

# Product information sheet

Regarding financial instruments in accordance with the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG)

As of: 24 May 2011

This document provides an overview of the essential characteristics of the capital investment, in particular those relating to its structure and risks. We advise potential investors to read carefully the information provided.

## Capital Protected Cap Certificate linked to the I-Index

German securities code (WKN): XYN34R/ISIN: DE000XYN34R4

Issuer: XY-Bank

### 1. Product description/functionality

#### Product class

Capital Protection Certificate (bearer bond)

#### General description of functionality

With this Capital Protected Cap Certificate, the entitlement of the investor depends on the Index Performance. On the Maturity Date, the investor receives at least the Capital Protection Amount and at most the Maximum Amount.

- If the Reference Price is equal to or below the Strike, the investor receives the Capital Protection Amount on the Maturity Date.
- If the Reference Price is above the Strike but below the Cap, the investor receives, on the Maturity Date, a Cash Amount corresponding to EUR 100.00 multiplied by the Index Performance.
- If the Reference Price is equal to or above the Cap, the investor receives the Maximum Amount on the Maturity Date.

During the lifetime, the investor does not receive any regular income (e. g. dividends or interest).

#### Investment objectives and strategy/market expectation (optional)

The Capital Protected Cap Certificate is aimed at investors who assume that the price of the Index will rise slightly, however, who also want to hedge against possible losses at the end of the lifetime.

### 2. Product data

Explanations of the terms used can be found at <a href="http://www.derivateverband.de">www.derivateverband.de</a> under the heading "Knowing the facts".			
Underlying (German securities code – WKN/ISIN)	I-Index (calculated by IS as index sponsor) (123456/DE0001234561)	Initial Valuation Date	31 March 2010
Currency of the Capital Protected Cap Certificate	EUR	Final Valuation Date	31 March 2016
Subscription Period	2 March 2010 to 2 April 2010	Strike	closing price of the Index on the Initial Valuation Date
Issue Date	6 April 2010	Reference Price	closing price of the Index on the Final Valuation Date
Initial Issue Price	EUR 100.00 plus Agio	Maturity Date	three banking days following the Final Valuation Date
Agio	EUR 2.00	Index Performance	Reference Price ÷ Strike
Capital Protection Amount	EUR 100.00	Minimum Trading Unit	1 Certificate
Cap (Index)	160% of Strike	Stock Exchange Listing	Stuttgart (EUWAX), Frankfurt (Scoach Premium)
Maximum Amount (Certificate)	EUR 160.00	Last Exchange Trading Day	30 March 2016

### 3. Risks

#### Risks at the end of the lifetime

Due to the capital protection, the risk at the end of the lifetime is limited to the Issuer risk (see below).

#### Market price risk during the lifetime

The value of the Capital Protected Cap Certificate during the lifetime can be adversely affected in particular by the factors determining the market price as referred to in item 4 and can also be substantially below the purchase price.

#### Creditworthiness/Issuer risk

Investors are exposed to the risk of the Issuer becoming insolvent, and thus failing to pay. Details of the relevant Issuer rating can be found at [www.beispieleseite.de](http://www.beispieleseite.de). As a bearer bond, the Capital Protected Cap Certificate is not subject to any deposit protection.

### 4. Availability

#### Tradability

During the Subscription Period, the investor can place a purchase order for the Certificate with his bank. After the Issue Date, the Capital Protected Cap Certificate can, as a rule, be bought or sold on an exchange or in the over-the-counter-market. The Issuer will continually quote indicative bid and ask prices for the Capital Protected Cap Certificate under normal market conditions (market making), without being under a legal obligation to do so. In unusual market situations, or in the event of technical problems, it may be difficult or impossible to purchase or sell the Capital Protected Cap Certificate temporarily.

#### Factors determining the market price during the lifetime

The value of the Capital Protected Cap Certificate during the lifetime can be substantially below the purchase price.

The market price of the Capital Protected Cap Certificate depends primarily on the Index Performance, however, without necessarily tracking such performance exactly.

The following circumstances, in particular, may have an additional impact on the market price of the Capital Protected Cap Certificate:

- changes in the volatility level of the price of the Index;
- remaining lifetime of the Capital Protected Cap Certificate;
- general changes of interest rates;
- dividend performance of the shares included in the Index;
- change of the creditworthiness of the Issuer.

Individual market factors can have a mutually amplifying or neutralising effect.

### 5. Opportunities and scenario analysis by way of example

The following examples apply as at the end of the lifetime. They are not an indicator of the actual performance of the Capital Protected Cap Certificate. Assumed Strike: 3,000 index points

Reference Price	Index Price Gain/Index Price Loss	The investor receives per Capital Protected Cap Certificate
5,400	+80%	EUR 160.00
4,800	+60%	EUR 160.00
3,600	+20%	EUR 120.00
3,000	+/-0%	EUR 100.00
2,100	-30%	EUR 100.00
1,000	-66.7%	EUR 100.00
500	-83.3%	EUR 100.00
0	-100%	EUR 100.00

Purchasing at the Initial Issue Price:

Positive development for the investor

Neutral development for the investor

---

## 6. Costs /distribution fees

The Initial Issue Price of the Capital Protected Cap Certificate as well as the bid and ask prices quoted by the Issuer during the lifetime are based on the Issuer's internal pricing models. In particular, these prices can include a margin which may cover, amongst other things, the costs for structuring the security, for the Issuer's risk hedging, and for distribution (kick-backs/benefits).

### Costs of purchase and sale

Where a fixed or determinable price has been agreed (fixed price transaction), fees and expenses for the purchase or the sale of the Capital Protected Cap Certificate – including external costs – are not charged separately. These are included in the fixed price. Otherwise (commission transactions), fees for the purchase or the sale of the Capital Protected Cap Certificate in the amount agreed with the bank as well as any other fees and expenses (e. g. stock exchange fees) are charged separately.

Agio: EUR 2.00 per Certificate

### Ongoing costs

Custody costs are to be paid in the amount agreed with the bank.

### Kick-backs/benefits

Placement commission: EUR 1.25 per Certificate

Portfolio commission: none

---

## 7. Taxation

Investors are advised to consult a tax advisor in order to clarify any individual tax effects of purchasing, holding, selling and/or redemption of the Capital Protected Cap Certificate.

---

## 8. Miscellaneous information

The product information contained in this product information sheet does not constitute a recommendation on our part to purchase or sell the Capital Protected Cap Certificate, nor can it replace the advice provided on a one-to-one basis by the bank or an advisor of the investor. This product information sheet does not contain all information relevant to the Capital Protected Cap Certificate. For full information – and in particular regarding the details of the structure of and risks associated with an investment in the Capital Protected Cap Certificate – potential investors should read the securities prospectus which (together with the final terms as well as any supplements, if any) are available from the XY-Bank free of charge, or may be downloaded from our website at [www.xy-bank.de](http://www.xy-bank.de).