

## I. General Provisions

### § 1

The public limited company that has existed under the name

### **Deutsche Hypothekenbank (Actien-Gesellschaft)**

since the year of its foundation, 1872, has registered offices in Hanover and Berlin.

### § 2

The object of the Company shall be to conduct all types of business which credit institutions are permitted to conduct, including the issuance of Pfandbriefe (mortgage bonds), the taking of stakes in other companies and the establishment of branches.

### § 3

Notifications by the Company shall be published in the electronic Bundesanzeiger (Federal Gazette).

## II. Share Capital and Shares

### § 4

The Bank's share capital shall amount to 80,640,000 (in words: eighty million six hundred and forty thousand euros) and shall be divided into 13,440,000 non-par value shares (hereinafter called „Shares“).

The Board of Management shall be empowered, up until 19 January 2014 and subject to the approval of the Supervisory Board, to increase the share capital at any time or from time to time, by a maximum total amount of 40,200,000 (in words: forty million two hundred thousand euros) by the issue of up to 6,700,000 new bearer shares against cash contributions pursuant to Secs 202 ff. AktG (Stock Corporations Act).

The Supervisory Board shall be empowered to amend this Article 4 of the Articles of Association on the basis of the extent to which the authorised capital is actually issued at any time.

## § 5

Shareholders shall have no claim to receive individual certificates representing their shareholdings.

The Shares shall be bearer shares. The Board of Management, in consultation with the Supervisory Board, shall determine the form and content of the Shares, dividend coupons and coupon renewal slips.

If a resolution to increase the capital does not specify whether the new shares are to be issued as bearer or registered shares, they shall be bearer shares.

If the share capital should be increased, the starting date of the entitlement to a dividend may be determined in a manner other than that laid down in Sec. 60 AktG (Public Limited Companies Act).

### **III. Organisation of the Company**

#### **A. The Board of Management**

## § 6

The Board of Management of the Company shall consist of at least two members. The appointment of alternate Board Members shall be admissible.

The Board of Management shall conduct the affairs of the Company in accordance with law, the Articles of Association and the standing orders to be issued by the Supervisory Board.

## § 7

The Company shall be legally represented, with exemption from the restrictions of Art. 181, 2nd alternative, of the German Civil Code (Bürgerliches Gesetzbuch - BGB), by two members of the Board of Management or by one member of the Board of Management together with a „Prokurist“ (an officer holding general power of signature).

The Supervisory Board may appoint a Chairman of the Board of Management and define his legal status in relation to the other members of the Board of Management.

#### **B. The Supervisory Board**

## § 8

The Supervisory Board shall consist of six members. One-third of the members shall be elected by the employees (employees' representatives).

A member shall be elected for a period ending with the end of the Annual General Meeting which adopts a resolution approving the actions of the Supervisory Board during the fourth business year after the start of the member's term of office, unless the Annual General Meeting shall decide otherwise; the business year in which the term of office commences is not included.

## § 9

Any member of the Supervisory Board may resign his or her office, without being required to state any sufficient reason, with four weeks' notice addressed to the Board of Management.

## § 10

The Supervisory Board shall elect from among its members a Chairman and a Deputy Chairman. The election shall be for the duration of the terms of office as members of the Supervisory Board of the persons elected. The Deputy Chairman shall exercise the rights and duties of the Chairman only when the latter is unable to exercise them.

## § 11

Resolutions of the Supervisory Board shall generally be adopted during meetings. It shall be permissible for resolutions to be adopted by voting in writing or by facsimile, telegraph or telephone, should the Chairman of the Supervisory Board so determine and should no member of the Supervisory Board object to this procedure.

A quorum of the Supervisory Board for the adoption of resolutions shall consist of three members including the Chairman or the Deputy Chairman. The Supervisory Board shall adopt resolutions by a simple majority of votes. In the case of a tie, the Chairman shall exercise a casting vote. The Chairman shall determine the voting procedure.

Persons who are not members of the Supervisory Board may participate in meetings of the Supervisory Board and its committees in the place of members of the Supervisory Board who are unable to attend, if empowered to do so in writing by such members.

## § 12

Meetings of the Supervisory Board shall be convened by the Chairman.

## § 13

The Supervisory Board shall be empowered to form committees from among its members and to specify the tasks and powers thereof. Powers of the Supervisory Board to take decisions may also be devolved to the committees insofar as this is admissible by law.

Members of the Supervisory Board who do not belong to a committee may attend committee meetings unless the Chairman of the Supervisory Board shall decide otherwise.

Declarations of intent by the Supervisory Board or its committees shall be issued by the Chairman on behalf of the Supervisory Board.

#### § 14

The remuneration of Members of the Supervisory Board and its committees shall be determined by the Annual General Meeting.

A Member who has not been in office for the whole of a business year shall be entitled to pro rata remuneration.

### C. The Annual General Meeting

#### § 15

Every Share shall confer the entitlement to one vote at the Annual General Meeting.

#### § 16

The Chairman or the Deputy Chairman of the Supervisory Board shall chair the Annual General Meeting or, if both are unable to do so, the eldest in years of the members of the Supervisory Board present at the Annual General Meeting.

The Chairman of the Annual General Meeting shall conduct the meeting and determine the order in which the items on the agenda are taken and the type and method of voting.

#### § 17

Resolutions of the Annual General Meeting shall, unless mandatory legal provisions require otherwise, be carried by simple majority of the votes cast. Insofar as the law also prescribes for a resolution to be carried a majority of the share capital represented at the vote on the resolution, a simple majority of the share capital represented shall suffice in those cases in which this is legally admissible.

If, when elections are held at the Annual General Meeting, a simple majority of votes should not be reached in the first round of voting, there shall follow an election restricted to the two persons who obtained the highest numbers of votes. In the event of a tie, the winner shall be determined by lot.

The Supervisory Board shall be empowered to make amendments and additions to the Articles of Association insofar as these affect only the wording thereof.

## **IV. Business year**

### **§ 18**

The business year shall be the calendar year.

## **V. Issue of participation certificates**

### **§ 19**

Insofar as the company with the approval of the Annual General Meeting has issued participation certificates and under the terms of such participation certificates the holders thereof have a claim to the distribution of a portion of the disposable profit, the shareholders shall have no claim on this portion of the disposable profit. (Section 58 (4), AktG (Public Limited Companies Act)).

## **VI. Liquidation of the company**

### **§ 20**

A resolution to liquidate the company shall require a majority of four-fifths of the votes cast.