

Key Information Document ("KID")

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Capped Capital Protection Certificate linked to the Z Index

German Securities Code (WKN): XYN34R / ISIN: DE000XYN34R4

Manufacturer of the Product: XY Bank AG (Issuer) / www.xy-bank.com/contact / call [phone number] for more information

Competent Authority: Federal Financial Supervisory Authority (BaFin), Germany

Production date of the KID: 1 December 2015

You are about to purchase a product that is not simple and may be difficult to understand.

1. What is this product?

Type

This product is a bearer bond issued under German law.

Objectives

Objective of the product is to provide you with a specified entitlement according to predefined conditions. The product has a fixed lifetime and will be due on the Redemption Date.

The possibilities for the redemption of the product are as follows:

- (i) If the Reference Price is at or above the Cap you will receive on the Redemption Date the Maximum Amount.
- (ii) If the Reference Price is below the Cap, but still above the Strike Price, you will receive a Redemption Amount which equals the Nominal Value multiplied by the Reference Price divided by the Strike Price. In this case the Redemption Amount reflects the performance of the price of the Underlying as compared to its Strike Price.
- (iii) If the Reference Price is at or below the Strike Price, you will receive the Capital Protection Amount.

You renounce the entitlement to a dividend from the components of the Underlying and you have no right to any further entitlement resulting from the components of the Underlying (e.g. voting rights).

Underlying (ISIN)	Z Index (US0001234565)	Maximum Amount	USD 120.00
Currency of the Product	US-Dollar (USD)	Capital Protection Amount	USD 100.00
Currency of the Underlying	USD	Reference Price	Index closing price determined by the Index Sponsor on the Valuation Date, whereby 1 point is equivalent to 1.00 units of the Currency of the Underlying
Issue Date	10 December 2015	Index Sponsor	STOXX Limited
[Issue Price	USD 100.00]	Valuation Date	7 December 2020
Nominal Value	USD 100.00	Redemption Date (maturity)	10 December 2020
Price of the Underlying at Issue of the Product	Index closing price determined by the Index Sponsor on the Fixing Date	Fixing Date	9 December 2015
Strike Price	Index closing price determined by the Index Sponsor on the Fixing Date	Subscription Period	1 December 2015 until 9 December 2015
Cap	120 % of the Strike Price	Type of Settlement	Cash

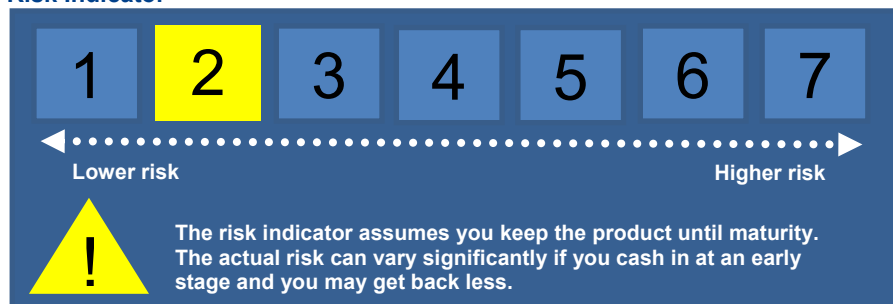
The Issuer is entitled to terminate the product with immediate effect, if an extraordinary event occurs. Examples of extraordinary events include [the cessation of calculation of the Underlying by the Index Sponsor,] [changes in legislation,] [tax events] [and the discontinuation of the Issuer's ability to carry out the necessary hedging transactions]. In this case, the termination amount may possibly be significantly below the [purchase price] [Capital Protection Amount]. [A total loss of the investment is even possible.] You also bear the risk that the product will be called in at a time unfavourable to you, and you may only be able to reinvest the termination amount on less favourable terms.

Intended retail investor

The product is intended for private clients who pursue the objective of general asset formation / asset optimization and have a medium-term investment horizon. This product is a product for clients with advanced knowledge and / or experience with financial products. The investor cannot bear any losses on the capital invested and attaches importance to a capital protection.

2. What are the risks and what could I get in return?

Risk Indicator



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 2 out of 7, which is a low risk class.

This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to impact our capacity to pay you.

Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

You are entitled to receive back at least 100 % of your capital in the Currency of the Product. Any amounts over this, and any additional return, depends on the future market performance and is uncertain. However, this protection against future market performance will not apply if you cash-in before maturity.

If we are not able to pay you what is owed, you could lose your entire investment.

Performance Scenarios

Investment USD 10,000		1 year	3 years	10 December 2020 (Recommended holding period (maturity))
Stress scenario	What you might get back after costs	USD [●]	USD [●]	USD [●]
	Average return each year	[●] %	[●] %	[●] %
Unfavourable scenario	What you might get back after costs	USD [●]	USD [●]	USD [●]
	Average return each year	[●] %	[●] %	[●] %
Moderate scenario	What you might get back after costs	USD [●]	USD [●]	USD [●]
	Average return each year	[●] %	[●] %	[●] %
Favourable scenario	What you might get back after costs	USD [●]	USD [●]	USD [●]
	Average return each year	[●] %	[●] %	[●] %

This table shows the money you could get back on Redemption Date under different scenarios, assuming that you invest USD 10,000.

The scenarios shown illustrate how your investment could perform. You can compare them with scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the product.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

3. What happens if XY Bank is unable to pay out?

You are exposed to the risk that the Issuer might be unable to fulfil its obligations in respect of the product – e.g. in the event of insolvency (inability to pay / over-indebtedness) or an administrative order of resolution measures. In case of a crisis of the Issuer such an order can also be issued by a resolution authority in the run-up of an insolvency proceeding. Thereby the resolution authority has extensive intervention powers. Among other things, it can reduce rights of the investors to zero, terminate the product or convert it into shares of the Issuer and suspend rights of the investors. With regard to the basic ranking of the issuer's obligations in the event of action by the resolution authority, please see www.bafin.de and search for the keyword "Haftungskaskade". A total loss of your capital invested is possible. The product is a debt instrument and as such is not covered by any deposit protection scheme.

4. What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off and ongoing costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest USD 10,000. The figures are estimates and may change in the future.

Costs over time

Investment USD 10,000			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in on 10 December 2020 (maturity)
Total costs	USD [●]	USD [●]	USD [●]
Impact on return (RIY) per year	[●] %	[●] %	[●] %

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Composition of Costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry costs	[●] %	The impact of the costs already included in the price. [This is the most you will pay and you could pay less].
	Exit costs	-	Not applicable.
Ongoing costs	Portfolio transaction costs	-	Not applicable.
	Other ongoing costs	-	Not applicable.

5. How long should I hold it and can I take money out early?

Recommended holding period: until 10 December 2020 (maturity)

The objective of the product is to provide you with the entitlement described under "1. What is this product?" above provided that the product is held until maturity.

There are no possibilities to take your money out early other than to sell the product through the exchange where the product is listed or off-exchange. If you should sell the product before the end of the recommended holding period, the amount you will receive could be – even significantly – lower than the amount you would have otherwise received. The capital protection only applies at the end of the term.

Exchange Listing	Stuttgart Stock Exchange (Freiverkehr); Frankfurt Stock Exchange (Freiverkehr)	Last Exchange Trading Day	4 December 2020
Smallest Tradable Unit	1 product	Price Quotation	Unit quotation

In unusual market situations, or in the event of technical faults/disruptions, a purchase and/or sale of the product can be temporarily hindered, or may not be possible at all.

6. How can I complain?

Any complaint regarding the person advising on, or selling, the product can be submitted directly to that person via the relevant website.

Any complaint regarding the product or the conduct of the Issuer of this product can be submitted in text form (e.g. by letter or e-mail) to XY Bank under the following address: [postal address of XY Bank, Department, contact details of the complaints office within the organization of the Issuer, e-mail address, www.xy-bank.com/complaints].

7. Other relevant information

The prospectus, any supplements thereto and the final terms are published on the Issuer's website (www.xy-bank.com); the prospectus and the supplements under "Service / Prospectuses"; the final terms after entering the relevant ISIN or WKN and then under "Downloads", all in accordance with legal requirements. In order to obtain more detailed information - and in particular details of the structure of and risks associated with an investment in the product - you should read these documents.