

Representation letter (Template) [Translation of German language text]

To

Anschrift des Bankprüfers

Name and address of the Branch

[Datum ...]

Audit of disclosures provided by branches of foreign credit institutions pursuant to Section 44 (4) BWG (Austrian Banking Act)

This representation letter is provided in connection with your audit of the disclosures pursuant to Section 44 (4) BWG and various regulatory aspects of (Branch) for the fiscal year ended (year end date). The purpose of the audit of these disclosures is to express an opinion with regard to these disclosures as of (year end date) and for the fiscal year from (Datum) to (Datum), inclusive.

We have provided you with all information and evidence considered necessary for the evaluation of the disclosures pursuant to Section 44 (4) BWG and for the audit pursuant to Section 63 (6) BWG, as well as all information and evidence requested by you in accordance with Section 272 UGB (Austrian Commercial Code) / Section 4 GenRevG (Corporate Revision Act) / Sections 60ff. BWG. The signatories guarantee that all information supplied and in particular that which was supplied by the following persons, whose names were provided to you and who were instructed to supply such information at your request, is complete and correct:

We confirm, to the best of our knowledge and belief, that we made appropriate inquiries to be able to make the following representations, namely:

A. Disclosures pursuant to Section 44 (4) BWG

We acknowledge and confirm our responsibility for preparing and presenting the disclosures pursuant to Section 44 (4) BWG. We confirm that these disclosures were prepared in accordance with the Austrian financial reporting framework and in particular we confirm the following:

1. Our selection and application of accounting policies is appropriate.

2. All plans and intentions that might materially alter the carrying amounts or classification of assets and liabilities in the disclosures pursuant to Section 44 (4) BWG have been accounted for or disclosed in accordance with the Austrian financial reporting framework.
3. All liabilities, both actual and contingent, were recorded and, where appropriate, disclosed in accordance with the Austrian financial reporting framework.
4. The Branch has satisfactory title to, or control over, all assets disclosed in the disclosures pursuant to Section 44 (4) BWG and, where appropriate, all liens or encumbrances on these assets have been disclosed in accordance with the Austrian financial reporting framework.
5. We have complied with all aspects of the agreements that could have a material effect on the financial statements. Instances of non-compliance have been disclosed in accordance with the Austrian financial reporting framework.
6. All transactions have been recorded. Assets and liabilities held on behalf and for the account of others have not been reported.
7. Significant assumptions used by us in making accounting estimates, including estimates of carrying amounts, are reasonable.
8. All transactions with and between related parties and resulting receivables and payables have been properly and completely recorded in the accounting system. These transactions and the resulting receivables and payables have been properly recorded to the extent to which they require disclosure in accordance with statutory provisions.
9. The disclosures pursuant to Section 44 (4) BWG contain all necessary information regarding related parties and transactions with and between those parties and the Branch.
10. In the past fiscal year, the Branch (delete as applicable)
 - used currency or interest rate instruments, swaps, options, commodity futures and similar financial instruments or derivatives.
 - did not use any currency or interest rate instruments, swaps, options, commodity futures and similar financial instruments or derivatives in whatever form.

We confirm that all transactions which the Branch has entered into (such as e.g. options, other financial derivatives, compensation transactions) are recognized in accounting and/or that these transactions are fully listed in an appendix to this representation letter if they are not recognized in accounting.

All transactions open at the balance sheet date are included in the list of forward contracts still outstanding at the balance sheet date.

11. We have fully taken into consideration all matters mentioned below and the resulting financial obligations in the disclosures pursuant to Section 44 (4) BWG or, where these matters do not require disclosure pursuant to Section 44 (4) BWG, outlined them in an appendix to this representation letter. If no such matters are described in this way, they did not exist at the balance sheet date.
 - a) Contingent liabilities from the drawing or the transfer of bills of exchange, from guarantees given, from warranties or from other legal or contractual contingencies;
 - b) Letters of comfort;

- c) Legal and contractual collateral securities for liabilities (including contingent liabilities), e.g. liens or pledges, assignment for security and reservations of title to assets in the balance sheet;
- d) Contingencies from the granting of collateral securities for property and rights for third-party liabilities;
- e) Derivative and structured products containing currency, interest, other market or credit risks (e.g. swaps, such as interest rate swaps, currency swaps, forward rate agreements, futures, options, interest limitation arrangements such as caps, floors, collars, currency futures, note issuance facilities, revolving underwriting facilities);
- f) Obligations to return or deliver assets included in the disclosures pursuant to Section 44 (4) BWG and obligations to take back or deliver assets not included in the disclosures pursuant to Section 44 (4) BWG, most notably take-back obligations from reverse repurchase agreements, placing and take-over obligations as well as irrevocable loan commitments;
- g) Recourse claims, contingent liabilities and other payables to affiliated companies / to companies in which the Bank / Branch has a participating interest, at the balance sheet date;
- h) Pending lawsuits and other conflicts which are important for the assessment of the economic position of the Bank / Branch;
- i) Existing or recognizable obligations imposed by public authorities that are material for the financial position and financial performance of the Bank / Branch;
- j) Contracts and other legal matters which are or might be important for the assessment of the financial position and financial performance of the Bank / Branch because of their nature, their duration or other reasons, including:
 - Contracts with suppliers, customers, stockholders and affiliated companies,
 - Contracts of employment, work contracts and pension contracts (any pension reinsurance arrangements are taken into account in the amount of their redemption value / actuarial reserve),
 - Leasing agreements and other long-term non-cancellable tenancy agreements,
 - Consortium contracts and syndicate agreements,
 - Obligations from irrevocable proposals made to third parties,
 - Trust agreements,
 - Contracts concerning obligations that represent claims on profit,
 - Agreements on contractual penalties which exceed normal levels,
 - Unusual termination restrictions in contracts which could have a significant negative impact on the financial position of the Bank / Branch;
- k) The total amount of other financial obligations which do not have to be disclosed pursuant to Section 44 (4) BWG if this disclosure is material for the assessment of the Bank's / Branch's **financial position, financial performance and cash flows**;
- l) Events after the balance sheet date which had a material effect on events or circumstances which existed at the balance sheet date;
- m) Other circumstances which might affect the going concern of the Bank / Branch.

B. Internal Control System

1. General

We are responsible for the design (concept, implementation, maintenance and enhancement) and effectiveness of an adequate internal control system (see Section 39 (2) BWG in conjunction with Section 82 AktG (**Stock Corporation Act**) and Section 22 GmbHG (**Limited Liability Companies Act**)).

The internal control process describes the process through which:

- the effectiveness and efficiency of operating activities (this includes the protection of assets against losses from damages and system malfunctions),
- the reliability of financial reporting, and
- the compliance with laws and regulations applicable to the Bank / Branch

is monitored and controlled in order to avoid that the achievement of the business objective is affected by the occurrence of business risks.

2. Violations of regulatory and statutory provisions applicable to the Branch

We are responsible for the prevention and detection of violations of regulatory and statutory provisions applicable to the Branch, involving employees. To this end we have implemented and maintain appropriate organizational measures, namely an adequate internal control system.

3. Related Parties

We are responsible for the implementation of an adequate accounting and internal control system to ensure that transactions with and between related parties are appropriately identified in the information system and disclosed in the accounting records according to the applicable financial reporting framework.

C. Documents and Information as required by Banking Regulations

In the context of Austrian regulatory law, the company's internal control system encompasses the aggregate of strategies and procedures that enable us to control, monitor and limit risks associated with banking transactions and banking operations.

All disclosures and documents required for the appendix to the audit report pursuant to Section 63 (7) BWG have been provided to you completely and correctly. The disclosures made available to you on parts IV, VI and VII of the appendix to the audit report are complete and correct.

In particular, we confirm that:

1. All regulatory provisions applicable to the Branch have been complied with. Where there is, or has been, doubt as to the extent of compliance with regulatory provisions, this has been brought to your attention. Shortcomings identified in the course of monitoring activities or by the internal audit have been remedied and brought to your attention.
2. Material unlisted investments in the form of loan receivables, subordinated receivables, profit participation rights, conditional and convertible capital (e.g. recapitalization) or equity in foundations or special-purpose entities in "offshore financial centres" or off-balance sheet transactions entered into with such entities (delete as applicable)
 - did not exist in the reporting year and at the closing date.
 - have been fully disclosed to you.
3. Material losses from open derivative positions incurred during the year that had not been hedged (delete as applicable)
 - did not exist in the reporting year and at the closing date.
 - have been fully disclosed to you.

4. Written guarantees / comfort letters / recapitalizations etc. by the owner or an entity related to him, by trustees or comparable legal institutions or generally by third-parties issued for the purpose of presenting the compliance with statutory provisions regarding mandatory provisions or drawn on or valid at the closing (delete as applicable)
 - did not exist in the reporting year and at the closing date.
 - have been fully disclosed to you.
5. During the fiscal year ended (*year end date*) and since the balance sheet date we have not identified any facts indicating that the Branch's obligations could or can not be fulfilled or that a material deterioration of the risk situation has or had occurred, even if those circumstances do not have a material impact on the financial statements. Where such circumstances did arise, we have notified you in detail about them.
6. All documents and verifications required for the assessment of compliance with legal provisions regarding the fight against money laundering and financing of terrorism (Sections 40 and 41 in conjunction with Section 39 (2) BWG) have been disclosed to you.
7. With respect to the considerations required in the context of deposit insurance and investor compensation in accordance with Section 93 BWG, we confirm that we are a member of the deposit insurance facility in our country of origin and have neither opted out, nor been excluded from it.
8. All securities held in trust by us have been recognized in deposit accounting, in particular in the custody book as prescribed in Section 11 DepotG (**Securities Deposit Act**). The securities held by us for other purposes than for custody of others (Section 12 DepotG) have also been reported in our books.
9. The transmission of the item registers has not or only been suspended in those cases stated in section E. or in an appendix to this representation letter pursuant to Section 14 DepotG.
10. All gilt-edged investments held by us (Section 216 ABGB (**Austrian Civil Code**)) have been specially designated as such in the accounting systems.
11. The provisions of the 2nd and 3rd main body of WAG 2007 (**Securities Supervision Act 2007**) have been fully complied with.
12. We have completely and accurately disclosed to you all documents and supporting information required for the audit pursuant to Section 63 (6) BWG, and in particular, we confirm that we have provided with the following information in its entirety:
 - a) all notices, applications, inquiries and other information we submitted to the Financial Market Authority,
 - b) all notifications, assignments, inquiries, instructions, complaints and other information we received from the Financial Market Authority.

D. Completeness of Information

1. All records, documentation, unusual matters of which management is aware, and other information relevant to the audit have been made available to you.
2. We have provided you with all the reports of the money laundering officer.

3. We have disclosed to you the results of our assessment of risks that the disclosures pursuant to Section 44 (4) BWG might contain material misstatements due to violations of regulatory and statutory provisions applicable to the Branch involving employees.
4. Where data was processed abroad, we have ensured that all books, records and other accounting documents, as well as work instructions required for your understanding are provided in Austria.

E. Additional Remarks and Cross-References to Appendices

A summary of unadjusted differences is attached. We confirm that the effects of those uncorrected misstatements aggregated by the auditor during the audit are immaterial, both individually and in aggregate, to the disclosures pursuant to Section 44 (4) BWG. Furthermore, a summary of adjusted differences is enclosed¹.

F. Release from the Duty of Confidentiality

We agree that the results of your audit are made available to our head office or its auditors.

G. Translated English Version

[wenn die deutsche Version der Vollständigkeitserklärung unterzeichnet wird:]

We accept the fact that the English translation of this representation letter is presented for our convenience only and that the German wording is the only legally binding version.

[wenn ausschließlich die englische Version der Vollständigkeitserklärung verwendet wird:]

We accept the fact that this representation letter and the terms used within are only a translation of the original German representation letter and that this representation letter is governed by the laws of the Republic of Austria.

H. Signature of Branch Management and Date of Signature

¹ if applicable