



SACHSEN-ANHALT

Federal State of Saxony-Anhalt

EUR 500,000,000
3.150 % State Treasury Bonds
(Landesschatzanweisungen) of 2024/2054

Series 34
WKN A3512U
ISIN DE000A3512U6

SUBSCRIPTION AGREEMENT

February 2024

SUBSCRIPTION AGREEMENT
(the "**Agreement**")

FEDERAL STATE OF SAXONY-ANHALT,
represented by the Ministry of Finance of the Federal State of Saxony-Anhalt
(the "**State**" or the "**Issuer**"),

party of the first part,

and

COMMERZBANK AKTIENGESELLSCHAFT
COÖPERATIEVE RABOBANK U.A.
DEUTSCHE BANK AKTIENGESELLSCHAFT („**Deutsche Bank**")
GOLDMAN SACHS BANK EUROPE SE
NORDDEUTSCHE LANDESBANK – GIROZENTRALE -

(each a "**Lead Manager**" and together the "**Joint-Lead Managers**"),

parties of the second part,

hereby agree as follows:

ARTICLE 1
(TERMS, PURPOSE AND LEGAL PREREQUISITES)

(1) The Issuer proposes to issue

3.150 % State Treasury Bonds of 2024/2054

in an aggregate principal amount of euro five hundred million (EUR 500,000,000) (the "**Issue**" or the "**State Treasury Bonds**").

(2) The net proceeds of the sale of the State Treasury Bonds will be used by the Issuer for general governmental purposes.

(3) The terms of the Issue are set forth in the Conditions of Issue (*Emissionsbedingungen*) attached hereto as Annex 1.

(4) The Issuer represents and warrants that all conditions under German law relating to the validity and enforceability of the obligations arising out of this Agreement have been fulfilled and in particular that all necessary governmental consents and authorisations have been obtained and duly complied with.

(5) The State Treasury Bonds shall be registered as a collective debt register claim in favor of Clearstream Banking AG, Frankfurt am Main ("**CBF**") into the State's debt register kept in the city of Magdeburg (the "**Debt Register**") for the entire life of the Issue. Transfers of State Treasury Bonds represented by a proportionate co-ownership in the Debt Register shall be effected in accordance with the procedures established for this purpose by CBF. The registration of the collective debt register claim shall represent the State Treasury Bonds kept in custody for financial institutions that are accountholders of CBF, including such State Treasury Bonds which are held through Clearstream Banking société anonyme, Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear**"), each of which has an account with CBF.

(6) The Joint-Lead Managers agree as between themselves that they will be bound by and comply with the International Capital Markets Association Standard Form Agreement Among Managers Version 1 (German law) (the "**Agreement Among Managers**") and further agree that references in the Agreement Among Managers to the "Lead Manager" shall mean the Joint Lead Managers and references to the "Settlement Lead Manager" shall mean Deutsche Bank.

ARTICLE 2
(PURCHASE AND SALE OF THE STATE TREASURY BONDS)

(1) The underwriting commitment of the Joint-Lead Managers shall be as follows:

	<u>in EUR</u>
COMMERZBANK AKTIENGESELLSCHAFT	100,000,000
COÖPERATIEVE RABOBANK U.A.	100,000,000
DEUTSCHE BANK	100,000,000
GOLDMAN SACHS BANK EUROPE SE	100,000,000
NORDDEUTSCHE LANDESBANK – GIROZENTRALE -	<u>100,000,000</u>
 TOTAL	 <u>500,000,000</u>

(2) The rights and obligations of the Joint-Lead Managers hereunder are several and not joint.

(3) On 7 February 2024 (the "**Settlement Date**") each of the Joint-Lead Managers shall purchase the State Treasury Bonds in accordance with its underwriting commitment at the price of 99.674 % of their principal amount (the "**Purchase Price**"), being the issue price of 99.866 % less the total commissions of 0.192 % of such principal amount of the State Treasury Bonds.

ARTICLE 3
(SALES RESTRICTIONS)

(1) **General:** Each Joint-Lead Manager represents and agrees that it will observe all applicable provisions of law in each jurisdiction in or from which it may offer or sell State Treasury Bonds or distribute any offering material.

(2) **Federal Republic of Germany:** Pursuant to the provisions of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended from time to time, bonds and collective debt register claims may be offered or sold in Germany without prior publication of a securities prospectus.

(3) **United States of America:** The State Treasury Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the "**U.S. Securities Act**") and may not be offered or sold within the United States of America (the "**United States**") or to U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Each Joint-Lead Manager represents and agrees that it has not offered or sold, and will not offer or sell, any State Treasury Bonds constituting part of its allotment within the United States except in accordance with an applicable exemption under the U.S. Securities Act. Accordingly, each Joint-Lead Manager represents and agrees that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the State Treasury

Bonds. Terms used in this subparagraph have the meanings given to them by Regulation S under the U.S. Securities Act.

(4) **United Kingdom:** Each Joint-Lead Manager represents and agrees that it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 with respect to anything done by it in relation to the State Treasury Bonds in, from or otherwise involving the United Kingdom.

Each Joint-Lead Manager represents and agrees that it has not made and will not make an offer of the State Treasury Bonds to the public in the United Kingdom except that it may make an offer of such State Treasury Bonds to the public in the United Kingdom:

- (a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Joint-Lead Manager or Joint-Lead Managers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within section 86 of the Financial Services and Markets Act 2000 (the "**FSMA**"),

provided that no such offer of State Treasury Bonds referred to in (a) to (c) above shall require the Issuer or any Joint-Lead Manager to publish a prospectus pursuant to section 85 of the FSMA.

For the purposes of this provision, the expression "**offer of State Treasury Bonds to the public**" in relation to the State Treasury Bonds means the communication in any form and by any means of sufficient information on the terms of the offer and the State Treasury Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the State Treasury Bonds and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

As used herein, "**United Kingdom**" means the United Kingdom of Great Britain and Northern Ireland.

ARTICLE 4 (PAYMENT, CONDITIONS PRECEDENT)

(1) On the Settlement Date, Deutsche Bank shall pay, or cause payment of, for the account of the Joint-Lead Managers the net subscription amount of EUR 498,370,000 (being the Purchase Price pursuant to Article 2) in immediately available funds to the account of the Issuer with Deutsche Bundesbank, Filiale Magdeburg, IBAN: DE 20 8100 0000 0081 0015 18, Swift: MARKDEF1810, such payment to be made free of delivery of the State Treasury Bonds on Deutsche Bank's CBF account 7703.

(2) The respective obligations of the Joint-Lead Managers to purchase the State Treasury Bonds under this Agreement and to pay the Purchase Price in respect of the State Treasury Bonds shall be conditional upon the delivery to Deutsche Bank on behalf of the Joint-Lead Managers of the documents listed in Annex 2 on the day of signing of this Agreement (or, with the consent of the Joint-Lead Managers, thereafter, but prior to the Settlement Date).

ARTICLE 5
(EXPENSES)

(1) The Issuer assumes

- (a) all expenses incurred in connection with the preparation, printing and signing of this Agreement and all other documents relating to the issuance, subscription, purchase and initial offering of the State Treasury Bonds;
- (b) all expenses incurred in connection with the registration of the State Treasury Bonds in the Debt Register;
- (c) all fees, commissions and other costs and remunerations in respect of all publications and marketing actions relating to the Issue.

(2) All expenses as well as the fees in connection with obtaining and maintaining the listing and initial quotation of the State Treasury Bonds on the regulated market of the Frankfurt Stock Exchange will be paid by Deutsche Bank.

(3) The Issuer hereby authorises Deutsche Bank to enter into the agreements necessary for the performance of the functions in connection with subparagraph (1) (a) through (c) in the name and for the account of the Issuer.

ARTICLE 6
(LISTING, MARKET MAKING)

(1) Deutsche Bank shall take the necessary actions to have the Issue officially quoted on the regulated market of the Frankfurt Stock Exchange.

(2) The Joint-Lead Managers will in their own names and for their own accounts act as market maker for the purpose of supporting market making in the State Treasury Bonds for the Issue in a way that is appropriate to the State's standing as an issuer (i.e. during the usual trading hours they will quote bid/offer prices and will disseminate such quotes through customary information systems) as long as the outstanding volume is sufficient for a liquid market in the State Treasury Bonds and subject to compliance of applicable laws.

The market-making obligation does not subsist in the following cases:

- (a) if there is a change in national or international financial, political or economic conditions outside of any of the Joint-Lead Managers' control which materially adversely affect the trade in a way making it unreasonable for the Joint-Lead Managers to continue trading, or
- (b) if, due to unforeseen events, especially in the event of evacuation measures due to terror warnings, and whether or not affecting the market generally, the trading of the Joint-Lead Managers with this issue of State Treasury Bonds using an electronic trading system is either disrupted or becomes impossible and this results in the inability to trade or to obtain market values for them.

ARTICLE 7
(CO-MANUFACTURER AGREEMENT)

(1) Solely for the purposes of the requirements of Article 9(8) of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the **"EU Product Governance Rules"**) regarding the mutual responsibilities of manufacturers under the Product Governance Rules, the Joint-Lead Managers herewith agree as between themselves that each of the Joint-Lead Managers (in its capacity as joint lead manager) (each an **"EU Manufacturer"** and together the **"EU Manufacturers"**) acknowledges to each other EU Manufacturer (i) that it understands

the responsibilities conferred upon it under the Product Governance Rules relating to each of the product approval process, the target market and the proposed distribution channels as applying to the Notes, and (ii) the information relating thereto set out in the section entitled "Hersteller-Zielmarkt und Vertriebsstrategie nach MiFID II / UK MiFIR Product Governance" and contained in the Termsheet.

The Issuer notes the application of the EU Product Governance Rules and acknowledges the target market and distribution channels identified as applying to the Notes by the EU Manufacturers and the related information set out in the Termsheet.

(2) Solely for the purposes of the requirements of 3.2.7R of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Rules**") regarding the mutual responsibilities of manufacturers under the UK Product Governance Rules, Goldman Sachs Bank Europe SE (the "**UK Manufacturer**") acknowledges that it understands (i) the responsibilities conferred upon it under the UK Product Governance Rules relating to each of the product approval process, the target market and the proposed distribution channels applying to the Notes, and (ii) the information relating thereto set out in the section entitled "Hersteller-Zielmarkt und Vertriebsstrategie nach MiFID II / UK MiFIR Product Governance" and contained in the Termsheet.

The EU Manufacturers (with the exception of Goldman Sachs Bank Europe SE) and the Issuer (i) note the application of the UK Product Governance Rules, and (ii) acknowledge the target market and distribution channels identified as applying to the Notes by the UK Manufacturer and the information relating thereto set out in the Termsheet.

ARTICLE 8 (TERMINATION)

Notwithstanding anything herein contained, the Joint-Lead Managers may, by notice to the Issuer given at any time prior to payment of the Purchase Price of the State Treasury Bonds to the Issuer, terminate this Agreement if, in the reasonable opinion of the Joint-Lead Managers, there shall have been such a change in national or international financial, political or economic conditions or currency exchange rates or exchange controls as would in their view be likely to prejudice materially the success of the offering and distribution of the State Treasury Bonds or dealings in the State Treasury Bonds in the secondary market and, upon notice being given, the parties to this Agreement shall (except for the liability of the Issuer in relation to expenses as provided in Article 5 and except for any liability arising before or in relation to such termination) be released and discharged from their respective obligations under this Agreement.

ARTICLE 9 (PARTIAL INVALIDITY)

Should any of the provisions of this Agreement be or become invalid, in whole or in part, the other provisions of this Agreement shall remain in force. Invalid provisions shall, according to the intent and purpose of this Agreement, be replaced by such valid provisions which in their economic effect come as close as legally possible to that of the invalid provisions.

ARTICLE 10 (ADDRESSES)

Subject to written notice of change of address, all communications intended for the Issuer shall be sent to

Federal State of Saxony-Anhalt

Ministry of Finance
Attn: Markus Krause
Editharing 40
D-39108 Magdeburg

Facsimile: +49 391 567 1253

and all communications intended for the Joint-Lead Managers shall be sent to

Deutsche Bank Aktiengesellschaft
Debt Capital Markets Origination
Mainzer Landstr. 11-17
D-60329 Frankfurt am Main
Facsimile: +49 69 910 34758

ARTICLE 11
(RECOGNITION OF THE U.S. SPECIAL RESOLUTION REGIMES)

(1) In the event that any Joint-Lead Manager that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Joint-Lead Manager of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(2) In the event that any Joint-Lead Manager that is a Covered Entity or a Covered Affiliate of such Joint-Lead Manager becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Joint-Lead Manager are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

“Covered Affiliate” has the meaning assigned to the term “affiliate” in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

“Covered Entity” means any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“U.S. Special Resolution Regime” means each of (i) the U.S. Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

ARTICLE 12
(APPLICABLE LAW, PLACE OF JURISDICTION)

- (1) This Agreement shall be governed by and construed in accordance with German law.
- (2) Place of jurisdiction for all matters arising out of or in connection with this Agreement shall be Frankfurt am Main.

ARTICLE 13
(MISCELLANEOUS)

- (1) This Agreement is signed in 2 originals, one thereof for the Issuer, the other for Deutsche Bank (on behalf of the Joint-Lead Managers). With respect to Annexes 1 and 2 the German version shall be binding. The English versions of Annexes 1 and 2 are attached for convenience only.
- (2) The Annexes 1 and 2 form an integral part of this Agreement.

Magdeburg / Frankfurt am Main, 5 February 2024

FEDERAL STATE OF SAXONY-ANHALT
represented by the
Ministry of Finance

Seb. Beier

Sebastian Beier
Ministerialrat



DEUTSCHE BANK AKTIENGESELLSCHAFT

A. Linsch

Ute Münstermann

Dr. Ute Münstermann, Director

COMMERZBANK AKTIENGESELLSCHAFT
COÖPERATIEVE RABOBANK U.A.
GOLDMAN SACHS BANK EUROPE SE
NORDDEUTSCHE LANDESBANK – GIROZENTRALE -

.....
By Power of Attorney

[Signature]
Dr. Mark Oulds
Director

Emissionsbedingungen

§ 1 (Form, Nennbetrag)

(1) Die 3,150 % Landesschatzanweisungen von 2024/2054 – Ausgabe 34 – WKN A3512U, ISIN DE000A3512U6 (die "**Landesschatzanweisungen**") des Landes Sachsen-Anhalt (das „**Land**“) im Gesamtnennbetrag von EUR 500.000.000 sind während ihrer gesamten Laufzeit als Sammelschuldbuchforderung zugunsten der Clearstream Banking AG, Frankfurt am Main, ("**CBF**") in das beim Ministerium der Finanzen des Landes in Magdeburg geführte Schuldbuch des Landes eingetragen. Die Ausgabe von effektiven Stücken und die Eintragung von Einzelschuldbuchforderungen sind für die gesamte Laufzeit ausgeschlossen.

(2) Die Landesschatzanweisungen können in Nennbeträgen von je EUR 1.000 oder einem ganzzahligen Vielfachen davon in der Form von Miteigentumsanteilen an der Sammelschuldbuchforderung in Übereinstimmung mit den Regelungen der CBF und - außerhalb der Bundesrepublik Deutschland - von Clearstream Banking société anonyme, Luxembourg und Euroclear Bank SA/NV, übertragen werden.

§ 2 (Status)

Die Verpflichtungen aus den Landesschatzanweisungen stellen untereinander gleichberechtigte, unbedingte, unbesicherte und nicht nachrangige Verpflichtungen des Landes dar. Sie haben den gleichen Rang wie alle anderen gegenwärtigen oder zukünftigen nicht nachrangigen Verbindlichkeiten des Landes, jedoch unbeschadet etwaiger aufgrund Gesetzes bevorrechtigter Verbindlichkeiten.

§ 3 (Verzinsung)

(1) Die Landesschatzanweisungen werden vom 7. Februar 2024 an mit jährlich 3,150 % verzinst. Die Zinsen sind jährlich nachträglich am 6. Februar eines jeden Jahres, erstmalig am 6. Februar 2025 zahlbar (kurze erste Zinsperiode).

(2) Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage der tatsächlich verstrichenen Tage, geteilt durch 365 oder (sofern die betreffende Zinsperiode einen 29. Februar enthält) geteilt durch 366.

(3) Die Verzinsung der Landesschatzanweisungen endet mit Ablauf des dem 6. Februar 2054 vorangehenden Tages.

§ 4 (Fälligkeit, Kündigung)

(1) Die Landesschatzanweisungen werden am 6. Februar 2054 zum Nennbetrag zurückgezahlt.

(2) Weder das Land noch die Gläubiger sind berechtigt, die Landesschatzanweisungen während ihrer Laufzeit zu kündigen.

§ 5
(Zahlungen)

(1) Das Land wird Kapital und Zinsen so rechtzeitig am jeweiligen Fälligkeitstag bei der CBF zur Verfügung stellen, so dass die Gutschrift entsprechend den anteiligen Quoten von Landesschatzanweisungen auf die Konten der jeweiligen Depotbanken zur Weiterleitung an die Gläubiger der Landesschatzanweisungen (die "**Gläubiger**") fristgerecht erfolgen kann. Die Zahlungen erfolgen vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften in Euro.

(2) Wenn der vorgesehene Fälligkeitstermin für die Zahlung von Kapital und Zinsen kein Geschäftstag ist, so erfolgt die Zahlung von Kapital und Zinsen am nächsten darauffolgenden Geschäftstag, ohne dass ein Anspruch auf zusätzliche Zinsen und sonstige Zahlungen besteht. Der Ausdruck "**Geschäftstag**" bezeichnet insoweit jeden Tag (außer einem Samstag oder Sonntag), an dem das Real-time Gross Settlement System, das von dem Eurosystem betrieben wird, (oder ein Nachfolgesystem) (T2) und Banken in Frankfurt am Main Zahlungen abwickeln und an dem CBF betriebsbereit ist, um die betreffende Zahlung in Euro auszuführen.

§ 6
(Begebung weiterer Landesschatzanweisungen, Ankauf)

(1) Das Land behält sich vor, ohne Zustimmung der Gläubiger weitere Landesschatzanweisungen mit gleicher Ausstattung in der Weise zu begeben, dass sie mit diesen Landesschatzanweisungen zusammengefasst werden, eine einheitliche Emission mit ihnen bilden und ihren Gesamtnennbetrag erhöhen. Der Begriff „Landesschatzanweisungen“ umfasst im Falle einer solchen Erhöhung auch solche zusätzlich begebenen Landesschatzanweisungen.

(2) Das Land ist jederzeit berechtigt, Landesschatzanweisungen im Markt oder anderweitig zu jedem beliebigen Preis zu erwerben.

§ 7
(Teilnichtigkeit)

Sollte irgendeine Bestimmung dieser Emissionsbedingungen ganz oder teilweise rechtsunwirksam sein oder werden, so sollen die übrigen Emissionsbedingungen wirksam bleiben. Unwirksame Bestimmungen gelten dem Sinn und Zweck dieser Emissionsbedingungen entsprechend als durch gültige Bestimmungen ersetzt.

§ 8
(Mitteilungen)

(1) Alle die Landesschatzanweisungen betreffenden Mitteilungen sind in einer führenden Tageszeitung mit allgemeiner Verbreitung in Deutschland, voraussichtlich der Börsen-Zeitung zu veröffentlichen. Jede derartige Mitteilung gilt mit dem Tag der Veröffentlichung als wirksam erfolgt.

(2) Das Land ist berechtigt, eine Zeitungsveröffentlichung nach Absatz (1) durch eine Mitteilung an die CBF zur Weiterleitung an ihre Kontoinhaber zu ersetzen, vorausgesetzt, dass die Regeln der Frankfurter Wertpapierbörse diese Form der Mitteilung zulassen. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an die CBF als den Gläubigern mitgeteilt.

§ 9
(Verschiedenes)

(1) Die Landesschatzanweisungen sowie sämtliche Rechte und Pflichten der Gläubiger und des Landes unterliegen in jeder Hinsicht deutschem Recht.

(2) Erfüllungsort ist Magdeburg.

(3) Gerichtsstand für alle sich aus den in diesen Emissionsbedingungen geregelten Angelegenheiten ergebenden Rechtsstreitigkeiten ist Frankfurt am Main.

(4) Diese Emissionsbedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Text soll bindend und maßgeblich sein. Die englische Übersetzung ist unverbindlich.

Conditions of Issue

§ 1 (Form, Denomination)

(1) The 3.150 % State Treasury Bonds of 2024/2054 – Series 34 - WKN A3512U, ISIN DE000A3512U6 (the "**State Treasury Bonds**") of the Federal State of Saxony-Anhalt (the "**State**") in the aggregate principal amount of EUR 500,000,000 - shall be entered as a collective debt register claim in favour of Clearstream Banking AG, Frankfurt am Main ("**CBF**") into the State's debt register kept in the city of Magdeburg for the entire life of the issue. The issuance of definitive bonds and the entry of individual debt register claims shall be excluded for the entire life of the issue.

(2) The State Treasury Bonds may be transferred in denominations of EUR 1,000 or multiples thereof in the form of proportionate co-ownerships in the debt register claim in accordance with procedures established for this purpose by CBF and - outside the Federal Republic of Germany - the procedures of Clearstream Banking société anonyme, Luxembourg and Euroclear Bank SA/NV.

§ 2 (Status)

The obligations arising out of the State Treasury Bonds constitute unconditional, unsecured and unsubordinated obligations of the State ranking *pari passu* among themselves. They rank *pari passu* with all other unsubordinated obligations, present or future, of the State save for obligations preferred by mandatory provisions of law.

§ 3 (Interest)

(1) The State Treasury Bonds shall bear interest from 7 February 2024 at a rate of 3.150 % per annum. Interest shall be payable annually in arrears on 6 February of each year, the first such payment to be made on 6 February 2025 (short first interest period).

(2) If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the actual number of days elapsed, divided by 365 or (if the relevant interest period contains a February 29) divided by 366.

(3) Interest on the State Treasury Bonds shall cease to accrue as of the expiry of the day preceding 6 February 2054.

§ 4 (Maturity, Redemption)

(1) The State Treasury Bonds shall be redeemed on 6 February 2054 at their principal amount.

(2) Neither the State nor the Holders shall be entitled to accelerate the State Treasury Bonds during the life of the issue.

§ 5
(Payments)

(1) The State will make available principal and interest in a timely manner on the respective maturity date at CBF so that the respective custodian banks will be credited in time with an amount corresponding to their respective proportional share in the State Treasury Bonds for further credit to the holders of the State Treasury Bonds (the "**Holders**"). All payments will be made subject to applicable fiscal and other laws and regulations in euro.

(2) If any due date for any payment of principal or interest is not a Business Day, payment of principal or interest shall be made on the next succeeding Business Day without it being permissible to claim any interest or other payments. The expression "**Business Day**" shall for this purpose mean any day (other than a Saturday or Sunday), on which the real-time gross settlement system operated by the Eurosystem (or any successor system) (T2) and banks in Frankfurt am Main are operative to settle payments and on which CBF is operational to effect the relevant payment in euro.

§ 6
(Further Issues, Purchases)

(1) The State reserves the right, without the consent of the Holders, to issue further state treasury bonds with identical terms so that the same shall be consolidated with these State Treasury Bonds, form a single issue with them and increase their aggregate principal amount. The term "State Treasury Bond" in the case of such an increase shall also include such additionally issued state treasury bonds.

(2) The State may at any time purchase State Treasury Bonds in the open market or otherwise and at any price.

§ 7
(Partial Invalidity)

Should any of the provisions of these Conditions of Issue become invalid in whole or in part, the remaining provisions shall remain in force. Invalid provisions shall according to the intent and purpose of these Conditions of Issue, be replaced by valid provisions.

§ 8
(Notices)

(1) All notices concerning the State Treasury Bonds shall be published in a leading daily newspaper having general circulation in Germany, which is expected to be the *Börsen-Zeitung*. Any notice so given will be deemed to have been validly given on the date of such publication.

(2) The State may, in lieu of publication in the newspaper set forth in subparagraph (1) above, deliver the relevant notice to CBF, for communication by CBF to its accountholders, provided that the rules of the Frankfurt Stock Exchange permit such form of notice. Any such notice shall be deemed to have been given to the Holders on the seventh day after the day on which the said notice was given to CBF.

§ 9

(Governing Law, Place of Performance, Place of Jurisdiction, Language)

(1) The State Treasury Bonds and all rights and obligations of the Holders and the State shall in all respects be governed by German law.

(2) Place of performance shall be Magdeburg.

(3) Place of jurisdiction for all legal disputes arising from the matters provided for in these Conditions of Issue shall be Frankfurt am Main.

(4) These Conditions of Issue are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.

AUFSTELLUNG DER NACH ARTIKEL 4 (2) BEIZUBRINGENDEN UNTERLAGEN

1. Eine Bestätigung des Ministeriums der Finanzen des Landes über die Sammelschuld-
bucheintragung zugunsten der CBF in Höhe des Gesamtnennbetrages der Emission in
das Schuldbuch zusammen mit einer Kopie der Eintragung.
2. Eine Bestätigung des Ministeriums der Finanzen des Landes über die unwiderrufliche
Anweisung an CBF, den Gesamtnennbetrag der Emission mit Valuta des Valutatages
dem bei der CBF geführten Konto der Deutsche Bank gutzuschreiben.
3. Bestätigte Kopien sämtlicher Gesetze, Ermächtigungen, Bestätigungen und Genehmi-
gungen, die für die Begebung der Landesschatzanweisungen erforderlich sind.
4. Nachweis einer ausreichenden Haushaltsermächtigung zur Begebung der Landes-
schatzanweisungen.

DOCUMENTS TO BE FURNISHED PURSUANT TO ARTICLE 4 (2)

1. A confirmation of the Ministry of Finance of the State to the effect that a collective debt register claim in favour of CBF into the Debt Register of the State amounting to the aggregate principal amount of the issue has been entered together with a copy of the registration of the Issue in the Debt Register.
2. A confirmation of the Ministry of Finance of the State to the effect that CBF has irrevocably instructed to transfer the aggregate principal amount of the issue value the Settlement Date to the account of Deutsche Bank with CBF.
3. Conformed copies of all laws, authorisations, confirmations and approvals necessary for the issue of the State Treasury Bonds.
4. Evidence of sufficient budget authorisation for the issue of the State Treasury Bonds.