pursuant to the criteria (save where such reduction in equity credit is a result of any applicable limits by the relevant rating agency).
- (g) In case of a Rating Agency Event, the Issuer will have a right to redeem the Notes only by giving notice of redemption not earlier than 90 calendar days prior to the earliest calendar day on which the Issuer would have been subject to the reduction in equity credit.
- (h) A "**Regulatory Event**" shall occur, if it is permitted under the Applicable Supervisory Law to use Tier 2 as own

Eigenmittel für Zwecke der Kapitalanforderung der Emittentin und/oder der UNIQA Gruppe zu verwenden, und die Aufsichtsbehörde oder der gesetzliche Abschlussprüfer der Emittentin schriftlich feststellt oder der Emittentin anderweitig bestätigt, dass:

(i) gemäß dem Anzuwendenden Aufsichtsrecht die Schuldverschreibungen (ganz oder teilweise) nicht als Tier 2 für Zwecke der Kapitalanforderung der Emittentin und/oder der UNIQA Gruppe anrechenbar sind; oder

(ii) gemäß dem Anzuwendenden Aufsichtsrecht und aufgrund einer Änderung in diesem Anzuwendenden Aufsichtsrecht die Schuldverschreibungen (ganz oder teilweise) nicht länger als Tier 2 für Zwecke der Kapitalanforderung der Emittentin und/oder der UNIQA Gruppe anrechenbar seien, vorausgesetzt, dass die Schuldverschreibungen diese Anforderungen erfüllt haben,

außer sofern jeweils im Fall (i) und (ii) dieses Ergebnis aus der Überschreitung einer anwendbaren Beschränkung für die Anrechenbarkeit der Schuldverschreibungen als Tier 2 oder als Eigenmittel höherer Qualität der Emittentin und/oder der UNIQA Gruppe gemäß dem Anzuwendenden Aufsichtsrecht folgt.

funds for capital requirement purposes of the Issuer and/or UNIQA Group, and the Supervisory Authority or the Issuer's statutory auditor states in writing or otherwise confirms to the Issuer that:

(i) under the Applicable Supervisory Law the Notes (in whole or in part) would not be eligible as Tier 2 for capital requirement purposes of the Issuer and/or UNIQA Group; or

(ii) under the Applicable Supervisory Law and due to a change in such Applicable Supervisory Law, the Notes (in whole or in part) would no longer be eligible as Tier 2 for capital requirement purposes of the Issuer and/or UNIQA Group, provided that the Notes did fulfil such requirements,

except where in each case (i) and (ii) this results from exceeding any applicable limits for including the Notes in Tier 2 or own funds of higher quality of the Issuer and/or UNIQA Group pursuant to the Applicable Supervisory Law.

(3) Rückzahlungsbetrag

Der "**Rückzahlungsbetrag**" bezeichnet den Betrag pro Schuldverschreibung, der dem Nennbetrag zuzüglich bis zum Rückzahlungstag (ausschließlich) auf diese Schuldverschreibung aufgelaufener, nicht gezahlter Zinsen und zur Klarstellung allen auf diese Schuldverschreibung ausstehenden Zinsrückständen entspricht.

(4) Vorzeitige Rückzahlung nach Wahl der Emittentin

Die Emittentin kann durch eine vorhergehende Bekanntmachung gemäß § 11 unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Kalendertagen vorbehaltlich der Rückzahlungsbedingungen gemäß § 5(6), die am festgelegten Rückzahlungstag erfüllt sein müssen, die Schuldverschreibungen jederzeit (ganz aber nicht teilweise) zu ihrem Rückzahlungsbetrag am Ersten Emittenten

(3) Redemption Amount

"**Redemption Amount**" means an amount per Note equal to the Principal Amount plus any interest accrued on such Note to but excluding the date of redemption but yet unpaid and, for the avoidance of doubt, any Arrears of Interest outstanding on such Note.

(4) Early Redemption at the option of the Issuer

The Issuer may, upon prior notice given not less than 30 and not more than 60 calendar days in accordance with § 11 and subject to the Redemption Conditions pursuant to § 5(6) being fulfilled on the date fixed for redemption, redeem the Notes (in whole, but not in part) at their Redemption Amount on the First Issuer Call Date and on each following Floating Interest Payment

Kündigungstag und an jedem folgenden Variablen Zinszahlungstag kündigen.

Date.

(5) Rückkauf von Schuldverschreibungen

(5) Repurchase of Notes

Die Emittentin oder eine ihrer Tochtergesellschaften können jederzeit und vorbehaltlich der zu erfüllenden Rückzahlungsbedingungen Schuldverschreibungen am Markt oder anderweitig zu jedem beliebigen Preis kaufen. Derartig erworbene Schuldverschreibungen können entwertet, gehalten oder wieder veräußert werden.

The Issuer or any of its subsidiaries may at any time, and subject to the Redemption Conditions being fulfilled repurchase Notes in the open market or otherwise and at any price. Notes repurchased in such a way may be cancelled, held or resold.

(6) Rückzahlungsbedingungen

(6) Redemption Conditions

Die "**Rückzahlungsbedingungen**" sind an einem Tag in Bezug auf eine vorgesehene Rückzahlung oder einen geplanten Rückkauf der Schuldverschreibungen erfüllt, wenn:

The "**Redemption Conditions**" are fulfilled on any day with respect to a scheduled redemption or a planned repurchase of the Notes, if:

(a) eine Rückzahlung oder ein Rückkauf nicht zu einem Insolvenzereignis führen oder dessen Eintritt beschleunigen würde; und

(a) a redemption payment or a repurchase would not result in, or accelerate, the occurrence of an Insolvency Event; and

(b) kein Solvenz-Kapitalereignis eingetreten ist und fort dauert oder durch die Rückzahlung oder den Rückkauf der Schuldverschreibungen eintreten würde, sofern nicht

(b) no Solvency Capital Event has occurred and is continuing or would be caused by the redemption or the repurchase of the Notes, unless:

(i) die Aufsichtsbehörde ihre vorherige Genehmigung zur Rückzahlung der Schuldverschreibungen und zur Zahlung des Rückzahlungsbetrages oder zum Rückkauf der Schuldverschreibungen trotz des Solvenz-Kapitalereignisses ausnahmsweise erteilt und bis zu diesem Tag nicht widerrufen hat; und

(i) the Supervisory Authority has exceptionally given, and not withdrawn by such date, its prior approval to the redemption of the Notes and the payment of the Redemption Amount or to the repurchase of the Notes despite the Solvency Capital Event; and

(ii) das Kapital durch einen anderen, zumindest gleichwertigen Tier 1- oder Tier 2-Basiseigenmittelbestandteil der zumindest derselben Qualität mit Genehmigung der Aufsichtsbehörde ersetzt wird; und

(ii) the capital is replaced by another tier 1 or tier 2 basic own-fund item of at least the same quality with the approval of the Supervisory Authority; and

(iii) die Mindestkapitalanforderung (MCR) (wie auch immer im Anzuwendenden Aufsichtsrecht bezeichnet) gemäß dem Anzuwendenden Aufsichtsrecht nach der Rückzahlung der Schuldverschreibungen und der Zahlung des Rückzahlungsbetrages oder nach dem Rückkauf der Schuldverschreibungen erfüllt wird; und

(iii) the minimum capital requirement (MCR) (howsoever described in the Applicable Supervisory Law) pursuant to the Applicable Supervisory Law is complied with after the redemption of the Notes and the payment of the Redemption Amount or the repurchase of the Notes is made; and

- (c) die Aufsichtsbehörde ihre Zustimmung zur Rückzahlung bzw. zu dem Rückkauf erteilt und bis zu diesem Tag nicht widerrufen hat; und
- (d) im Falle einer Rückzahlung oder eines Rückkaufs der Schuldverschreibungen oder einer Ersetzung gemäß § 12 vor dem 1.1.2021, frühestens jedoch vor dem fünften Jahrestag des Solvency II-Umsetzungsdatums, das Kapital durch andere Tier 1- oder Tier 2-Basiseigenmittelbestandteile mit zumindest gleicher Qualität ersetzt worden ist (falls eine solche Ersetzung zum betreffenden Zeitpunkt für die Anrechenbarkeit der Schuldverschreibungen als Tier 2 der Emittentin und/oder der UNIQA Gruppe gemäß dem Anzuwendenden Aufsichtsrecht weiterhin erforderlich ist).

Die Emittentin darf jederzeit, durch Bekanntmachung einer Mitteilung an die Anleihegläubiger, auf einzelne oder alle ihrer Rechte zur Rückzahlung der Schuldverschreibungen für den in der Mitteilung angegebenen Zeitraum verzichten. In diesem Fall gelten diese Anleihebedingungen als entsprechend geändert und die Emittentin hat kein Recht zur Rückzahlung der Schuldverschreibungen während des in der Mitteilung angegebenen Zeitraums.

- (7) Keine Rückzahlung nach Wahl der Anleihegläubiger

Die Anleihegläubiger haben kein Recht die vorzeitige Rückzahlung der Schuldverschreibungen zu verlangen. Auf jedes ordentliche oder außerordentliche Kündigungsrecht der Anleihegläubiger in Bezug auf die Schuldverschreibungen wird, soweit es das anzuwendende Recht erlaubt, verzichtet.

§ 6 ZAHLUNGEN

- (1) Zahlung von Kapital und Zinsen

Die Emittentin verpflichtet sich, Kapital und Zinsen auf die Schuldverschreibungen sowie alle sonstigen auf die Schuldverschreibungen zahlbaren Beträge bei Fälligkeit in Euro (EUR) zu zahlen. Die Zahlung von Kapital und Zinsen erfolgt an eine Zahlstelle zur Weiterleitung an das Clearingsystem oder an dessen Order zur Gutschrift für die jeweiligen Kontoinhaber gegen Vorlage und (sofern es sich um die Kapitalrückzahlung handelt) Einreichung der Globalurkunden bei der gemäß § 9 bezeichneten Geschäftsstelle dieser Zahlstelle. Die Zahlung an

- (c) the Supervisory Authority has given, and not withdrawn by such day, its prior consent to the redemption of the Notes or to the repurchase of the Notes; and
- (d) in the event of a redemption or a repurchase of the Notes or a substitution pursuant to § 12 prior the later of 1 January 2021 and the fifth anniversary of the Solvency II Implementation Date, the capital has been replaced by another tier 1 or tier 2 basic own-fund item of at least the same quality (if such replacement is still required at that time for the Notes to be eligible as Tier 2 of the Issuer and/or UNIQA Group under the Applicable Supervisory Law).

At any time the Issuer may, by publishing a notice to the Noteholders, waive any, some or all of its rights to call the Notes for redemption for the period of time as specified in the notice. In this case, these Terms and Conditions shall be deemed to be amended accordingly and the Issuer will not be entitled to call the Notes for redemption during the period of time as specified in such notice.

- (7) No redemption at the option of the Noteholders

The Noteholders do not have any right to demand the early redemption of the Notes. Any ordinary or extraordinary termination right of the Noteholders in respect of the Notes shall be waived to the extent permitted by applicable law.

§ 6 PAYMENTS

- (1) Payment of principal and interest

The Issuer undertakes to pay, as and when due, principal and interest as well as all other amounts payable on the Notes in Euro (EUR). Payment of principal and interest on the Notes shall be made to a Paying Agent for on-payment to the Clearing System or to its order for credit to the respective account holders upon presentation and (in the case of the payment in respect of principal) surrender of the Global Notes to the specified office of this Paying Agent pursuant to § 9. Payments to the Clearing System or to its order shall, to the extent of amounts so paid, constitute

das Clearingsystem oder an dessen Order befreit die Emittentin in Höhe der geleisteten Zahlung von ihren entsprechenden Verbindlichkeiten aus den Schuldverschreibungen. Zahlungen von Zinsen auf die Schuldverschreibungen, die durch eine Vorläufige Globalurkunde verbrieft sind, werden bei fälliger Bestätigung, wie in § 2(2) vorgesehen, geleistet.

Alle Zahlungen unterliegen allen anzuwendenden Steuergesetzen und anderen Gesetzen, Richtlinien und Verordnungen oder Vereinbarungen, mit denen die Emittentin oder jede Zahlstelle einverstanden sind. Unbeschadet der Bestimmungen in § 7 ist die Emittentin nicht verpflichtet, den Anleihegläubigern zusätzliche Beträge als Ausgleich für Steuern oder Abgaben gleich welcher Art zu zahlen, die aufgrund solcher Steuergesetze und anderer Gesetze, Richtlinien, Verordnungen oder Vereinbarungen anfallen oder erhoben werden.

(2) Fälligkeitstag kein Geschäftstag

Falls ein Fälligkeitstag für die Zahlung von Kapital und/oder Zinsen kein Geschäftstag ist, erfolgt die Zahlung, außer im Fall des § 4(2)(b), erst am nächstfolgenden Geschäftstag; Anleihegläubiger sind nicht berechtigt, zusätzliche Zinsen oder eine andere Entschädigung aufgrund eines solchen Zahlungsaufschubs zu verlangen.

**§ 7
BESTEUERUNG**

Sämtliche Zahlungen auf die Schuldverschreibungen (seien es Kapital oder Zinsen oder sonstige Beträge) sind von der Emittentin frei von und ohne Einbehalt oder Abzug von oder wegen gegenwärtiger oder zukünftiger Steuern, oder sonstiger Abgaben gleich welcher Art zu leisten, die von oder in dem Land, in dem die Emittentin ihren Sitz hat, oder von einer Gebietskörperschaft oder einer dortigen zur Steuererhebung ermächtigten Behörde oder Stelle erhoben werden, es sei denn, der Abzug oder Einbehalt solcher Steuern oder sonstiger Abgaben ist gesetzlich vorgeschrieben oder ergibt sich aus der Auslegung oder Anwendung eines Gesetzes. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (die "**Zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die von jedem Anleihegläubiger zu empfangenden Beträge nach einem solchen Abzug oder Einbehalt den Beträgen entsprechen, die der Anleihegläubiger ohne einen solchen Abzug oder Einbehalt erhalten hätte. Derartige Zusätzliche Beträge müssen jedoch nicht in Bezug auf Zahlungen auf eine Schuldverschreibung erbracht werden, wenn:

- (a) die Zahlungen an einen Anleihegläubiger oder in dessen Namen an einen Dritten geleistet werden, der solchen Steuern oder sonstigen Abgaben in

the discharge of the Issuer from its corresponding obligations under the Notes. Payment of interest on Notes represented by the Temporary Global Note shall be made, upon due certification as provided in § 2(2).

All payments will be subject to all applicable fiscal and other laws, directives and regulations or agreements to which the Issuer or any Paying Agent agree to be subject. Without prejudice to the provisions of § 7, the Issuer will not be obliged to pay to the Noteholders any additional amounts as compensation for any taxes or duties of whatever nature imposed or levied by such fiscal and other laws, regulations, directives or agreements.

(2) Due date not a Business Day

Except as otherwise provided in § 4(2)(b), if the due date for any payment of principal and/or interest is not a Business Day, payment shall be effected only on the next Business Day; a Noteholder shall have no right to claim payment of any additional interest or other indemnity in respect of such delay in payment.

**§ 7
TAXATION**

All amounts payable (whether in respect of principal, interest or otherwise) in respect of the Notes by the Issuer will be made free and clear of and without withholding or deduction for or on account of any present or future taxes or other duties of whatever nature imposed or levied by or on behalf of the jurisdiction of incorporation of the Issuer or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the deduction or withholding of such taxes or other duties is required by interpretation or application of law. In that event, the Issuer shall pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts receivable by the Noteholder after such deduction or withholding shall equal the respective amounts which would have been received by such Noteholder in the absence of such deduction or withholding; except that no such Additional Amounts shall be payable in relation to any payment in respect of any Note:

- (a) to, or to a third party on behalf of, a Noteholder who is liable to such taxes or other duties in respect of such Note by reason of his having

Bezug auf diese Schuldverschreibungen deshalb unterliegt, weil er eine andere Beziehung zur Rechtsordnung der Emittentin hat als den bloßen Umstand, dass er (i) Inhaber einer solchen Schuldverschreibung ist oder (ii) Kapital, Zinsen oder andere Beträge in Bezug auf eine solche Schuldverschreibung erhält; oder

- (b) die Schuldverschreibung mehr als 30 Kalendertage nach dem Relevanten Datum zur Zahlung vorgelegt wird, es sei denn, der betreffende Anleihegläubiger hätte auch bei Vorlegung am Ende oder vor Ablauf dieses Zeitraums von 30 Kalendertagen einen Anspruch auf Erhalt dieser Zusätzlichen Beträge gehabt; oder
- (c) ein solcher Abzug oder Einbehalt hinsichtlich einer Auszahlung an eine natürliche Person oder eine niedergelassene Einrichtung erfolgt und aufgrund der Richtlinie des Europäischen Rats 2003/48/EG oder einer anderen Richtlinie zu erfolgen hat, die die Ergebnisse des Ministerrats Treffens der Finanzminister der Europäischen Union vom 26. bis zum 27. November 2000 bezüglich der Besteuerung von Kapitaleinkünften umsetzt, oder aufgrund eines jeden anderen Gesetzes, das die Umsetzung einer solchen Richtlinie bezweckt, oder das erlassen wurde, um den Anforderungen einer solchen Richtlinie zu genügen; oder
- (d) die Schuldverschreibung von einem Anleihegläubiger oder im Namen eines Anleihegläubigers zur Auszahlung vorgelegt wird, welcher einen Abzug oder Einbehalt durch Vorlegung der betreffenden Schuldverschreibung bei einer anderen Zahlstelle in einem Mitgliedsstaat der Europäischen Union hätte vermeiden können.

Das "**Relevante Datum**" für eine Zahlung bezeichnet das Datum, zu dem diese Zahlung erstmalig fällig und zahlbar wird; falls jedoch die zahlbaren Gelder nicht in voller Höhe an oder vor diesem Fälligkeitsdatum bei der Zahlstelle eingegangen sind, bedeutet es das Datum, an dem die Gelder in voller Höhe eingegangen sind und zur Zahlung an die Anleihegläubiger zur Verfügung stehen und eine entsprechende Bekanntmachung an die Anleihegläubiger gemäß § 11 erfolgt ist.

Die Emittentin ist jedenfalls nicht verpflichtet, zusätzliche Beträge zu zahlen, die von der Emittentin, der relevanten Zahlstelle oder irgendeiner anderen Partei ("**FATCA Einbehalt**") in Bezug auf einen Einbehalt oder Abzug eines Betrages, der aufgrund der Bestimmungen 1471 bis 1474 (oder jeder geänderten oder Nachfolgebestimmung) des U.S. Internal Revenue Code, gemäß eines zwischenstaatlichen Abkommens oder eines Durchführungsgesetzes, das von einem anderen Staat in Zusammenhang mit diesen

some connection with the jurisdiction of incorporation of the Issuer other than (i) the mere holding of such Note or (ii) the receipt of principal, interest or other amounts in respect of such Note; or

- (b) presented for payment more than 30 calendar days after the Relevant Date, except to the extent that the relevant Noteholder would have been entitled to such Additional Amounts on presenting the same for payment on or before the expiry of such period of 30 calendar days; or
- (c) where such deduction or withholding is imposed on a payment to an individual or a residual entity and is required to be made pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of 26 to 27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such directive; or
- (d) presented for payment by or on behalf of a Noteholder who would have been able to avoid such deduction or withholding by presenting the relevant Note to another Paying Agent in a member state of the European Union.

The "**Relevant Date**" means, in respect of any payment, the date on which such payment first becomes due and payable, but if the full amount of the monies payable has not been received by the Paying Agent on or prior to such due date, it means the date on which the full amount of such monies has been received, is available for payment to Noteholders and notice to that effect has been duly given to the Noteholders of the Notes in accordance with § 11.

In any event, the Issuer will have no obligation to pay additional amounts deducted or withheld by the Issuer, the relevant Paying Agent or any other party ("**FATCA Withholding**") in relation to any withholding or deduction of any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with

Bestimmungen verabschiedet wurde, oder gemäß irgendeines Abkommens mit dem U.S. Internal Revenue Service abzuziehen oder einzubehalten sind, oder Anleger in Bezug auf einen FATCA Einbehalt zu entschädigen.

§ 8
VORLEGUNGSFRIST, VERJÄHRUNG

Die in § 801(1) Satz 1 des Bürgerlichen Gesetzbuches (BGB) bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt. Die Verjährungsfrist für die Schuldverschreibungen, die für die Zahlung während der Vorlegungsfrist vorgelegt wird, ist zwei Jahre und beginnt am Ende der relevanten Vorlegungsfrist.

§ 9
ZAHLSTELLEN UND BERECHNUNGSSTELLE

(1) Hauptzahlstelle

BNP Paribas Securities Services Luxembourg Branch mit der Geschäftsstelle in 33 rue de Gasperich, 5826 Hesperange, Luxemburg ist die Hauptzahlstelle ("**Hauptzahlstelle**").

(2) Berechnungsstelle

Die Hauptzahlstelle ist die Berechnungsstelle ("**Berechnungsstelle**").

(3) Rechtsverhältnisse der Zahlstellen und der Berechnungsstelle

Die Zahlstellen und die Berechnungsstelle handeln ausschließlich als Beauftragte der Emittentin und übernehmen keine Verpflichtungen gegenüber den Anleihegläubigern; es wird kein Vertrags-, Auftrags- oder Treuhandverhältnis zwischen ihnen und den Anleihegläubigern begründet.

(4) Ersetzung von Zahlstellen und Berechnungsstelle

Die Emittentin behält sich das Recht vor, jederzeit eine andere Zahlstelle oder Berechnungsstelle zu beauftragen oder eine solche Beauftragung zu beenden und zusätzliche (gemeinsam mit der Hauptzahlstelle, die "**Zahlstellen**", und jede eine "**Zahlstelle**") oder andere Zahlstellen bzw. andere Berechnungsstellen zu ernennen. Den Anleihegläubigern werden Änderungen in Bezug auf die Zahlstellen oder die Berechnungsstelle oder ihre jeweils angegebenen Geschäftsstellen umgehend gemäß § 11 mitgeteilt.

the U.S. Internal Revenue Service or indemnify any investor in relation to any FATCA Withholding.

§ 8
PRESENTATION PERIOD, PRESCRIPTION

The term for presentation of the Notes as laid down in section 801 paragraph 1 sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch – BGB*) is reduced to ten years. The period for prescription for Notes presented for payment during the presentation period shall be two years beginning at the end of the relevant presentation period.

§ 9
PAYING AGENTS AND CALCULATION AGENT

(1) Principal Paying Agent

BNP Paribas Securities Services Luxembourg Branch with its office in 33 rue de Gasperich, 5826 Hesperange, Luxembourg shall be the principal paying agent ("**Principal Paying Agent**").

(2) Calculation Agent

The Principal Paying Agent shall be the calculation agent ("**Calculation Agent**").

(3) Paying Agents and Calculation Agent Legal Matters

The Paying Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of contract, agency or trust for or with any of the Noteholders.

(4) Replacement of Paying Agents and Calculation Agent

The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent or the Calculation Agent and to appoint successor or additional Paying Agents (together with the Principal Paying Agent, the "**Paying Agents**", and each a "**Paying Agent**") or a successor Calculation Agent. Notice of any change in the Paying Agents or Calculation Agent or in the specified office of any Paying Agent or the Calculation Agent will be given without undue delay to the Noteholders in accordance with § 11.

§ 10
AUFSTOCKUNG

Die Emittentin ist berechtigt, von Zeit zu Zeit ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit den gleichen Anleihebedingungen zu begeben, so dass die neu begebenen Schuldverschreibungen mit diesen eine einheitliche Serie bilden.

§ 11
BEKANNTMACHUNGEN

- (1) Ort der Bekanntmachungen
- (a) Bekanntmachungen an Anleihegläubiger erfolgen in einer führenden deutschsprachigen Tageszeitung mit allgemeiner Verbreitung in Österreich (voraussichtlich das "Amtsblatt zur Wiener Zeitung") oder, sofern eine solche Veröffentlichung nicht praktikabel ist, durch Veröffentlichung einer führenden deutschsprachigen Tageszeitung mit allgemeiner Verbreitung in der Bundesrepublik Deutschland (oder solange die Schuldverschreibungen in vorläufigen oder dauerhaften Globalurkunden verbrieft sind und dies von der betreffenden Börse erlaubt ist, durch Weitergabe an das Clearingsystem, damit dieses die Informationen an die Personen übermittelt, die in seinen jeweiligen Unterlagen als Personen mit berechtigtem Interesse geführt werden).
- (b) Die Emittentin stellt sicher, dass alle Bekanntmachungen ordnungsgemäß in Übereinstimmung mit den Erfordernissen der jeweiligen Börsen, an denen die Schuldverschreibungen notiert sind, erfolgen.

- (2) Wirksamwerden der Bekanntmachungen
- Jede Bekanntmachung wird am Tag der ersten Veröffentlichung bzw am vierten Geschäftstag nach dem Tag einer Weitergabe an das Clearingsystem wirksam.

§ 12
ERSETZUNG DER EMITTENTIN

- (1) Ersetzung
- Die Emittentin ist berechtigt, ohne Zustimmung der Anleihegläubiger an ihre Stelle eine Tochtergesellschaft, an der die Emittentin unmittelbar oder mittelbar Anteile von mindestens 95% hält, als Schuldnerin in Bezug auf die Schuldverschreibungen (die

§ 10
INCREASE

The Issuer may from time to time, without the consent of the Noteholders issue further Notes having the same Terms and Conditions as such Notes so as to form a single series with the Notes.

§ 11
NOTICES

- (1) Place of notification
- (a) Notices to Noteholders will be made in a leading newspaper published in the German language and of general circulation in the Republic of Austria (which is expected to be the "Amtsblatt zur Wiener Zeitung") or, if such publication is not practicable, in a leading German language newspaper of general circulation in the Federal Republic of Germany (or, if permitted by the rules of the relevant stock exchange, so long as the Notes are represented by temporary global Notes or permanent global Notes, if delivered to the Clearing System for communication by it to the persons shown in its respective records as having interests therein).
- (b) The Issuer shall also ensure that notices are duly published in compliance with the requirements of each stock exchange on which the Notes are listed.

- (2) Effectiveness of notices
- Any notice will be deemed to have been validly given on the date of first such publication or, as the case may be, on the fourth Business Day after the date of such delivery to the Clearing System.

§ 12
SUBSTITUTION OF THE ISSUER

- (1) Substitution
- The Issuer may without the consent of Noteholders, substitute for itself any subsidiary, which is, directly or indirectly, at least 95 per cent. owned by the Issuer as the debtor in respect of Notes (the "**Substitute Debtor**") upon notice by the Issuer and the Substitute Debtor to be

"**Nachfolgeschuldnerin**") zu setzen. Eine solche Ersetzung ist durch die Emittentin und die Nachfolgeschuldnerin gemäß § 11 zu veröffentlichen. Sie setzt voraus, dass

- (a) die Emittentin nicht mit irgendwelchen auf die Schuldverschreibungen zahlbaren Beträgen in Verzug ist;
- (b) die Emittentin und die Nachfolgeschuldnerin die für die Wirksamkeit der Ersetzung erforderlichen Vereinbarungen (die "**Vereinbarungen**") abgeschlossen haben, in denen die Nachfolgeschuldnerin sich zu Gunsten eines jeden Anleihegläubigers als begünstigtem Dritten i.S.d. § 328 des Bürgerlichen Gesetzbuches (BGB) verpflichtet hat, als Schuldnerin in Bezug auf die Schuldverschreibungen diese Anleihebedingungen anstelle der Emittentin oder jeder vorhergehenden ersetzenden Schuldnerin nach diesem § 12 einzuhalten;
- (c) die Emittentin und die Nachfolgeschuldnerin eine nachrangige Darlehensvereinbarung abgeschlossen haben, die im Wesentlichen gleiche Bedingungen wie die Bedingungen der Schuldverschreibungen vorsieht und gewährleistet, dass das gegen die Begebung der Schuldverschreibungen geleistete Kapital, das den Eigenmitteln der Emittentin zugewiesen ist, für die Emittentin voll anrechenbar bleibt;
- (d) sofern die Nachfolgeschuldnerin in steuerlicher Hinsicht in einem anderen Gebiet ihren Sitz (der "**Neue Sitz**") hat als in dem, in dem die Emittentin vor der Ersetzung in steuerlicher Hinsicht ansässig war (der "**Frühere Sitz**"), die Vereinbarungen eine Verpflichtungserklärung und/oder solche anderen Bestimmungen enthalten, die gegebenenfalls erforderlich sind, um sicherzustellen, dass jeder Anleihegläubiger aus einer den Bestimmungen des § 7 entsprechenden Verpflichtung begünstigt wird, wobei, soweit anwendbar, die Bezugnahmen auf den Früheren Sitz durch Bezugnahmen auf den Neuen Sitz ersetzt werden;
- (e) die Emittentin eine nachrangige Garantie begibt, die sich auf die Verbindlichkeiten der Neuen Schuldnerin aus den Vereinbarungen erstreckt;
- (f) die Nachfolgeschuldnerin und die

given by publication in accordance with § 11, provided that:

- (a) the Issuer is not in default in respect of any amount payable under any of the Notes;
- (b) the Issuer and the Substitute Debtor have entered into such documents (the "**Documents**") as are necessary to give effect to the substitution and in which the Substitute Debtor has undertaken in favour of each Noteholder as third party beneficiary pursuant to section 328 of the German Civil Code (*Bürgerliches Gesetzbuch - BGB*) to be bound by these Terms and Conditions as the debtor in respect of the Notes in place of the Issuer (or of any previous substitute under this § 12);
- (c) the Issuer and the Substitute Debtor have entered into a subordinated loan agreement with terms substantially equal to the terms of the Notes ensuring that the capital paid for the issue of the Notes allocated to Issuer's own funds shall remain fully accountable to the Issuer;
- (d) if the Substitute Debtor is resident for tax purposes in a territory (the "**New Residence**") other than that in which the Issuer prior to such substitution was resident for tax purposes (the "**Former Residence**") the Documents contain an undertaking and/or such other provisions as may be necessary to ensure that each Noteholder has the benefit of an undertaking in terms corresponding to the provisions of § 7, substituting, where applicable, references to the Former Residence with references to the New Residence;
- (e) the Issuer issues a subordinated guarantee which extends to the obligations of the Substitute Debtor under the Documents;
- (f) the Substitute Debtor and the Issuer have

Emittentin alle erforderlichen behördlichen Genehmigungen und Zustimmungen für die Ersetzung und für die Erfüllung der Verbindlichkeiten der Neuen Schuldnerin aus den Vereinbarungen erhalten haben;

- (g) jede Wertpapierbörse, an der die Schuldverschreibungen zugelassen sind, bestätigt hat, dass nach der vorgesehenen Ersetzung durch die Nachfolgeschuldnerin diese Schuldverschreibungen weiterhin an dieser Wertpapierbörse zugelassen sind;
 - (h) soweit anwendbar, die Nachfolgeschuldnerin einen Zustellungsbevollmächtigten in der Bundesrepublik Deutschland für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den Schuldverschreibungen ernannt hat; und
 - (i) die Aufsichtsbehörde ihre vorhergehende Zustimmung dazu gegeben hat;
 - (j) die Rückzahlungsbedingungen, die auf die Ersetzung anzuwenden sind, zum Zeitpunkt der Ersetzung erfüllt sind; und
 - (k) der Hauptzahlstelle Rechtsgutachten, die dort in Kopie erhältlich sein werden, von Rechtsberatern von anerkanntem Ruf zugestellt wurden, die die Emittentin für jede Rechtsordnung ausgewählt hat, in der die Emittentin, und, soweit davon verschieden, die Nachfolgeschuldnerin ihren Sitz haben, und in denen bestätigt wird, soweit zutreffend, dass mit Durchführung der Schuldnerersetzung die Anforderungen in vorstehenden Unterabsätzen (a) bis (j) erfüllt worden sind.
- (2) Folge der Ersetzung; weitere Ersetzung und Bezugnahmen im Fall der Ersetzung der Emittentin.

- (a) Durch eine solche Ersetzung folgt die Nachfolgeschuldnerin der Emittentin nach, ersetzt diese und kann alle Rechte und Ansprüche der Emittentin aus den Schuldverschreibungen mit der gleichen Wirkung ausüben, als ob die Nachfolgeschuldnerin in diesen Anleihebedingungen als Emittentin genannt worden wäre. Die Emittentin wird von ihren Verbindlichkeiten aus den Schuldverschreibungen befreit.
- (b) Nach einer Ersetzung gemäß diesem § 12 kann die Nachfolgeschuldnerin ohne Zustimmung der Anleihegläubiger eine weitere Ersetzung durchführen. Die in

obtained all necessary governmental approvals and consents for such substitution and for the performance by the Substitute Debtor of its obligations under the Documents;

- (g) each stock exchange on which the Notes are listed shall have confirmed that, following the proposed substitution of the Substitute Debtor, such Notes will continue to be listed on such stock exchange;
 - (h) if applicable, the Substitute Debtor has appointed a process agent as its agent in The Federal Republic of Germany to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Notes upon;
 - (i) the Supervisory Authority has given its prior consent thereto;
 - (j) the Redemption Conditions, which shall apply to the substitution, are fulfilled at the time of the substitution; and
 - (k) legal opinions shall have been delivered to the Principal Paying Agent (from whom copies will be available) from legal advisers of good standing selected by the Issuer in each jurisdiction in which the Issuer and (if different) the Substitute Debtor are incorporated confirming, as appropriate, that upon the substitution taking place the requirements according to subsections (a) to (j) above have been met.
- (2) Consequences of a replacement, further replacements and references in case of substitution of the Issuer.

- (a) Upon such substitution the Substitute Debtor shall succeed to, and be substituted for, and may exercise every right and power, of the Issuer under the Notes with the same effect as if the Substitute Debtor had been named as the Issuer herein, and the Issuer shall be released from its obligations under the Notes.
- (b) After a substitution pursuant to this § 12, the Substitute Debtor may, without the consent of Noteholders, effect a further substitution. All the provisions specified

§ 12(1)(a) bis (k) und (2) genannten Bestimmungen finden entsprechende Anwendung; insbesondere bleibt § 12(1)(c) im Hinblick auf die Emittentin weiter anwendbar und die Emittentin muss an jeder Nachfolgeschuldnerin unmittelbar oder mittelbar Anteile von mindestens 95% halten. Bezugnahmen in diesen Anleihebedingungen auf die Emittentin gelten, wo der Zusammenhang dies erfordert, als Bezugnahmen auf eine derartige weitere Nachfolgeschuldnerin.

- (c) Nach einer Ersetzung gemäß diesem § 12 kann jede Nachfolgeschuldnerin durch Bekanntmachung nach § 11 ohne Zustimmung der Anleihegläubiger die Ersetzung entsprechend rückgängig machen.

§ 13

ÄNDERUNG DER ANLEIHEBEDINGUNGEN DURCH BESCHLUSS DER ANLEIHEGLÄUBIGER; GEMEINSAMER VERTRETER

- (1) Änderungen der Anleihebedingungen durch Beschluss der Anleihegläubiger

Bestimmungen in den Anleihebedingungen, die für die Einstufung der Schuldverschreibungen als Eigenmittel für Zwecke der Kapitalanforderungen, insbesondere als Tier 2 der Emittentin und/oder der UNIQA Gruppe, erforderlich sind, können nicht geändert werden. Die Emittentin wird solchen Änderungen nicht zustimmen. Die Anleihebedingungen können gemäß §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen ("**SchVG**"), in der jeweils geltenden Fassung, durch einen Mehrheitsbeschluss der Anleihegläubiger mit Zustimmung der Emittentin und vorbehaltlich der vorhergehenden Zustimmung der Aufsichtsbehörde (sofern eine solche Zustimmung zum Zeitpunkt der Anrechenbarkeit der Schuldverschreibungen als Tier 2 der Emittentin und/oder der UNIQA Gruppe aufgrund des Anzuwendenden Aufsichtsrechts dann erforderlich ist) geändert werden. Die Anleihegläubiger können insbesondere einer Änderung wesentlicher Inhalte der Anleihebedingungen, einschließlich der in § 5(3) SchVG vorgesehenen Maßnahmen mit Ausnahme der Ersetzung der Emittentin, die in § 12 abschließend geregelt ist, mit den in dem nachstehenden § 13(2) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Anleihegläubiger verbindlich.

in § 12(1)(a) to (k) and (2) shall apply *mutatis mutandis*; in particular § 12(1)(c) shall remain applicable in relation to the Issuer and the Issuer shall hold directly or indirectly at least 95 per cent. of the share capital of the Substitute Debtor. References in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substitute Debtor.

- (c) After a substitution pursuant to this § 12 any Substitute Debtor may, after giving notice in accordance with § 11 and without the consent of any Noteholder, reverse the substitution, *mutatis mutandis*.

§ 13

AMENDMENTS TO THE TERMS AND CONDITIONS BY RESOLUTION OF THE NOTEHOLDERS; JOINT REPRESENTATIVE

- (1) Amendments to the Terms and Conditions by Resolution of the Noteholders

Provisions in the Terms and Conditions which are required for the qualification of the Notes as own funds for capital requirement purposes, in particular as Tier 2 of the Issuer and/or UNIQA Group, may not be amended. The Issuer will not agree to any such amendment. The Terms and Conditions may be amended by a majority resolution of the Noteholders pursuant to sections 5 et seqq. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen, "SchVG"*), as amended from time to time, with the consent of the Issuer and subject to the prior approval of the Supervisory Authority (if such consent is required at that time for the Notes to be eligible as Tier 2 of the Issuer and/or UNIQA Group under the Applicable Supervisory Law). In particular, the Noteholders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under section 5 paragraph 3 of the SchVG, but excluding a substitution of the Issuer, which is exclusively subject to the provisions in § 12, by resolutions passed by such majority of the votes of the Noteholders as stated under § 13(2) below. A duly passed majority resolution will be binding upon all Noteholders.

(2) Mehrheitsbeschlüsse

Vorbehaltlich des nachstehenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit, beschließen die Anleihegläubiger mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen, insbesondere in den Fällen des § 5 Absatz 3 Nr. 1 bis 9 SchVG, geändert wird, bedürfen zu ihrer Wirksamkeit einer Mehrheit von mindestens 75% der an der Abstimmung teilnehmenden Stimmrechte ("**Qualifizierte Mehrheit**").

(3) Abstimmung

Beschlüsse der Anleihegläubiger werden entweder in einer Anleihegläubigerversammlung nach § 13(3)(a) oder im Wege der Abstimmung ohne Versammlung nach § 13(3)(b), in jedem Fall einberufen durch die Emittentin oder einen etwaigen gemeinsamen Vertreter, getroffen.

(a) Beschlüsse der Anleihegläubiger im Rahmen einer Anleihegläubigerversammlung werden nach §§ 9 ff. SchVG getroffen. Die Einberufung der Anleihegläubigerversammlung regelt die weiteren Einzelheiten der Beschlussfassung und der Abstimmung. Mit der Einberufung der Anleihegläubigerversammlung werden in der Tagesordnung die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Anleihegläubigern bekannt gegeben. Für die Teilnahme an der Anleihegläubigerversammlung oder die Ausübung der Stimmrechte ist eine Anmeldung der Anleihegläubiger vor der Versammlung erforderlich. Die Anmeldung muss unter der in der Einberufung mitgeteilten Adresse spätestens am dritten Kalendertag vor der Anleihegläubigerversammlung zugehen.

(b) Beschlüsse der Anleihegläubiger im Wege der Abstimmung ohne Versammlung werden nach § 18 SchVG getroffen. Die Aufforderung zur Stimmabgabe durch den Abstimmungsleiter regelt die weiteren Einzelheiten der Beschlussfassung und der Abstimmung. Mit der Aufforderung zur Stimmabgabe werden die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Anleihegläubigern bekannt gegeben.

(2) Quorum requirements

Except as provided by the following sentence and provided that the quorum requirements are being met, the Noteholders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of section 5 paragraph 3 numbers 1 through 9 of the SchVG, may only be passed by a majority of at least 75 per cent., of the voting rights participating in the vote ("**Qualified Majority**").

(3) Resolution

Resolutions of the Noteholders will be made either in a Noteholder's meeting in accordance with § 13(3)(a) or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with § 13(3)(b), in either case convened by the Issuer or a joint representative, if any.

(a) Resolutions of the Noteholders in a Noteholder's meeting will be made in accordance with sections 9 et seqq. of the SchVG. The convening notice of a Noteholders' meeting will provide the further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions will be notified to Noteholders in the agenda of the meeting. The attendance at the Noteholders' meeting or the exercise of voting rights requires a registration of the Noteholders prior to the meeting. Any such registration must be received at the address stated in the convening notice by no later than the third calendar day preceding the Noteholders' meeting.

(b) Resolutions of the Noteholders by means of a voting not requiring a physical meeting (*Abstimmung ohne Versammlung*) will be made in accordance with sections 18 of the SchVG. The request for voting as submitted by the chairman (*Abstimmungsleiter*) will provide the further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions will be notified to Noteholders together with the request for voting.

(4) Zweite Anleihegläubigerversammlung

Wenn festgestellt wurde, dass keine Beschlussfähigkeit für eine Abstimmung ohne Versammlung gemäß § 13(3)(b) besteht, kann der Abstimmungsleiter eine Versammlung einberufen, die als zweite Versammlung im Sinne des § 15(3) Satz 3 des SchVG gilt.

(5) Registrierung

Die Ausübung der Stimmrechte ist von der Registrierung der Anleihegläubiger abhängig. Die Registrierung muss spätestens am dritten Tag vor der Versammlung im Fall einer Anleihegläubigerversammlung (wie in § 13(3)(a) oder § 13(4) beschrieben) bzw am Beginn des Abstimmungszeitraums im Fall einer Abstimmung ohne Versammlung (wie in § 13(3)(b) beschrieben) an der Adresse erhalten werden, die im Abstimmungsantrag angegeben wurde. Als Teil der Registrierung muss der Anleihegläubiger seine Teilnahmeberechtigung an der Abstimmung durch eine spezielle Bestätigung der jeweiligen Depotbank darüber in Textform und durch Vorlage einer Sperranweisung der Depotbank, die angibt, dass die relevanten Schuldverschreibungen vom Tag, an dem diese Registrierung übermittelt wurde, (einschließlich) bis zum festgelegten Ende der Versammlung bzw dem Tag, an dem der Abstimmungszeitraum endet, (einschließlich) nicht übertragbar sind, zeigen.

(6) Gemeinsamer Vertreter

Die Anleihegläubiger können durch Mehrheitsbeschluss die Bestellung und Abberufung eines gemeinsamen Vertreters, die Aufgaben und Befugnisse des gemeinsamen Vertreters, die Übertragung von Rechten der Anleihegläubiger auf den gemeinsamen Vertreter und eine Beschränkung der Haftung des gemeinsamen Vertreters bestimmen. Die Bestellung eines gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn er ermächtigt wird, wesentlichen Änderungen der Anleihebedingungen gemäß § 13(2) zuzustimmen.

Der gemeinsame Vertreter hat die ihm durch das Gesetz oder durch Mehrheitsbeschlüsse der Anleihegläubiger verliehenen Aufgaben und Befugnisse. Der gemeinsame Vertreter hat die Anweisungen der Anleihegläubiger zu befolgen. Insofern als der gemeinsame Vertreter berechtigt wurde, bestimmte Rechte der Anleihegläubiger auszuüben, sind die Anleihegläubiger nicht berechtigt solche Rechte selbst auszuüben, außer dies wird im entsprechenden Mehrheitsbeschluss ausdrücklich vorgesehen. Der gemeinsame

(4) Second noteholders' meeting

If it is ascertained that no quorum exists for the vote without meeting pursuant to § 13(3)(b), the chairman (*Abstimmungsleiter*) may convene a meeting, which shall be deemed to be a second meeting within the meaning of § 15(3) sentence 3 of the SchVG.

(5) Registration

The exercise of voting rights is subject to the registration of the Noteholders. The registration must be received at the address stated in the request for voting no later than the third day prior to the meeting in the case of a Noteholders' meeting (as described in § 13(3)(a) or § 13(4)) or the beginning of the voting period in the case of voting not requiring a physical meeting (as described in § 13(3)(b)), as the case may be. As part of the registration, Noteholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of their respective depositary bank hereof in text form and by submission of a blocking instruction by the depositary bank stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting or day the voting period ends, as the case may be.

(6) Joint representative

The Noteholders may by majority resolution provide for the appointment or dismissal of a joint representative, the duties and responsibilities and the powers of such joint representative, the transfer of the rights of the Noteholders to the joint representative and a limitation of liability of the joint representative. Appointment of a joint representative may only be passed by a Qualified Majority if such joint representative is to be authorised to consent, in accordance with § 13(2), to a material change in the substance of the Terms and Conditions.

The joint representative shall have the duties and powers provided by law or granted by majority resolutions of the Noteholders. The joint representative shall comply with the instructions of the Noteholders. To the extent that the joint representative has been authorised to assert certain rights of the Noteholders, the Noteholders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The joint representative shall provide reports to the

Vertreter stellt den Anleihegläubigern Berichte über seine Maßnahmen zur Verfügung. Die Vorschriften des SchVG sind auf den Widerruf und andere Rechte und Verpflichtungen des gemeinsamen Vertreters anwendbar.

Falls der gemeinsame Vertreter nicht für Vorsatz oder grobe Fahrlässigkeit haftbar ist, ist die Haftung des gemeinsamen Vertreters auf das zehnfache des Betrages seiner jährlichen Vergütung beschränkt.

(7) Bekanntmachungen

Bekanntmachungen betreffend diesen § 13 erfolgen gemäß den §§ 5 ff. SchVG sowie nach § 11.

Noteholders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the joint representative.

Unless the joint representative is liable for wilful misconduct (*Vorsatz*) or gross negligence (*grobe Fahrlässigkeit*), the joint representative's liability shall be limited to ten times the amount of its annual remuneration.

(7) Notices

Any notices concerning this § 13 will be made in accordance with sections 5 et seqq. of the SchVG and § 11.

**§ 14
ANWENDBARES RECHT; ERFÜLLUNGSORT;
GERICHTSSTAND;
ZUSTELLUNGSBEVOLLMÄCHTIGTER**

(1) Anwendbares Recht

Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht unter Ausschluss der Kollisionsnormen des internationalen Privatrechts, mit Ausnahme von § 3(1), der sich nach österreichischem Recht unter Ausschluss der Kollisionsnormen des internationalen Privatrechts bestimmt.

(2) Erfüllungsort

Erfüllungsort ist Frankfurt a.M., Bundesrepublik Deutschland.

(3) Gerichtsstand

Nicht-ausschließlicher Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den Schuldverschreibungen ist Frankfurt a.M., Bundesrepublik Deutschland.

(4) Zustellungsbevollmächtigter

Die Emittentin hat UNIQA Österreich Versicherung AG, Richmodstraße 6, 50667 Köln, als ihren Zustellungsbevollmächtigten in der Bundesrepublik Deutschland bestellt.

**§ 15
SPRACHE**

Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Wortlaut ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich und dient nur der Information.

**§ 14
GOVERNING LAW; PLACE OF
PERFORMANCE; JURISDICTION;
PROCESS AGENT**

(1) Governing law

The form and contents of the Notes and the rights and obligations of the Noteholders and the Issuer shall in each respect be governed by, and construed in accordance with, German law without giving effect to the principles of conflict of laws thereof, provided, however, that § 3(1) shall be governed by, and construed in accordance with, Austrian law, without giving effect to the principles of conflict of laws thereof.

(2) Place of Performance

Place of performance is Frankfurt, Federal Republic of Germany.

(3) Jurisdiction

The courts of Frankfurt, Federal Republic of Germany shall have non-exclusive jurisdiction for any disputes, which may arise out of or in connection with the Notes.

(4) Appointment of Process Agent

The Issuer has appointed UNIQA Österreich Versicherung AG, Richmodstraße 6, 50667 Köln as its process agent in the Federal Republic of Germany.

**§ 15
LANGUAGE**

These Terms and Conditions are drawn up in the German language. An English language translation is attached. The German version shall be binding and decisive. The English language translation is for convenience and for information purposes only.

DESCRIPTION OF RULES REGARDING RESOLUTIONS OF HOLDERS

The Terms and Conditions provide that the Noteholders may agree to amendments or decide on other matters relating to the Notes by way of resolution to be passed by taking votes without a meeting. Any such resolution duly adopted by resolution of the Noteholders shall be binding on each Noteholder, irrespective of whether such Noteholder took part in the vote and whether such Noteholder voted in favour or against such resolution.

The following is a brief summary of some of the statutory rules regarding the taking of votes without meetings, the passing and publication of resolutions as well as their implementation and challenge before German courts.

Specific Rules regarding Votes without Meeting

The voting shall be conducted by the person presiding over the taking of votes. Such person shall be (i) a notary public appointed by the Issuer, (ii) if the vote was solicited by the joint representative (*gemeinsamer Vertreter*) of the Noteholders (the "**Noteholders' Representative**"), the Noteholders' Representative, or (iii) a person appointed by the competent court.

The notice soliciting the Noteholders' votes shall set out the period within which votes may be cast. The period shall be at least 72 hours. During such voting period, the Noteholders may cast their votes to the person presiding over the taking of votes. Such notice shall also set out in detail the conditions to be met for the votes to be valid.

The person presiding over the taking of votes shall ascertain each Noteholder's entitlement to cast a vote based on evidence provided by such Noteholder and shall prepare a list of the Noteholders entitled to vote. If it is established that no quorum exists, the person presiding over the taking of votes may convene a meeting of the Noteholders. Within one year following the end of the voting period, each Noteholder participating in the vote may request a copy of the minutes of such vote and any annexes thereto from the Issuer.

Each Noteholder participating in the vote may object in writing to the result of the vote within two weeks following the publication of the resolutions passed. The objection shall be decided upon by the person presiding over the taking of votes. If she or he remedies the objection, the person presiding over the taking of votes shall promptly publish the result. If the person presiding over the taking of votes does not remedy the objection, she or he shall promptly inform the objecting Noteholder in writing.

The Issuer shall bear the costs of the vote and, if the court has convened a meeting, also the costs of such proceedings.

Rules regarding Noteholders' Meetings applicable to Votes without Meeting

In addition, the statutory rules applicable to the convening and conduct of Noteholders' meetings will apply *mutatis mutandis* to any vote without a meeting. The following summarises some of such rules.

Meetings of Noteholders may be convened by the Issuer or the Noteholders' Representative. Meetings of Noteholders must be convened if one or more Noteholders holding five per cent. or more of the outstanding Notes so require for specified reasons permitted by statute.

Meetings may be convened not less than 14 days prior to the date of the meeting. Attendance and exercise of voting rights at the meeting may be made subject to prior registration of Noteholders. The convening notice will provide what proof will be required for attendance and voting at the meeting.

The convening notice shall promptly (*unverzüglich*) be made publicly available in the Federal Gazette (*Bundesanzeiger*). Furthermore, from the date of the calling of the noteholders' meeting until the date of the meeting itself, the Issuer shall make available to the noteholders on its website the convening notice and a detailed description of the conditions on which attendance at the noteholders' meeting and the exercise of voting rights shall depend.

Each Noteholder may be represented by proxy. The Noteholders' meeting will have a quorum if the persons attending represent at least 50 per cent. of the outstanding Notes by value. If the quorum is not reached, a second meeting may be convened at which no quorum will be required, provided that where a resolution may only be adopted by a qualified majority, a quorum requires the presence of at least 25 per cent. of the aggregate principal amount of outstanding Notes.

All resolutions adopted must be properly published. Resolutions which amend or supplement the Terms and Conditions have to be implemented by supplementing or amending the Global Note.

In insolvency proceedings instituted in Austria against the Issuer, the Noteholders' Representative is obliged and exclusively entitled to assert the Noteholders' rights under the Notes. Any resolutions passed by the Noteholders are subject to the provisions of the Austrian Insolvency Code (*Insolvenzordnung*) and, to the extent applicable, the Austrian Curator Act (*Gesetz betreffend die gemeinsame Vertretung der Rechte der Besitzer von auf Inhaber lautenden oder durch Indossament übertragbaren Teilschuldverschreibungen und die bürgerliche Behandlung der für solche Teilschuldverschreibungen eingeräumten Hypothekarrechte*) and the Austrian Curator Supplemental Act (*Gesetz, womit ergänzende Bestimmungen betreffend die Vertretung der Besitzer von Pfandbriefen oder von auf Inhaber lautenden oder durch Indossament übertragbaren Teilschuldverschreibungen erlassen werden*).

If a resolution constitutes a breach of the statute or the Terms and Conditions, Noteholders may bring an action to set aside such resolution. Such action must be filed with the competent court within one month following the publication of the resolution.

TAXATION

The following is a general description of certain tax considerations relating to the Notes in Austria. It does not purport to be a complete analysis of all tax considerations relating to the Notes. In particular, this description does not consider any specific facts or circumstances that may apply to a particular purchaser. This description is based on the laws of Austria currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

PROSPECTIVE PURCHASERS OF NOTES SHOULD CONSULT THEIR TAX ADVISERS AS TO THE CONSEQUENCES, UNDER THE TAX LAWS OF THE COUNTRY IN WHICH THEY ARE RESIDENT FOR TAX PURPOSES AND UNDER THE TAX LAWS OF AUSTRIA OF ACQUIRING, HOLDING AND DISPOSING OF NOTES AND RECEIVING PAYMENTS OF PRINCIPAL, INTEREST AND OTHER AMOUNTS UNDER THE NOTES. THE INFORMATION CONTAINED WITHIN THIS SECTION IS LIMITED TO TAXATION ISSUES, AND PROSPECTIVE INVESTORS SHOULD NOT APPLY ANY INFORMATION SET OUT BELOW TO OTHER AREAS; INCLUDING (BUT NOT LIMITED TO) THE LEGALITY OF TRANSACTIONS INVOLVING THE NOTES.

Austria

This section on taxation contains a brief summary of the Issuer's understanding with regard to certain important principles which are of significance in connection with the purchase, holding or sale of the Notes in the Republic of Austria. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The following comments are rather of a general nature and included herein solely for information purposes. They are not intended to be, nor should they be construed to be, legal or tax advice. This summary is based on the currently applicable tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation, all of which may be amended from time to time. Such amendments may possibly also be effected with retroactive effect and may negatively impact on the tax consequences described. It is recommended that potential investors in the Notes consult with their legal and tax advisors as to the tax consequences of the purchase, holding or sale of the Notes. Tax risks resulting from the Notes (in particular from a potential qualification as equity for tax purposes instead of debt) shall in any case be borne by the investor. For the purposes of the following it is assumed that the Notes are legally and factually offered to an indefinite number of persons.

General remarks

Individuals having a domicile (*Wohnsitz*) and/or their habitual abode (*gewöhnlicher Aufenthalt*), both as defined in sec. 26 of the Austrian Federal Fiscal Procedures Act (*Bundesabgabenordnung*), in Austria are subject to income tax (*Einkommensteuer*) in Austria on their worldwide income (unlimited income tax liability; *unbeschränkte Einkommensteuerpflicht*). Individuals having neither a domicile nor their habitual abode in Austria are subject to income tax only on income from certain Austrian sources (limited income tax liability; *beschränkte Einkommensteuerpflicht*).

Corporations having their place of management (*Ort der Geschäftsleitung*) and/or their legal seat (*Sitz*), both as defined in sec. 27 of the Austrian Federal Fiscal Procedures Act, in Austria are subject to corporate income tax (*Körperschaftsteuer*) in Austria on their worldwide income (unlimited corporate income tax liability; *unbeschränkte Körperschaftsteuerpflicht*). Corporations having neither their place of management nor their legal seat in Austria are subject to corporate income tax only on income from certain Austrian sources (limited corporate income tax liability; *beschränkte Körperschaftsteuerpflicht*).

Both in case of unlimited and limited (corporate) income tax liability Austria's right to tax may be restricted by double taxation treaties.

Income taxation of the Notes

Pursuant to sec. 27(1) of the Austrian Income Tax Act (*Einkommensteuergesetz*), the term investment income (*Einkünfte aus Kapitalvermögen*) comprises:

- income from the letting of capital (*Einkünfte aus der Überlassung von Kapital*) pursuant to sec. 27(2) of the Austrian Income Tax Act, including dividends and interest;

- income from realised increases in value (*Einkünfte aus realisierten Wertsteigerungen*) pursuant to sec. 27(3) of the Austrian Income Tax Act, including gains from the alienation, redemption and other realisation of assets that lead to income from the letting of capital, zero coupon bonds and broken-period interest; and
- income from derivatives (*Einkünfte aus Derivat*) pursuant to sec. 27(4) of the Austrian Income Tax Act, including cash settlements, option premiums received and income from the sale or other realisation of forward contracts like options, futures and swaps and other derivatives such as index certificates.

Regarding Notes not acquired at the same time, but held in the same securities account with the same securities identification number, generally an average price is determined (*cf.* sec. 27a(4)(3) of the Austrian Income Tax Act).

Also the withdrawal of the Notes from a bank deposit (*Depotentnahme*) or circumstances leading to a loss of Austria's taxation right regarding the Notes *vis-à-vis* other countries, *e.g.* a relocation from Austria (*Wegzug*), or a donation to a person not resident in Austria, are in general deemed to constitute a sale (*cf.* sec. 27(6)(1) of the Austrian Income Tax Act).

Individuals subject to unlimited income tax liability in Austria holding the Notes as non-business assets are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act. The acquisition costs of the Notes do not include ancillary acquisition costs (*Anschaffungsnebenkosten*; *cf.* sec. 27a(4)(2) of the Austrian Income Tax Act). In case of investment income with an Austrian nexus (*inländische Einkünfte aus Kapitalvermögen*), basically meaning income paid by an Austrian paying agent (*auszahlende Stelle*) or an Austrian custodian agent (*depotführende Stelle*), the income is subject to withholding tax (*Kapitalertragsteuer*) of 25%; no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to sec. 97(1) of the Austrian Income Tax Act). In case of investment income without an Austrian nexus, the income must be included in the investor's income tax return and is subject to income tax at a flat rate of 25%. Expenses and costs (*Aufwendungen und Ausgaben*) that are directly connected with income subject to the flat income tax rate of 25% are not tax effective, even in cases where the individual opts for regular taxation (*cf.* sec. 20(2) of the Austrian Income Tax Act). In both cases upon application the option exists to tax all income subject to income tax at the flat rate of 25% at the lower progressive income tax rate (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Sec. 27(8) of the Austrian Income Tax Act, *inter alia*, provides for the following restrictions on the offsetting of losses: negative income from realised increases in value and from derivatives may be neither offset against interest and other claims *vis-à-vis* credit institutions nor against income from private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*); income subject to income tax at the flat rate of 25% may not be offset against income subject to the progressive income tax rate (this equally applies in case of an exercise of the option to regular taxation); negative investment income not already offset against positive investment income may not be offset against other types of income. Austrian custodian agents mandatorily have to apply loss-offsetting rules (see below). A carry-forward of losses is not possible.

Individuals subject to unlimited income tax liability in Austria holding the Notes as business assets are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act. In case of investment income with an Austrian nexus the income is subject to withholding tax of 25%. While withholding tax has the effect of final taxation for income from the letting of capital, income from realised increases in value and income from derivatives must be included in the investor's income tax return (nevertheless income tax at the flat rate of 25%). In case of investment income without an Austrian nexus, the income must always be included in the investor's income tax return (generally income tax at the flat rate of 25%). In both cases upon application the option exists to tax all income subject to income tax at the flat rate of 25% at the lower progressive income tax rate (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Again, expenses and costs that are directly connected with income subject to the flat income tax rate of 25% are not tax effective, even in cases where the individual opts for regular taxation (*cf.* sec. 20(2) of the Austrian Income Tax Act). Pursuant to sec. 6(2)(c) of the Austrian Income Tax Act, depreciations to the lower fair market value and losses from the alienation, redemption and other realisation of financial assets and derivatives in the sense of sec. 27(3) and (4) of the Austrian Income Tax Act, which are subject to income tax at the flat rate of 25%, are primarily to be offset against income from realised increases in value of such financial assets and derivatives and with appreciations in value of such assets; only half of the remaining negative difference may be offset against other types of income (or, as the case may be, carried forward). The Austrian custodian agent does not automatically implement the offsetting of losses (as mentioned below) with respect to bank deposits that are not privately held; instead losses are taken into account upon assessment.

Pursuant to sec. 7(2) of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*), corporations subject to unlimited corporate income tax liability in Austria are subject to corporate income tax on income in the sense of sec. 27(1) of the Austrian Income Tax Act from the Notes at a rate of 25%. In the case of income in the sense of sec. 27(1) of the Austrian Income Tax Act with an Austrian nexus, the income is subject to withholding tax of 25%.

which can be credited against the corporate income tax liability. However, under the conditions set forth in sec. 94(5) of the Austrian Income Tax Act withholding tax is not levied in the first place. Losses from the alienation of the Notes can be offset against other income (or, as the case may be, carried forward).

Pursuant to sec. 13(3)(1) in connection with sec. 22(2) of the Austrian Corporate Income Tax Act, private foundations (*Privatstiftungen*) pursuant to the Austrian Private Foundations Act (*Privatstiftungsgesetz*) fulfilling the prerequisites contained in sec. 13(3) and (6) of the Austrian Corporate Income Tax Act and holding the Notes as non-business assets are subject to interim taxation at a rate of 25% on interest income, income from realised increases in value and income from derivatives (*inter alia*, if the latter are in the form of securities). The acquisition costs of the Notes do not include ancillary acquisition costs (*cf.* sec. 7(2) of the Austrian Corporate Income Tax Act in connection with sec. 27a(4)(2) of the Austrian Income Tax Act). Expenses and costs that are directly connected with investment income are generally not tax effective (*cf.* sec. 12(2) of the Austrian Corporate Income Tax Act). Interim tax does not fall due insofar as distributions subject to withholding tax are made to beneficiaries in the same tax period. In case of investment income with an Austrian nexus income is in general subject to withholding tax of 25%, which can be credited against the tax falling due. Under the conditions set forth in sec. 94(12) of the Austrian Income Tax Act withholding tax is not levied.

Individuals and corporations subject to limited (corporate) income tax liability in Austria are taxable on investment income from the Notes if they have a permanent establishment (*Betriebsstätte*) in Austria and the Notes are attributable to such permanent establishment (*cf.* sec. 98(1)(3) of the Austrian Income Tax Act, sec. 21(1)(1) of the Austrian Corporate Income Tax Act). Individuals subject to limited income tax liability in Austria are also taxable on interest in the sense of the Austrian EU Withholding Tax Act (*EU-Quellensteuergesetz*, see below) from the Notes if withholding tax is levied on such interest (this does not apply, *inter alia*, to individuals falling within the scope of the Austrian EU Withholding Tax Act; *cf.* sec. 98(1)(5)(b) of the Austrian Income Tax Act).

Pursuant to sec. 93(6) of the Austrian Income Tax Act, the Austrian custodian agent is obliged to automatically offset negative investment income against positive investment income, taking into account all of a taxpayer's bank deposits with the custodian agent. If negative and at the same time or later positive income is earned, then the negative income is to be offset against the positive income. If positive and later negative income is earned, then withholding tax on the positive income is to be credited, with such tax credit being limited to 25% of the negative income. In certain cases the offsetting is not permissible. The custodian agent has to issue a written confirmation on each offsetting of losses.

EU withholding tax

Sec. 1 of the Austrian EU Withholding Tax Act – implementing Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments – provides that interest payments paid or credited by an Austrian paying agent (*Zahlstelle*) to a beneficial owner who is an individual resident in another EU Member State (or in certain dependent or associated territories, which currently include Anguilla, Aruba, the British Virgin Islands, Curaçao, Guernsey, the Isle of Man, Jersey, Montserrat, Sint Maarten and the Turks and Caicos Islands) are subject to EU withholding tax (*EU-Quellensteuer*) of 35%. Sec. 10 of the Austrian EU Withholding Tax Act provides for an exemption from EU withholding tax if the beneficial owner presents to the paying agent a certificate drawn up in his/her name by the competent authority of his/her EU Member State of residence for tax purposes, indicating the name, address and tax or other identification number or, failing such, the date and place of birth of the beneficial owner, the name and address of the paying agent, and the account number of the beneficial owner or, where there is none, the identification of the security; such certificate shall be valid for a period not exceeding three years. Pursuant to Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation, interest, dividends and similar types of income as well as account balances and sales proceeds from financial assets shall in general be automatically exchanged as of 1 January 2016 with respect to taxable periods as from that date. Although Austria only will have to apply these provisions from 1 January 2017 with respect to taxable periods as from that date, it announced that it will not make full use of the derogation and will already exchange information on new accounts opened during the period 1 October 2016 to 30 December 2016 by 30 September 2017. While it was expected that changes to the EU Withholding Tax Act – implementing Council Directive 2014/48/EU of 24 March 2014 amending Directive 2003/48/EC on taxation of savings income in the form of interest payments – would enter into effect by 1 January 2017, on 18 March 2015 the European Commission published a proposal for a Council Directive repealing Council Directive 2003/48/EC. Pursuant thereto, Council Directive 2003/48/EC shall in general be repealed with effect from 1 January 2016. However, pursuant to detailed grandfathering provisions, Austria shall in general continue to apply it until 31 December 2016.

Tax treaties Austria/Switzerland and Austria/Liechtenstein

The Treaty between the Republic of Austria and the Swiss Confederation on Cooperation in the Areas of Taxation and Capital Markets and the Treaty between the Republic of Austria and the Principality of Liechtenstein on Cooperation in

the Area of Taxation provide that a Swiss, respectively Liechtenstein, paying agent has to withhold a tax amounting to 25% on, *inter alia*, interest income, dividends and capital gains from assets booked with an account or deposit of such Swiss, respectively Liechtenstein, paying agent if the relevant holder of such assets (*i.e.* in general individuals on their own behalf and as beneficial owners of assets held by a domiciliary company (*Sitzgesellschaft*)) is tax resident in Austria. The same applies to such income from assets managed by a Liechtenstein paying agent if the relevant holder of the assets (*i.e.* in general individuals as beneficial owners of a transparent structure) is tax resident in Austria. For Austrian income tax purposes this withholding tax has the effect of final taxation regarding the underlying income if the Austrian Income Tax Act provides for the effect of final taxation for such income. The treaties, however, do not apply to interest covered by the agreements between the European Community and the Swiss Confederation, respectively the Principality of Liechtenstein, regarding Council Directive 2003/48/EC on taxation of savings income in the form of interest payments. The taxpayer can opt for voluntary disclosure instead of the withholding tax by expressly authorising the Swiss, respectively Liechtenstein, paying agent to disclose to the competent Austrian authority the income, which subsequently has to be included in the income tax return.

Austrian inheritance and gift tax

Austria does not levy inheritance or gift tax.

Certain gratuitous transfers of assets to private law foundations and comparable legal estates are subject to foundation transfer tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Transfer Tax Act (*Stiftungseingangssteuergesetz*) if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat or their place of management in Austria. Certain exemptions apply in cases of transfers *mortis causa* of financial assets within the meaning of sec. 27(3) and (4) of the Austrian Income Tax Act (except for participations in corporations) if income from such financial assets is subject to income tax at the flat rate of 25%. The tax basis is the fair market value of the assets transferred minus any debts, calculated at the time of transfer. The tax rate generally is 2.5%, with a higher rate of 25% applying in special cases. Special provisions apply to transfers of assets to entities falling within the scope of the tax treaty between Austria and Liechtenstein.

In addition, there is a special notification obligation for gifts of money, receivables, shares in corporations, participations in partnerships, businesses, movable tangible assets and intangibles if the donor and/or the donee have a domicile, their habitual abode, their legal seat or their place of management in Austria. Not all gifts are covered by the notification obligation: In case of gifts to certain related parties, a threshold of EUR 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of EUR 15,000 during a period of five years. Furthermore, gratuitous transfers to foundations falling under the Austrian Foundation Transfer Tax Act described above are also exempt from the notification obligation. Intentional violation of the notification obligation may trigger fines of up to 10% of the fair market value of the assets transferred.

Further, gratuitous transfers of the Notes may trigger income tax at the level of the transferor pursuant to sec. 27(6)(1) of the Austrian Income Tax Act (see above).

Austrian Tax Reform Act 2015/2016

Recently the Austrian Ministry of Finance published draft bills of the Austrian Tax Reform Act 2015/2016 (*Steuerreformgesetz 2015/2016*) and of the Austrian Federal Constitutional Act on the Amendment of the Austrian Act on Final Taxation (*Bundesverfassungsgesetz zur Änderung des Endbesteuerungsgesetzes*). The draft bills provide that as of 1 January 2016, instead of the uniform special income tax rate of currently 25%, two special income tax rates shall be applicable, namely a special income tax rate of 25% on income from interest and other claims *vis-à-vis* credit institutions and a special income tax rate of 27.5% on all other investment income (save for investment income subject to the progressive income tax rate). This would, *inter alia*, mean that as of 1 January 2016 individuals subject to unlimited income tax liability in Austria would be subject to withholding tax at a rate of 27.5% on investment income with an Austrian nexus from the Notes and to the special tax rate of 27.5% on investment income without an Austrian nexus from the Notes.

SUBSCRIPTION AND SALE OF THE NOTES

Pursuant to a subscription agreement dated 21 July 2015 (the "**Subscription Agreement**") among the Issuer and the Managers, the Issuer has agreed to sell to BNP Paribas, J.P. Morgan Securities plc, Morgan Stanley & Co. International plc and Raiffeisen Bank International AG (together, the "**Joint Lead Managers**"), and the Joint Lead Managers have agreed, subject to certain customary closing conditions, to purchase, the Notes on 27 July 2015. The Issuer has furthermore agreed to pay certain commissions to the Joint Lead Managers and to reimburse the Joint Lead Managers for certain expenses incurred in connection with the issue of the Notes. Commissions may be payable by the Joint Lead Managers to certain third party intermediaries in connection with the initial sale and distribution of the Notes.

The Subscription Agreement provides that the Joint Lead Managers under certain circumstances will be entitled to terminate the Subscription Agreement. In such event, no Notes will be delivered to investors. Furthermore, the Issuer has agreed to indemnify the Joint Lead Managers against certain liabilities in connection with the offer and sale of the Notes.

The Joint Lead Managers or their respective affiliates, including parent companies, engage, and may in the future engage, in investment banking, commercial banking (including the provision of loan facilities) and other related transactions with the Issuer and its affiliates and may perform services for them, for which the Joint Lead Managers or their affiliates have received or will receive customary fees and commissions, in each case in the ordinary course of business.

There are no interests of natural and legal persons involved in the issue, including conflicting ones, that are material to the issue.

SELLING RESTRICTIONS

General

In addition to the specific restrictions set out below, the Joint Lead Managers have agreed that they will comply with all applicable laws and regulations in each jurisdiction in or from which they may offer Notes or distribute any offering material relating to them.

United States of America

The Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or to the account of benefit of, U.S. persons except in transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by the U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Joint Lead Manager has represented and agreed that except as permitted by the Subscription Agreement, it has not offered, sold or delivered and will not offer, sell or deliver any Notes (i) as part of their distribution and any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the issue date, within the United States or to, for the account of benefit of, U.S. persons, and will have sent to each dealer to which it sells the Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act

United Kingdom

Each Joint Lead Manager has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA") received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

GENERAL INFORMATION / INCORPORATION BY REFERENCE

Authorisation and Issue Date

The creation and issue of the Notes has been authorised by a resolution of the Issuer's Group Executive Board dated 17 July 2015 by a resolution of its Supervisory Board dated 1 June 2015 and a resolution of the Working Committee of its Supervisory Board dated 20 July 2015. The Issue Date of the Notes is expected to be 27 July 2015.

Clearing and Settlement

The Notes have been accepted for clearing by Clearstream Banking *société anonyme*, 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg and Euroclear Bank SA/NV 1, Boulevard du Roi Albert II, 1210 Brussels, Belgium. The Notes have been assigned the following securities codes: ISIN XS1117293107, Common Code 111729310, WKN A1Z4M5.

Listing and admission to trading

Application has been made for the Notes to be listed and admitted to trading on the *Geregelter Freiverkehr* (Second Regulated Market) of the Vienna Stock Exchange (*Wiener Börse*), which is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on Markets in Financial Instruments, as amended. The listing and admission to trading of the Notes is expected to be effective from the Issue Date on. The aggregate fees in connection with the admission to trading are expected to amount to approximately EUR 5,900.

Use of Proceeds

In connection with the issue of the Notes, the Issuer will receive proceeds of approximately EUR 498,500,000. The Issuer intends to use the proceeds of the issue of the Notes to strengthen its Solvency II Tier 2 capital within the UNIQA Group and for its other general corporate purposes.

Ratings and yield

Standard & Poor's Credit Market Services Europe Limited (*Niederlassung Deutschland*) assigned to the Issuer a "A-" rating with a stable outlook on 6 November 2014.¹ The yield of the Notes cannot be indicated in advance.

Third party information

Any information sourced from a third party contained in this Prospectus has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

¹ Standard & Poor's Credit Market Services Europe Limited (*Niederlassung Deutschland*) is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, amended by Regulation (EC) No 513/2011 of the European Parliament and of the Council of 11 March 2011 (the "**CRA Regulation**"). The European Securities and Markets Authority publishes on its website (www.esma.europa.eu/page/List-registered-and-certified-CRAs) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

Documents on Display

For the time of the validity of the Prospectus, copies of the following documents may be inspected during normal business hours at the specified office of the Issuer and documents set out under (b) and (c) below will be available on the website of the Issuer (www.uniqagroup.com):

- (a) the articles of association of the Issuer;
- (b) the Prospectus; and
- (c) the documents incorporated by reference set out above.

INCORPORATION BY REFERENCE

The pages set out in the below table of the following documents are incorporated by reference into this Prospectus:

- (1) The audited consolidated financial statements of the Issuer as of and for the year ending on 31 December 2014 (English translation from the German language):
 - Consolidated Statement of Financial Position as at 31 December 2014 (pages 76 – 77 of the UNIQA Group Report 2014);
 - Consolidated Income Statement from 1 January to 31 December 2014 (page 78 of the UNIQA Group Report 2014);
 - Consolidated Statement of Comprehensive Income from 1 January to 31 December 2014 (page 79 of the UNIQA Group Report 2014);
 - Consolidated Statement of Cash Flows from 1 January to 31 December 2014 (page 83 of the UNIQA Group Report 2014);
 - Consolidated Statement of Changes in Equity (pages 84 – 85 of the UNIQA Group Report 2014);
 - Notes to the Consolidated Financial Statements (pages 86 – 207 of the UNIQA Group Report 2014); and
 - Auditor's Report (pages 208 – 209 of the UNIQA Group Report 2014).
- (2) The audited consolidated financial statements of the Issuer as of and for the year ending on 31 December 2013 (English translation from the German language):
 - Consolidated Balance Sheet as at 31 December 2013 (pages 60 – 61 of the UNIQA Group Report 2013);
 - Consolidated Income Statement from 1 January to 31 December 2013 (page 62 of the UNIQA Group Report 2013);
 - Consolidated Comprehensive Income Statement from 1 January to 31 December 2013 (page 63 of the UNIQA Group Report 2013);
 - Consolidated Cash Flow Statement from 1 January to 31 December 2013 (page 67 of the UNIQA Group Report 2013);
 - Development of Group Equity (pages 68 – 69 of the UNIQA Group Report 2013);
 - Notes to the Group Financial Statements (pages 70 – 197 of the UNIQA Group Report 2013); and
 - Auditor's Opinion (pages 198 – 199 of the UNIQA Group Report 2013).
- (3) The unaudited consolidated interim financial statements of the Issuer as of and for the period ending 31 March 2015 (English translation from the German language) (the "**Q1 2015 Report**"):
 - Consolidated Statement of Financial Position as at 31 March 2015 (pages 14 – 15 of the 1st Quarter Report 2015);
 - Consolidated Statement of Changes in Equity (page 16 of the 1st Quarter Report 2015);
 - Consolidated Income Statement from 1 January 2015 to 31 March 2015 (page 17 of the 1st Quarter Report 2015);
 - Consolidated Statement of Comprehensive Income from 1 January 2015 to 31 March 2015 (page 18 of the 1st Quarter Report 2015);
 - Consolidated Statement of Cash Flows from 1 January 2015 to 31 March 2015 (page 19 of the 1st Quarter Report 2015); and
 - Notes to the Consolidated Financial Statements (pages 28 – 34 of the 1st Quarter Report 2015).

Any information not incorporated by reference into this Prospectus but contained in one of the documents mentioned as source documents in the cross reference list above is either not relevant for the investor or covered in another part of this Prospectus.

The documents incorporated by reference are available on the website of the Issuer (<http://www.uniqagroup.com/gruppe/versicherung/services/downloads/Downloads.en.html>) for the time of the validity of the Prospectus.

**RESPONSIBILITY STATEMENT
OF UNIQA INSURANCE GROUP AG**

UNIQA Insurance Group AG, with its registered office at Untere Donaustraße 21, 1029 Vienna, Austria, is solely responsible for the information given in this Prospectus.

The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the knowledge of the Issuer, in accordance with the facts and contains no omission likely to affect its import.

Pursuant to Section 8 paragraph 1 Capital Market Act

UNIQA Insurance Group AG

hereby signs as issuer

KURT SVOBODA

Chief Financial and Risk Officer

ERICH KRUSCHITZ

Head of Group Finance

Vienna, on 21 July 2015

NAMES AND ADDRESSES

ISSUER

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1029 Vienna
Republic of Austria

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**Morgan Stanley & Co.
International plc**
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Canary Wharf
London E14 4QA
United Kingdom

Raiffeisen Bank International AG

Am Stadtpark 9
1030 Vienna
Austria

PRINCIPAL PAYING AGENT

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