



Tatra banka, a.s.

EUR 3 000 000 000 Debt Securities Issuance Programme

Tatra banka, a.s., with its registered seat at Hodžovo námestie 3, 811 06 Bratislava 1, Slovak Republic, Identification No.: 00 686 930, registered in the Commercial Register of the District Court Bratislava I, Section: Sa, File No. 71/B (the **Issuer**) has approved a debt securities issuance programme (in Slovak: *ponukový program dlhopisov*) of up to EUR 3 000 000 000 (the **Programme**), under which it may continuously or repeatedly issue (i) unsubordinated and unsecured notes (the **Senior Notes**), (ii) covered notes (in Slovak: *kryté dlhopisy*) (the **Covered Notes**), (iii) subordinated notes (in Slovak: *podriadené dlhopisy*) (the **Subordinated Notes**) and (iv) senior non-preferred notes (the **Senior Non-preferred Notes**) (jointly the **Notes**). The aggregate principal amount of all outstanding Notes issued under the Programme shall at any time not exceed EUR 3 000 000 000 or its equivalent in a foreign currency.

The Notes shall in any case be issued in accordance with the laws of the Slovak Republic, in particular under Act No. 530/1990 Coll. on Bonds, as amended (the **Bonds Act**), Act No. 566/2001 Coll. on Securities and Investment Services, Amending and Supplementing Certain Acts, as amended (the **Securities Act**) and, in the case of the Covered Notes, under Act No. 483/2001 Coll. on Banks, Amending and Supplementing Certain Acts, as amended (the **Act on Banks**).

This document prepared by the Issuer as of 30 May 2019 constitutes a base prospectus (in Slovak: *základný prospekt*) (the **Prospectus**) for the Notes issued under the Programme and has been prepared pursuant to Section 121(5)(a) of the Securities Act implementing Directive 2003/71/EC of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as amended (the **Prospectus Directive**) and pursuant to Schedules V, XI, XIII, XX and XXII of Commission Regulation (EC) No. 809/2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by the reference and publication of such prospectuses and the dissemination of advertisements, as amended (the **Regulation**). The Prospectus will be approved by the National Bank of Slovakia (the **NBS**) as the competent authority of the Slovak Republic for the purposes of the Prospectus Directive. The Prospectus will not be registered, authorised or approved by any authority of another state, except that the Issuer may request the NBS to notify the approval of the Prospectus to the competent authority of another Member State of the European Economic Area for the purpose of admitting the Programme or Notes for trading on a regulated market in that other Member State. The Issuer may submit such a request also after the Prospectus has been approved. The Prospectus is subject to subsequent publication pursuant to Section 125a of the Securities Act. The Prospectus is valid for one year from its approval by the NBS provided that it is updated pursuant to the Securities Act.

Pursuant to Section 121(10) and Section 125a of the Securities Act, the final terms (in Slovak: *konečné podmienky*) prepared by the Issuer with regard to a particular issue of the Notes under the Programme (the **Final Terms**) will be submitted to the NBS and published in accordance with the Securities Act. The Final Terms will include such information of the issue of the Notes which is unknown at the moment of the preparation of the Prospectus or stated in the Prospectus in several alternatives.

The Issuer may apply for admission of the Notes for trading on the regulated market of Burza cenných papierov v Bratislave, a.s. (the **Stock Exchange**), in compliance with the respective legal regulations of the Slovak Republic and the rules of the Stock Exchange. The Issuer may also apply for admission of the Programme or Notes for trading on the regulated market in another Member State of the European Economic Area. Information about the regulated market to which the application for admission to trading will be submitted will be set out in the relevant Final Terms.

Individual issues of Notes may be rated or unrated; the credit rating will be disclosed in the relevant Final Terms. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning credit rating agency. Whether or not each credit rating applied for in relation to a relevant issue of the Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the **CRA Regulation**) will be disclosed in the relevant Final Terms. The European Securities and Markets Authority (the **ESMA**) is obliged to maintain on its website a list of credit rating agencies registered and certified in accordance with the CRA Regulation.

Investing in the Notes involves risks. Prospective investors should consider mainly the factors described in clause 2 *Risk Factors*.

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1. SUMMARY

*The below summary of the Prospectus (the **Summary**) complies with the requirements of the Prospectus Directive and the Regulation, including the content requirements set out in Annex XXII of the Regulation. The Summary of the Prospectus consists of the individual required parts known as the Elements. These Elements are numbered in Sections A – E (A.1 – E.7).*

This Summary contains all of the Elements required to be incorporated in the Summary for the given type of securities and the Issuer. As some Elements are not required to be included for a given type of securities, there may be gaps in the numbering sequence of the Elements. Even though insertion of an Element is required with regard to the given type of securities and the Issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the Summary of the Prospectus with the note “Not applicable”.

The Summary contains some information given in square brackets that do not include specific information regarding the Notes that will be issued under the Programme or which contain only a general description (or their general principles or alternatives). The Summary of the Issue prepared in compliance with Article 24(3) of the Regulation will contain the information regarding a particular issue of the Notes which will be determined and inserted in the relevant Final Terms and which had been left blank (in square brackets) in the section of the Prospectus designed as the Form of Final Terms.

The Issuer will prepare a Summary of the Issue if it is obliged to do so pursuant to the applicable legal regulations depending on the type of the Notes and the manner in which they are offered. The Issuer also reserves the right to do so at its own discretion.

Section A – Introduction and Notices		
A.1	Notices	<p>This summary of the prospectus (the Summary) is and should be understood as an introduction to the base prospectus (the Prospectus) of the EUR 3 000 000 000 debt securities issuance programme (the Programme).</p> <p>The Summary contains key information regarding the Issuer Tatra banka, a.s., with its registered seat at Hodžovo námestie 3, 811 06 Bratislava 1, Slovak Republic, Identification No.: 00 686 930, registered in the Commercial Register of the District Court Bratislava I, section: Sa, insert No.: 71/B (the Issuer) and the debt securities issued by it under the Programme (the Notes).</p> <p>The Summary does not contain all of the information required to make a decision to invest in the Notes and each decision by a prospective investor to invest in the Notes should be based on its consideration of the Prospectus as a whole, including its supplements, if any, and including the final terms of the particular issue of the Notes.</p> <p>If a claim regarding the information contained herein is brought before a court, the plaintiff investor may have to bear the costs related to the translation of the Prospectus before the legal proceedings are initiated.</p> <p>Only those persons who have submitted the Summary of the Prospectus, including any translation thereof (provided that such translation has been prepared by the Issuer), have civil liability, but only if this Summary of the Prospectus is misleading, inaccurate or inconsistent with other parts of the Prospectus, or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such Notes.</p>
A.2	Consent by the Issuer to the use of the	<p>The Issuer has not given any consent to any financial intermediaries to use the Prospectus for the subsequent resale or final placement of the Notes.</p>

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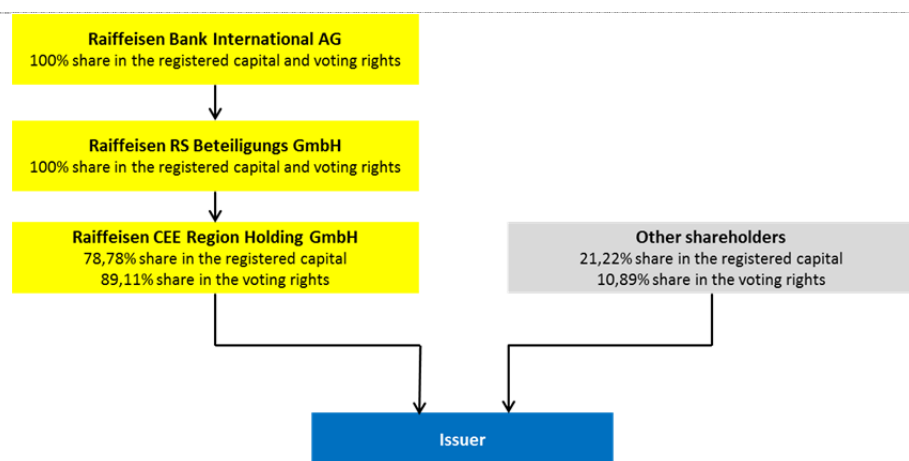
*Tatra banka, a.s.
member of the Raiffeisen Bank International Group*

	Prospectus by financial intermediaries	The Issuer may use financial intermediaries for the placement of the Notes in the Slovak Republic as well as in other Member States of the European Union, but always only in one or several manners defined in the relevant national legislation which transposes Article 3(2) of the Prospectus Directive and which are exempt from the obligation to publish a prospectus.
Section B – Tatra banka, a.s. as the Issuer		
B.1	Business name of the Issuer	Tatra banka, a.s. Identification No.: 00 686 930 LEI: 3157002JBFAI478MD587
B.2	The domicile and legal form of the Issuer, the legal regulations under which the Issuer conducts its business activities and its country of incorporation	The Issuer is a joint stock company incorporated in the Slovak Republic and with its registered seat in Bratislava. The Issuer is a bank conducting its business activities under Slovak law, mainly under Act No. 483/2001 Coll. on Banks, Amending and Supplementing Certain Acts, as amended (the Act on Banks) and Act No. 513/1991 Coll., the Commercial Code, as amended (the Commercial Code). The Issuer has its registered seat at Hodžovo námestie 3, 811 06 Bratislava 1, Slovak Republic.
B.4b	Trends affecting the Issuer and the industries in which it operates	Macroeconomic conditions, market environment, as well as legislation and regulation applicable to all financial institutions in the Slovak Republic and the Eurozone have an impact on the Issuer and its business. There are no other known trends, uncertainties, requirements, liabilities or events that could reasonably be considered to have an impact on the Issuer's prospects in the current financial year.
B.5	Description of the group and the Issuer's position within such group	The Issuer is part of Raiffeisen Bank International Group (the RBI Group). The RBI Group is one of Europe's largest and most important banking groups, providing retail, corporate and investment banking services in Central, South East and Eastern Europe. The RBI Group consists of Raiffeisen Bank International AG (the parent company) and its individual subsidiaries included in the consolidation of the Raiffeisen Bank International Group according to its direct or indirect share in them. The most significant banking institution within the RBI Group and at the same time the parent company of the Issuer is Raiffeisen Bank International AG, a leading commercial and investment bank in Austria, with its registered seat at Am Stadtpark 9, 1030 Vienna, Austria, which holds an indirect 78.78 % majority share in the Issuer's registered capital and 89.11% in the Issuer's voting rights through its subsidiary Raiffeisen RS Beteiligungs GmbH, with its registered seat at Am Stadtpark 9, 1030 Vienna, Republic of Austria. Raiffeisen Bank International AG holds a 100 % share in the registered capital and voting rights of Raiffeisen RS Beteiligungs GmbH. Raiffeisen RS Beteiligungs GmbH holds a 100% share in the registered capital and voting rights of Raiffeisen CEE Region Holding GmbH, with its registered seat at Am Stadtpark 9, 1030 Vienna, Republic of Austria, FN 286845g, which directly holds the majority share of 78.78 % in the Issuer's registered capital and 89.11 % in the Issuer's voting rights. The Issuer's ownership structure is shown below.

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*Tatra banka, a.s.
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Important members of the RBI Group are banking institutions operating in the domestic Austrian market and in 13 markets in Central Europe (Czech Republic, Hungary and Slovakia), South East Europe (Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Romania, Serbia) and Eastern Europe (Belarus, Russia and Ukraine).

The RBI Group also includes leasing, asset management or merger and acquisition financial services providers and in total services more than 16 million clients.

Major companies forming the RBI Group as of 31 March 2019 are:

Name	Country	Direct share of Raiffeisen Bank International AG in its registered capital
Raiffeisenbank a.s.	Czech Republic	75%
Raiffeisen Bank Zrt.	Hungary	100%
Tatra banka, a.s.	Slovak Republic	78.78%
Raiffeisen Bank Sh.a.	Albania	100%
Raiffeisen Bank d.d. Bosna i Hercegovina	Bosnia and Herzegovina	99.99%
Raiffeisenbank (Bulgaria) EAD	Bulgaria	100%
Raiffeisenbank Austria d.d.	Croatia	100%
Raiffeisen Bank Kosovo J.S.C.	Kosovo	100%
Raiffeisen Bank S.A.	Romania	99.92%
Raiffeisen banka a.d.	Serbia	100%
Priorbank OAO	Belarus	87.74%
AO Raiffeisenbank	Russia	100%
AT Raiffeisen Bank Aval	Ukraine	68.16%

The Issuer itself holds shares in several companies that together with the Issuer form a consolidated group (the **Issuer's Group** or the **Tatra banka Group**).

Major companies forming the Tatra banka Group as of 31 March 2019 are:

Entity	Registered capital	Issuer's share
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*Tatra banka, a.s.
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		(in EUR)																																																									
		Tatra-Leasing, s.r.o. ¹⁾ 6 638 785 100 %																																																									
		Tatra Residence, a.s. ¹⁾ 21 420 423 100 %																																																									
		Tatra Asset Management, správ. spol., a. s. 1 659 700 100 %																																																									
		Doplnková dôchodková spoločnosť Tatra banka, a.s. 1 659 700 100 %																																																									
		<i>1) Tatra Residence and Tatra-Leasing has several non-material subsidiaries.</i>																																																									
B.9	Profit forecast or estimate	Not applicable. The Issuer has neither published nor included in the Prospectus any profit forecast or estimate.																																																									
B.10	Auditor's qualifications	<p>Not applicable.</p> <p>The consolidated financial statements of the Issuer for the year ended 31 December 2017 were audited by Deloitte Audit s.r.o., with its registered seat at Digital Park II, Einsteinova 23, 851 01 Bratislava, member of the Slovak Chamber of Auditors, SKAU licence No. 014.</p> <p>The consolidated financial statements of the Issuer for the year ended 31 December 2018 were audited by KPMG Slovensko spol. s r.o., with its registered seat at Dvořákovo nábrežie 10, Bratislava 811 02, member of the Slovak Chamber of Auditors, SKAU licence No. 96.</p> <p>No qualifications have been made by any auditor in the auditor's report on the historical key financial information.</p>																																																									
B.12	Selected historical key and interim financial information	<p>The following historical financial information has been taken from the relevant published audited consolidated financial statements of the Issuer for the relevant periods.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Short-form consolidated statement of financial situation as of 31 December</th> <th style="text-align: right;">2018</th> <th style="text-align: right;">2017</th> </tr> </thead> <tbody> <tr> <td colspan="3"><i>(in thousands of EUR, IFRS)</i></td> </tr> <tr> <td colspan="3">Assets</td> </tr> <tr> <td>Cash, treasury balances with central banks and other deposits repayable on demand</td> <td style="text-align: right;">1 144 212</td> <td style="text-align: right;">1 313 569</td> </tr> <tr> <td>Financial assets – held for trading</td> <td style="text-align: right;">26 146</td> <td style="text-align: right;">40 730</td> </tr> <tr> <td>Financial assets at fair value through other aggregate gains and losses</td> <td style="text-align: right;">502 391</td> <td style="text-align: right;">177 127</td> </tr> <tr> <td>Financial assets at amortised cost</td> <td style="text-align: right;">11 248 247</td> <td style="text-align: right;">10 737 366</td> </tr> <tr> <td>Total assets</td> <td style="text-align: right;">13 195 897</td> <td style="text-align: right;">12 502 678</td> </tr> <tr> <td colspan="3">Liabilities and equity</td> </tr> <tr> <td>Financial liabilities held for trading</td> <td style="text-align: right;">28 226</td> <td style="text-align: right;">80 490</td> </tr> <tr> <td>Financial liabilities at amortised cost</td> <td style="text-align: right;">11 923 175</td> <td style="text-align: right;">11 322 699</td> </tr> <tr> <td>Total liabilities</td> <td style="text-align: right;">12 063 993</td> <td style="text-align: right;">11 510 427</td> </tr> <tr> <td>Equity (other than current year profit)</td> <td style="text-align: right;">1 012 029</td> <td style="text-align: right;">867 909</td> </tr> <tr> <td>Profit after tax</td> <td style="text-align: right;">119 875</td> <td style="text-align: right;">124 342</td> </tr> <tr> <td>Total equity</td> <td style="text-align: right;">1 131 904</td> <td style="text-align: right;">992 251</td> </tr> <tr> <td>Total liabilities</td> <td style="text-align: right;">12 063 993</td> <td style="text-align: right;">11 510 427</td> </tr> <tr> <td>Total liabilities and equity</td> <td style="text-align: right;">13 195 897</td> <td style="text-align: right;">12 502 678</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Short-form consolidated statement of aggregate profit and loss for the period of 12 months</th> <th style="text-align: right;">2018</th> <th style="text-align: right;">2017</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Short-form consolidated statement of financial situation as of 31 December	2018	2017	<i>(in thousands of EUR, IFRS)</i>			Assets			Cash, treasury balances with central banks and other deposits repayable on demand	1 144 212	1 313 569	Financial assets – held for trading	26 146	40 730	Financial assets at fair value through other aggregate gains and losses	502 391	177 127	Financial assets at amortised cost	11 248 247	10 737 366	Total assets	13 195 897	12 502 678	Liabilities and equity			Financial liabilities held for trading	28 226	80 490	Financial liabilities at amortised cost	11 923 175	11 322 699	Total liabilities	12 063 993	11 510 427	Equity (other than current year profit)	1 012 029	867 909	Profit after tax	119 875	124 342	Total equity	1 131 904	992 251	Total liabilities	12 063 993	11 510 427	Total liabilities and equity	13 195 897	12 502 678	Short-form consolidated statement of aggregate profit and loss for the period of 12 months	2018	2017			
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Profit after tax	26 955	109 643																																																
Total equity	<u>1 096 519</u>	<u>1 066 313</u>																																																
Total liabilities and equity	<u>12 985 901</u>	<u>12 943 559</u>																																																
		<table> <thead> <tr> <th style="text-align: left;">Short-form individual statement of aggregate profit and loss for the period of 3 months ending 31 March</th> <th style="text-align: right;">31.3.2019</th> <th style="text-align: right;">31.3.2018</th> </tr> </thead> <tbody> <tr> <td colspan="3"><i>(in thousands of EUR, IAS 34)</i></td> </tr> <tr> <td>Interest income and dividend income, net</td> <td style="text-align: right;">69 255</td> <td style="text-align: right;">65 804</td> </tr> <tr> <td>Fee and commission income, net</td> <td style="text-align: right;">26 748</td> <td style="text-align: right;">27 492</td> </tr> <tr> <td>Pre-tax profit</td> <td style="text-align: right;">33 931</td> <td style="text-align: right;">34 028</td> </tr> <tr> <td>Taxes on income</td> <td style="text-align: right;">(6 976)</td> <td style="text-align: right;">(8 397)</td> </tr> <tr> <td>After-tax profit</td> <td style="text-align: right;"><u>26 955</u></td> <td style="text-align: right;"><u>25 631</u></td> </tr> <tr> <td>Comprehensive profit after tax</td> <td style="text-align: right;"><u>31 484</u></td> <td style="text-align: right;"><u>24 287</u></td> </tr> </tbody> </table>	Short-form individual statement of aggregate profit and loss for the period of 3 months ending 31 March	31.3.2019	31.3.2018	<i>(in thousands of EUR, IAS 34)</i>			Interest income and dividend income, net	69 255	65 804	Fee and commission income, net	26 748	27 492	Pre-tax profit	33 931	34 028	Taxes on income	(6 976)	(8 397)	After-tax profit	<u>26 955</u>	<u>25 631</u>	Comprehensive profit after tax	<u>31 484</u>	<u>24 287</u>																								
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	Statement of no material adverse change in the prospects of the Issuer [...]	The Issuer states that there has been no material adverse change in the prospects of the Issuer or any material adverse change in the financial situation or prospects of the Issuer since the date of its last published audited consolidated financial statements.																																																
	Description of significant changes in the financial or business position [...]	Not applicable. There has been no significant change in the Issuer's and Issuer's Group financial or business position after the period covered by the historical financial information.																																																
B.13	Description of any recent events specific for the Issuer [...]	Not applicable. The Issuer is not aware of any recent specific events which are to a material extent relevant to the evaluation of its solvency.																																																
B.14	Any dependence on other entities within the	The Issuer is directly dependent on Raiffeisen CEE Region GmbH, which is the result of the ownership of a 78.78 % share in the Issuer's registered capital and a																																																

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	group	<p>89.11 % share in the Issuer's voting rights and indirectly dependent on Raiffeisen International Bank AG, which controls the Issuer through the ownership of a 100 % share in Raiffeisen CEE Region Holding GmbH.</p> <p>The Issuer is not significantly dependent on its subsidiaries.</p>
B.15	Principal business activities of the Issuer	<p>The Issuer is a Slovak bank providing banking and investment services to retail and corporate clients.</p> <p>The principal business activities of the Issuer include the acceptance of deposits, provision of loans, domestic and cross-border transfers of funds, provision of investment services, investment activities and ancillary services under the Securities Act.</p>
B.16	Shareholders of the Issuer	<p>The majority and controlling shareholder of the Issuer is Raiffeisen CEE Region Holding GmbH, with its registered seat at Am Stadtpark 9, 1030 Vienna, Republic of Austria, which holds a 78.78 % share in the Issuer's registered capital and a 89.11 % share in the Issuer's voting rights.</p> <p>The shares of other shareholders total 21.22 % in the Issuer's registered capital and 10.89 % in the Issuer's voting rights.</p>
B.17	Credit ratings assigned to the Issuer or its debt securities	<p>Credit ratings assigned to the Issuer:</p> <p>Moody's Investors Service (the Moody's):</p> <p>Long-term deposit rating: A3, short-term deposit rating: Prime-2, long-term Issuer rating: Baa1, outlook: positive.</p> <p>Credit rating assigned to the Notes:</p> <p>[Credit rating assigned to the Notes – [The Notes are not rated.] or [It is expected that the Covered Notes will be rated [●] by Moody's Investors Service.] or [Other information about the credit rating assigned to the Notes]</p>
Section C – Securities		
C.1	Type and form and name of the security, ISIN	<p>The Notes are notes (in Slovak: <i>dlhopisy</i>) of the type: [Type of Notes – [Unsubordinated and unsecured notes (the Senior Notes)] or [Covered Notes] or [Subordinated Notes]] or [Senior Non-preferred Notes] in bearer book entry form (in Slovak: <i>zaknihované cenné papiere na doručiteľa</i>) registered in [Depository], [Name], [ISIN], [FISN] [the Common Code].</p>
C.2	Currency	<p>The Notes are issued and denominated in [Currency].</p>
C.5	Description of restrictions on the transferability	<p>Not applicable. The Notes are freely transferable.</p>
C.8	Description of rights attached to the Notes [...]	<p>The rights arising from the terms and conditions of the Notes and applicable legal regulations, mainly the Bonds Act, and in the case of the Covered Notes, also from the Act on Banks are attached to the Notes. These rights are not restricted, save as provided in applicable law with regard to the rights of all creditors in general and their exercise is regulated by the terms and conditions of the Notes and the applicable legal regulations.</p> <p>No right to exchange the Notes for any other securities and no pre-emption rights (rights for preferential subscription) to any securities and no other benefits are attached to the Notes.</p>

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		<p>[Obligations from the Senior Notes constitute direct, general, unsecured, unconditional and unsubordinated obligations of the Issuer which rank <i>pari passu</i> among themselves and always rank at least <i>pari passu</i> with any other direct, general, unsecured, unconditional and unsubordinated obligations of the Issuer, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law.]</p> <p>[Obligations from the Covered Notes constitute direct, general, secured, unconditional and unsubordinated obligations of the Issuer which rank <i>pari passu</i> among themselves and always rank at least <i>pari passu</i> with any other direct, general, similarly secured, unconditional and unsubordinated obligations of the Issuer, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law.]</p> <p>[Obligations from the Subordinated Notes constitute direct, general, unsecured, unconditional and subordinated obligations of the Issuer which rank <i>pari passu</i> among themselves and always rank at least <i>pari passu</i> with any other direct, general, unsecured, unconditional and equally subordinated obligations of the Issuer, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law.]</p> <p>[Obligations from the Senior Non-preferred Notes constitute direct, general, unsecured and unconditional obligations of the Issuer with a lower ranking in bankruptcy in accordance with Section 180a(2) of Act No. 7/2005 Coll. on Bankruptcy and Restructuring, as amended, and rank <i>pari passu</i> among themselves and always rank at least <i>pari passu</i> with any other direct, general, unsecured, unconditional obligations and any obligations of the Issuer with the same ranking in bankruptcy, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law.]</p> <p>Any rights arising from the Notes shall become time-barred after the lapse of the ten-year period from (a) the relevant Payment Date in the case of the right to claim an interest payment; or (b) the Principal Amount Maturity Date or the Early Maturity Date, as applicable, in the case of the right to claim the payment of the Principal Amount of the Note and extraordinary interest (if applicable); and (c) the first day on which such right could have been enforced under the law, in the case of any other right as the ones mentioned above.</p>
<p>C.9</p>	<p>Interest rate, maturity, joint representative</p>	<p>Interest on the Notes is determined: [Determination of interest – <i>(choice of options)</i>]</p> <p>(A) <i>for the Notes with a fixed interest rate without changing it to the Principal Amount Maturity Date or to the Early Maturity Date, it must be stated:</i></p> <p>[The Notes bear a fixed interest rate throughout their life, in the amount of [Rate]% p. a.];</p> <p>(B) <i>for the Notes without payment of interest income (zero coupon), it must be stated:</i></p> <p>[The Notes have no interest rate and their interest is determined as the difference between the Principal Amount of the Notes and their issue price.];</p> <p>(C) <i>for the Notes with a fixed interest rate that is to be changed repeatedly to a different fixed interest rate, it must be stated:</i></p> <p>[The Notes bear a fixed Interest Rate the value of which over time is changing, as follows [Rate – add appropriate dates or periods and add</p>

individual Interest Rates in % p. a. in the format “from [Date] (including) to [Date] (excluding) with interest income [amount of adjusted interest income]% p. a.”, with the text in this format being specified for each relevant period in which the fixed Interest Rate is to be changed.);

(D) *for the Notes with a fixed interest rate that is to be changed one time to a different fixed interest rate, it must be stated:*

[The Notes bear fixed interest rate of [First Rate]% p. a. until [Interest Rate Change Date] (the Interest Rate Change Date) during each Interest Period.

From the Interest Rate Change Date until the Principal Amount Maturity Date or the Early Maturity Date, the Notes will during each Interest Period bear interest at a fixed interest rate determined as the [[sum]/[difference]] of the Reference Rate and the Margin of [Reference Rate and Margin]% p. a. [and if the interest rate so determined is still to be multiplied by the factor, include the following text: “and the result of this difference will still be multiplied by the factor [Factor Numerical Value]”].

The Reference Rate will be set only once at [Reference Rate Setting Deadline] before the Interest Rate Change Date and will be applicable during the following Interest Periods.

(E) *for the Notes with a fixed interest rate that will be changed to a floating interest rate, as well as for the Notes with target redemption with a fixed interest rate that will be changed to a floating interest rate, it must be stated:*

[The Notes bear fixed interest rate of [First Rate]% p. a. until [Interest Rate Change Date] (the Interest Rate Change Date) during each Interest Period.

From the Interest Rate Change Date until the Principal Amount Maturity Date or the Early Maturity Date, the Notes will during each Interest Period bear interest at an interest rate determined as the [[sum]/[difference]] of the Reference Rate and the Margin of [Reference Rate and Margin]% p. a. [and if the interest rate so determined is still to be multiplied by the factor, include the following text: “and the result of this difference will still be multiplied by the factor [Factor Numerical Value]”].

The Reference Rate will be set for the first time [Reference Rate Setting Deadline] before the Interest Rate Change Date and subsequently set [Reference Rate Setting Deadline] before the applicable Payment Date for the following Interest Period.

and further for the Notes under this paragraph (E):

- *in the case of the Notes where, in the case of the Second Interest Rate, the amount of the Margin may vary, it must be stated:*

[The Margin is set as follows: [Margin – add relevant dates or periods and add individual Margins in % p. a. in the format “from [Date] (including) to [Date] (excluding) the amount of Margin of [amount of Margin]% p. a.”, with the text in this format being specified for each relevant period in which the amount of Margin is to be changed].

- *in the case of the Notes for which the Second Interest Rate is to be set using the minimum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change

Date, the Second Interest Rate determined in accordance with the preceding provisions is less than [**Floor Rate**]% p. a., the Notes will bear interest of [**Floor Rate**]% p. a. for the given Interest Period];

- *in the case of the Notes for which the Second Interest Rate is to be set using the maximum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is higher than [**Cap Rate**]% p. a., the Notes will bear interest of [**Cap Rate**]% p. a. for the given Interest Period];

- *for the Notes with target redemption, it must be stated:*

[in the case of the unguaranteed Target Interest Amount, it must be stated: The Target Interest Amount for the whole period until the Principal Amount Maturity Date is neither specified nor guaranteed.] *or [in the case of the guaranteed Target Interest Amount, it must be stated:* The minimum amount of interest on each Note due for the whole period from the Interest Rate Change Date to the Principal Amount Maturity Date or to the Early Maturity Date is equal to the difference of (a) [**Target Interest Amount**] and (b) the sum of all interest payments paid on one Note for all previous Interest Periods.]

and [in the case of the Total Interest Ceiling, it must be stated: The maximum amount of interest on each Note is equal to the difference of (a) [**Target Interest Amount**]; and (b) the sum of all interest paid for all previous Interest Periods (the **Total Interest Ceiling**). The Issuer is under no obligation to pay any further interest exceeding the Total Interest Ceiling for the last variable Interest Period.] *or, [if Total Interest Ceiling is not stated, it must be stated:* The variable amount of interest for the last variable Interest Period is also payable in full if the sum of all interest paid for all previous Interest Periods exceeds the Target Interest Amount.]]];

- (F) *for the Notes with a fixed interest rate that is to be changed to a reversed floating interest rate, it must be stated:*

[The Notes bear fixed interest rate of [**First Rate**]% p. a. until [**Interest Rate Change Date**] (the **Interest Rate Change Date**) during each Interest Period.

From the Interest Rate Change Date until the Principal Amount Maturity Date or the Early Maturity Date, the Notes will during each Interest Period bear interest at an interest rate determined as the difference between (i) [**Second Rate**] in % p. a. and (ii) the Reference rate [**Reference rate**]% p. a. [and if the interest rate so determined is still to be multiplied by the factor, include the following text: “and the result of this difference will still be multiplied by the factor [**Factor Numerical Value**]”].

The Reference Rate will be set for the first time [**Reference Rate Setting Deadline**] before the Interest Rate Change Date and subsequently set [**Reference Rate Setting Deadline**] before the applicable Payment Date for the following Interest Period.

and further for the Notes under this paragraph (F):

- *in the case of the Notes for which the Second Interest Rate is to be set using the minimum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is less than [**Floor Rate**]% p. a., the Notes will bear interest of [**Floor Rate**]% p. a. for the given Interest Period];

- *in the case of the Notes for which the Second Interest Rate is to be set using the maximum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is higher than [**Cap Rate**]% p. a., the Notes will bear interest of [**Cap Rate**]% p. a. for the given Interest Period];

- (G) *for the Notes with a fixed interest rate that is to be changed to a spread floating interest rate, as well as for the Notes with target redemption with a fixed interest rate that is to be changed to a spread floating interest rate, it must be stated:*

[The Notes bear fixed interest rate of [**First Rate**]% p. a. until [**Interest Rate Change Date**] (the **Interest Rate Change Date**) during each Interest Period.

From the Interest Rate Change Date until the Principal Amount Maturity Date or the Early Maturity Date, the Notes will during each Interest Period bear interest at an interest rate determined as the difference between (i) Floating Interest Rate 1 and (ii) Floating Interest Rate [*and if the interest rate so determined is still to be multiplied by the factor, include the following text: “and the result of this difference will still be multiplied by the factor [**Factor Numerical Value**]”].*

Floating Interest Rate 1 means: [**Reference Rate 1**]% p. a.

Floating Interest Rate 2 means: [**Reference Rate 2**]% p. a.

Reference Rate 1 and Reference Rate 2 will be set for the first time [**Reference Rate Setting Deadline**] before the Interest Rate Change Date and subsequently set [**Reference Rate Setting Deadline**] before the applicable Payment Date for the following Interest Period.

and further for the Notes under this paragraph (G):

- *for the Notes for which the Second Interest Rate is to be set using the minimum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is less than [**Floor Rate**]% p. a., the Notes will bear interest of [**Floor Rate**]% p. a. for the given Interest Period (the **Floor Interest Rate**).]

- *for the Notes for which the Second Interest Rate is to be set using the maximum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is higher than [**Cap Rate**]% p. a., the Notes

will bear interest of [**Cap Rate**]% p. a. (the **Cap Interest Rate**) for the given Interest Period];

- *for the Notes with target redemption, it must be stated:*

[in the case of the unguaranteed Target Interest Amount, it must be stated: The Target Interest Amount for the whole period until the Principal Amount Maturity Date is neither specified nor guaranteed.] or [in the case of the guaranteed Target Interest Amount, it must be stated: The minimum amount of interest on each Note due for the whole period from the Interest Rate Change Date to the Principal Amount Maturity Date or to the Early Maturity Date is equal to the difference of (a) [**Target Interest Amount**] and (b) the sum of all interest payments paid on one Note for all previous Interest Periods.]

and [in the case of the Total Interest Ceiling, it must be stated: The maximum amount of interest on each Note is equal to the difference of (a) [**Target Interest Amount**]; and (b) the sum of all interest paid for all previous Interest Periods (the **Total Interest Ceiling**). The Issuer is under no obligation to pay any further interest exceeding the Total Interest Ceiling for the last variable Interest Period.] or, [if Total Interest Ceiling is not stated, it must be stated: The variable amount of interest for the last variable Interest Period is also payable in full if the sum of all interest paid for all previous Interest Periods exceeds the Target Interest Amount.]]

- (H) *for the Notes with a floating interest rate, it must be stated:*

[The Notes bear interest at the floating rate set as the sum of the Reference Rate and the Margin of [**Reference Rate and Margin**]% p. a. (the **Interest Rate**).

The Reference Rate will be set for the first time [**Reference Rate Setting Deadline**] before the Issue Date and subsequently set [**Reference Rate Setting Deadline**] before the applicable Payment Date for the following Interest Period.

and further for the Notes under this paragraph (H):

- *for the Notes where the amount of Margin may vary, it must be stated:*

[The Margin is set as follows: [**Margin** – add relevant dates or periods and add individual Margins in % p. a. in the format “from [**Date**] (including) to [**Date**] (excluding) the amount of Margin of [**amount of Margin**]% p. a.”, with the text in this format being specified for each relevant period in which the amount of Margin is to be changed].

- *for the Notes using the minimum interest rate, it must be stated:*

[If, for any Interest Period, the floating Interest Rate determined in accordance with the preceding provisions is less than [**Floor Rate**]% p. a., the Notes will bear interest of [**Floor Rate**]% p. a. (the **Floor Interest Rate**) for the given Interest Period];

- *for the Notes using the Memory interest rate, it must be stated:*

[If, for any Interest Period, the floating Interest Rate determined in accordance with the preceding provisions is less than the interest rate determined for the immediately preceding period (the **Memory Interest Rate**), the Notes will bear interest at the Memory Interest Rate for the given Interest Period];

- *for the Notes using the maximum interest rate, it must be stated:*

[If, for any Interest Period, the floating Interest Rate determined in accordance with the preceding provisions is higher than [**Cap Rate**]% p. a., the Notes will bear interest of [**Cap Rate**]% p. a. (the **Cap Interest Rate**) for the given Interest Period.].

[Interest on the Notes is always payable on the [**Interest Payment Frequency**] [**Interest Payment Date(s)**] of the relevant calendar year, for the first time [**First Interest Payment Date**] and shall be calculated according to the convention [**Convention**].] *or* [Not applicable. In the case of the Notes without interest income payments (zero coupon), no regular interest income is paid, but income from them is determined as the difference between the Principal Amount of the Notes and their issue price.]

The issue date of the Notes (the date of the Issue) is set for [**Issue Date**].

The Principal Amount shall be [**Method of Redemption**] due and payable on [**Maturity Date**].

[**Early redemption of the Notes decided by the Issuer** – [[The Issuer is, on the basis of its decision, entitled to early redeem all Notes issued and outstanding as of [**Early Redemption Date(s)**] (the **Early Maturity Date**). The Issuer is obliged to irrevocably announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date.] *only in the case of Subordinated Notes included in Tier 2 capital of the Issuer*: If there is a change in the regulatory classification of the Notes or in the applicable tax terms in respect of the Notes, in each case referred to in Article 78(4) of the CRR, the Issuer may, by a written notice addressed to the Holders, determine that all (and not only some) Notes may become early redeemable as of [**Early Redemption Date(s)**] (the **Early Maturity Date**). The Issuer is obliged to announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date. The Issuer may exercise this right only if conditions under Articles 63, 77, 78 and related provisions of the CRR are satisfied, and the authorisation of the competent supervisory authority has been obtained.] *only in the case of Senior Non-preferred Notes*: If there is a change in the regulatory classification of the Notes or in the applicable tax terms in respect of the Notes, in each case as will be provided in the relevant provisions of the CRR applicable and effective at that time, the Issuer may, by a written notice addressed to the Holders, determine that all (and not only some) Notes may become early redeemable as of [**Early Redemption Date(s)**] (the **Early Maturity Date**). [The Issuer may also, by a written notice addressed to the Holders, determine that all (and not only some) Notes may become early redeemable as of [**Early Redemption Date(s)**] in the case of the Notes with the remaining maturity of less than one year, unless they are already included in the minimum requirement for eligible liabilities due to this shorter maturity.] The Issuer is obliged to announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date. The Issuer may exercise this right only if conditions of the relevant provisions of the CRR applicable and effective at that time are satisfied, and the authorisation of the competent supervisory authority has been obtained.]

On the Early Maturity Date, the Issuer shall pay to each Holder [(i) 100.00% of the Principal Amount of the Notes; and (ii) the extraordinary interest of [**Extraordinary**

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		<p>Interest Amount in %] of the Principal Amount of the Notes] <i>or</i> [Other Determination of the Early Redemption Amount]. The provisions on regular redemption of the Notes shall apply to their early redemption accordingly.] <i>or</i> [Not applicable. The Issuer may not, on the basis of its decision, redeem the Notes early.]]</p> <p>[Early redemption of the Notes with target redemption upon reaching the Target Interest Amount – [The Notes become early redeemable as of the Payment Date when the sum of all interest payments paid on one Note for all previous Interest Periods (including the most recent one) reaches or exceeds [Target Interest Amount]. This Payment Date will be considered the Early Maturity Date.] <i>or</i> [Not applicable. The Notes do not have a target redemption upon reaching a certain amount of interest.]]</p> <p>[Yield to maturity as of the Issue Date: [Yield to Maturity]]</p> <p>No joint representative of the Holders has been appointed.</p>
C.10	Derivative component	Not applicable. The yield on the Notes has no embedded derivative component.
C.11 /C.21	Trading on regulated market	[Admission to trading – [The Issuer will submit an application to Burza cenných papierov v Bratislave, a.s., with its registered seat at Vysoká 17, 811 06 Bratislava, Identification No.: 00 604 054, for the admission of the Notes to trading on its regulated market: [the BSSE Market].] <i>or</i> [The Issuer will submit an application for the admission of the Notes to trading on [●].] <i>or</i> [The Issuer will not submit an application for the admission of the Notes to trading on a regulated market.]]
Section D – Risks		
D.2	Key information on the major risks specific for the Issuer	<p>The Issuer may be adversely affected by global financial and economic crises including the Eurozone debt crisis, the risk of one or more entries leaving the European Union or the Eurozone and other negative macroeconomic and market factors</p> <p>The Issuer operates in the Slovak market that is exposed to the risk of unpredictable political, economic, legal and social changes and related risks, such as exchange rate volatility, regulatory changes, inflation, economic recession, local market disruptions, labour market tensions and economic disparity</p> <p>The Issuer’s economic results are subject to credit conditions in the client sector</p> <p>Evolving legislation and tax rules can have a material adverse effect on the Issuer</p> <p>The Issuer’s liquidity and profitability would be significantly adversely affected should the Issuer be unable to access the capital markets, to raise deposits, to sell assets on favourable terms, or if there is a strong increase in its funding costs (liquidity risk)</p> <p>The Issuer’s credit rating may not reflect all risks</p> <p>Any deterioration, suspension or withdrawal of the credit rating of the Issuer or the Slovak Republic could result in increased funding costs, may damage customer perception and may have other material adverse effects on the Issuer</p> <p>The Issuer’s business, capital position and results of operations have been, and may continue to be, significantly adversely affected by market risks</p> <p>The Issuer is exposed to credit, interest and operational risk, and falling interest rate margins may have a material adverse effect on the Issuer</p> <p>The Issuer may experience deterioration in credit quality, in particular as a result of financial crises or economic recessions or increased interest rates; The Issuer might</p>

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		<p>suffer losses as a result of the actions of or deterioration in the commercial soundness of its borrowers and counterparties (credit risk/counterparty risk)</p> <p>New regulatory requirements and changes in particular regarding sufficient capitalisation and debt ratios could lead to increased capital requirements and reduced profitability of the Issuer</p> <p>The Issuer may not be able to meet the minimum requirement for own funds and eligible liabilities</p> <p>Adjustments to the business profile of the Issuer may lead to changes in its profitability</p> <p>The Issuer's ability to meet the obligations under the Notes depends in particular on its financial strength which in turn is influenced by its profitability</p> <p>The Issuer is exposed to the risk of decline in the value of real estate used as collateral to cover the Issuer's receivables</p> <p>Competition on the Slovak banking market</p> <p>The Issuer's growth may be limited by the growth of the banking market</p> <p>Litigation risk</p> <p>The Issuer's risk management strategies and internal control procedures may expose it to unidentified or unanticipated risks</p> <p>The Issuer may have difficulty recruiting or retaining qualified employees</p> <p>Any failure of the Issuer's information systems, interruption of their activities or security and any failure to update such systems may result in lost business and other losses</p> <p>Compliance with anti-money laundering and anti-terrorism financing regulations involves significant costs and efforts and non-compliance with them may have severe legal and reputational consequences</p> <p>Changes in consumer protection laws and the application or interpretation of such laws might limit the fees and other pricing terms and conditions that the Issuer may charge for certain banking services and might also allow customers to claim back some of those fees already paid in the past</p> <p>Risk of changes in the tax framework, in particular regarding bank tax and the introduction of a financial transaction tax</p> <p>Legal regulation of recovery and resolution of the bank's crisis situations</p> <p>The majority interest in the Issuer is owned by a sole shareholder and risks related to the business of the RBI Group might have a material adverse effect on its business</p>
<p>D.3</p>	<p>Key information on the major risks specific for the Notes</p>	<p>Issuer risk</p> <p>Credit spread risk</p> <p>Absence of independent calculation agent and paying agent, risk of a potential conflict of interest</p> <p>No early maturity in the event of non-fulfilment of the Issuer's obligations, no joint representative</p> <p>Risk of financial benchmark and reference rate continuity</p>

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Reduced yield caused by transaction costs and depositary fees

Risk of using credit facility or loan to finance the purchase of the Notes

Risk of potential conflicts of interest

Tax impact of the investment

Payments on the Notes may be subject to U.S. withholding tax under FATCA

Obligations under the Subordinated Notes will only be fulfilled after all non-subordinated claims of creditors have been satisfied

The Notes are not covered by any (statutory or voluntary) protection scheme

No set-off of claims under the Subordinated Notes and the Senior Non-preferred Notes

Rating of the Notes may not adequately reflect all the risks of investing in the Notes, and may also result in its suspension, downgrade or withdrawal

In exceptionally adverse Issuer's bankruptcy situation the cover pool assets may not be sufficient to fully cover all liabilities under the Covered Notes

Risk of extension of final maturity of the Covered Notes and risk of change of the issuer of the Covered Notes

Senior Non-preferred Notes are subordinated to existing unsubordinated unsecured obligations and contain some additional restrictions

Senior Non-preferred Notes are a new type of financial instruments for which there is no trade history and their regulation may change

Inflation risk

Trading in the Notes may not be liquid

Risk of fluctuations in market price of the Notes

Investment in the Notes should be considered with regard to all related circumstances

A change in the laws may affect the value of the Notes

Risk of subordination of related receivables

Regulation applying to investment activities of certain investors may limit or fully preclude these investors from investing in the Notes

Withholding tax risk

Risk of the Notes with a fixed interest rate

Risk of the Notes with zero coupon

Risk of the Notes with interest rate structure

Risk of the Notes with planned redemption after reaching a certain yield

The Holders are exposed to the risk that in the event of the Issuer's bankruptcy, deposits will be satisfied before their receivables in respect of the Notes are paid

The Holders are exposed to the risk that the Issuer is not limited in issuing additional debt securities or creating additional liabilities

ENGLISH TRANSLATION FOR INFORMATION ONLY

BASE PROSPECTUS

Tatra banka, a.s.
member of the Raiffeisen Bank International Group

		<p>Risk that trading in the Notes will be suspended, interrupted or terminated</p> <p>Risk of relevant clearing/settlement system</p> <p>The risk of unforeseeable event, the so-called “force majeure”</p> <p>Indicated Aggregate Amount of the Issue of the Notes is not binding</p> <p>Denomination of financial activities of the Holder in a currency other than the currency in which the Notes will be issued and in which the Issuer will pay the Principal Amount and interest on the Notes, may give rise to exchange rate risks</p> <p>Early redemption or repurchase of the Subordinated Notes and the Senior Non-preferred Notes is subject to prior authorisation by the relevant supervisory body</p>
Section E – Offer		
E.2b	Reasons for the offer, use of proceeds and expected net proceeds	<p>The expected net proceeds from the issue of the Notes are [●].</p> <p>Net proceeds from each issue of the Notes will be used to finance ordinary operational needs and business activities of the Issuer. The reason for the offer in the case of Subordinated Notes is also the strengthening of the Issuer’s sources of own funds and, in the case of Senior Non-preferred Notes, also the fulfilment of the minimum requirement for eligible liabilities, in each case according to the requirements of banking regulation.</p>
E.3	Description of terms and conditions of the offer	<p>Type, form and duration of the Offer [Type of Notes – [Senior Notes] or [Covered Notes] or [Subordinated Notes]] or [Senior Non-preferred Notes] will be offered [Type of Offer – [in a public offering in the Slovak Republic] or [in an offer which is not subject to the statutory obligation to publish the Prospectus within and outside the Slovak Republic]] through [Form of Offer].</p> <p>[Offer is addressed to – [individuals] and/or [legal entities] and/or [eligible counterparties] and/or [qualified investors] and/or [limited group of persons, i.e., less than 150 individuals or legal entities in the relevant Member State other than qualified investors]] from [Offer Commencement Date] to [Offer Termination Date], while the Settlement Date shall be [Settlement Date(s)]. [Description of the Application Procedure] [Manner of Satisfying Orders]</p> <p>Principal amount [Principal Amount]</p> <p>Aggregate Amount of the Issue and the Offer [Aggregate Amount of the Issue] with the number of securities [Number of Securities in the Issue]</p> <p>Issue price [Issue Price in %] of the Principal Amount [Type of the Notes].</p> <p>[Information about the accrued interest]</p> <p>Amount of order [Minimum and maximum amount of the Order]</p> <p>Distribution method [Distribution method – [No arrangements have been agreed on as regards the subscription of the issue of the Notes with any entities on the basis of a firm commitment,</p>

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BASE PROSPECTUS

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		placement without firm commitment or “best efforts” arrangement and the distribution of the Notes is arranged by the Issuer.] <i>or</i> [[The Issuer] [and] Financial Intermediaries] will distribute the Notes in the Slovak Republic and also outside the Slovak Republic in one or several manners to which the obligation to publish a prospectus does not apply.]]
E.4	Description of any interest, conflict of interest	[Not applicable. As of the date of the Prospectus, the Issuer is not aware of any interest of any individual or legal entity participating in the Programme that would be material to the Programme/offer.] [Description of other interests]
E.7	Costs charged to investors	[Costs charged to investors – [Not applicable. No fees will be charged to investors with regard to the subscription of the Notes.] <i>or</i> [Costs charged to Investors]]

2. RISK FACTORS

Prospective investors should carefully consider the risk factors set forth below as well as any other information included in the Prospectus, the relevant Final Terms and the relevant Summary of the Issue (if any) prior to making any investment decision with respect to the Notes. The described risk factors may individually or jointly affect the Issuer's ability to meet the obligations under the Notes. Most of these factors are eventualities which may or may not occur and the Issuer does not make any statement on the likelihood of any such eventuality.

The Issuer has only described in the Prospectus the risk factors related to its business, activities and financial situation and prospects that it considers to be material and of which it is currently aware. There may be additional risks that the Issuer does not currently consider significant or currently not aware of, which may also have an adverse effect on business, activity, financial situation, prospects and the Issuer's ability to meet the obligations under the Notes. Therefore, the inability of the Issuer to pay interest, repay the principal amount or other sums arising from or in relation to the Notes may also be caused by other reasons which the Issuer may not consider to be material based on information available to it, or which it is unable to foresee as at the date of the Prospectus.

2.1 Risk factors associated with the Issuer and the Issuer's Group

Each of the Issuer related risks highlighted below could have a material adverse effect on the Issuer's business, operations, financial situation or prospects which, in turn, could have a material adverse effect on its ability to meet the obligations under the Notes. In addition, each of the Issuer related risks highlighted below could adversely affect the trading price of the Notes or the rights of investors under the Notes and, as a result, investors could lose some or all of their investment.

The factors described below are also largely applicable to the entire Issuer's Group. However, since the Issuer is not significantly dependent on its subsidiaries, it does not specifically refer to risk factors related to the Issuer's Group or its subsidiaries.

The Issuer may be adversely affected by global financial and economic crises including the Eurozone debt crisis, the risk of one or more entries leaving the European Union or the Eurozone and other negative macroeconomic and market factors

The Issuer's ability to meet the obligations under the Notes may be affected by changing conditions in the global financial markets, economic conditions generally and perceptions of those conditions and future economic prospects. The outlook for the global economy over the near to medium term remains uncertain and many forecasts predict a decrease in the levels of gross domestic product (the **GDP**) growth across many of the areas in which the Issuer operates. Many European and other countries continue to struggle under large budget deficits and elevated debt levels, raising a concern of the market that some European and other countries may in the future be unable to repay outstanding debt. These countries may have difficulty obtaining funds if the markets concerned become too volatile, unavailable, or otherwise fail to fulfil their role.

In recent years, the financial and economic conditions of certain countries in Europe have been particularly negatively affected. Refinancing costs for some of these countries are still elevated as the perceived risk of default on the sovereign debt of those countries had raised concerns about the so-called "contagion effect" such a default would have on other European Union economies. Credit rating agencies downgraded the credit ratings of many of these countries, and have also withdrawn the AAA rating of certain core European countries. States, financial institutions and other legal entities may become unable to obtain refinancing or new funding and may default on their existing debt. Austerity measures to reduce debt levels and fiscal deficits may well result in a slowdown of or negative economic development. One or more Eurozone countries could come under increasing pressure to leave the European Monetary Union, or the Euro as the single currency of the Eurozone could cease to exist. The magnitude of such events cannot be accurately assessed, however it cannot

be ruled out that significant systemic changes occur which could have an adverse impact on the Issuer's capital situation and ability to repay its obligations.

The political, financial, economic and legal impact of the departure of one or more countries from the Eurozone and/or the European Union is difficult to predict. However it can be observed using the example of the withdrawal of the United Kingdom from the European Union (so-called "Brexit") that unclear legal and economic frameworks lead to increased political and economic uncertainty which can entail various adverse cumulative impacts on the respective economies (e.g. investments, GDP, exchange rates, etc.).

For a country exiting the Eurozone and/or the European Union, possible consequences of such an exit in a stress case include the loss of liquidity supply by the European Central Bank (the **ECB**), the need to introduce capital controls and, subsequently, certificates of indebtedness or a new national currency, a possibility of a surge in inflation and, generally, a breakdown of its economy. Businesses and other debtors whose main sources of income are converted to a non-euro currency could be unable to repay their euro-denominated debts. Thus, foreign lenders and business partners including the Issuer would have to face significant losses. Disputes are likely to arise over whether contracts would have to be converted into a new currency or remain in euros. In the wider Eurozone, concerns over the euro's future might cause businesses to cut investment and people to cut back their spending, thus pushing the Eurozone into recession. Nervous depositors in other struggling Eurozone countries could start withdrawing their deposits or moving them to other countries, thus provoking a banking crisis in Europe. The Euro could lose but also increase in value in case that exiting countries are coming from the economically weaker periphery. Exchange rate developments could affect the Issuer's ability to repay its obligations. In addition to the risk of market contagion, there is also the potential of political repercussions such as a boost to anti-euro and anti-European political forces in other countries.

Many European economies continue to face structural challenges as unemployment and high public debt levels, which, relative to European standards, results in unusually high political risk and polarisation of society. In response to the global financial crisis, unprecedented steps have been taken to help stabilise the financial system and increase the flow of money in the global economy. There can be no assurances as to the actual impact that these measures and related actions will have on the financial markets, on consumer and corporate confidence generally and on the Issuer specifically in the medium to long-run. In order to prevent further deterioration of economic growth and to respond to concerns about the effects of the European sovereign debt crisis, the ECB announced a plan to buy unlimited amounts of government bonds of distressed countries in case needed partially in exchange for their request for and acceptance of a formal programme including certain austerity reforms (OMT program). In course of the quantitative easing, the Euro system bought assets to the tune of about EUR 2 570 billion, mostly government bonds. The ultra-low interest environment creates further pressure on the financial sectors globally. The impact of the ECB's or any other entity's actions in the future is currently unknown and these actions may or may not result in the expected benefits for the relevant economies in the long-run. Monetary policy in the future will depend on inflation and due to these unprecedented policies could vary from the foreseen path in either direction fast and without prior notice. Variances in monetary policy may result also in increased volatility in debt and foreign exchange markets. Global monetary policy may help to build significant exaggeration in various asset classes such as equity, housing and bonds and these asset prices could also correct swiftly and markedly.

During 2016 and 2017, the Eurozone economy recovered stronger than expected, accompanied by a positive trend of leading indicators for inflation and a declining unemployment rate within the Eurozone. However, during 2018, the economic growth rate started to fall again. The Eurozone economy is expected to continue to rise in 2019, but the financial markets volatility associated with geopolitical uncertainty is a downside risk.

The Issuer's performance will further depend especially on the Slovak economy the performance of which is affected by prospects of economic and financial situation in the European Union and the Eurozone. Owing to the high level of interconnection in the financial markets in the Eurozone, the departure from the European Monetary Union by one or more Eurozone countries and/or the abandonment of the Euro as a currency could have material adverse effects on the existing contractual relations and the fulfilment of obligations by the

Issuer and/or Issuer's customers and, thus, have an adverse impact on the Issuer's ability to duly meet its obligations under the Notes.

Should economic conditions affecting the Slovak market and other RBI Group's operating markets become subdued again, Issuer's results and operations may be materially and adversely affected.

The Issuer operates in the Slovak market that is exposed to the risk of unpredictable political, economic, legal and social changes and related risks, such as exchange rate volatility, regulatory changes, inflation, economic recession, local market disruptions, labour market tensions and economic disparity

The Issuer's business is materially dependent on political and social stability, the performance of the Slovak economy and a sustainable development of the banking sector in Slovakia. Apparently, the Issuer is to a large extent exposed to this risk. The Slovak market is characterised by an increased risk of unpredictable political, economic, legal and social changes and related risks, such as exchange rate volatility, regulatory changes, inflation, economic recession, local market disruptions, labour market tensions and economic disparity. Future political, economic and social changes in local economy could adversely impact the Issuer's ability to meet the obligations under the Notes.

There can be no assurance that any negative developments in the Slovak economy, rising unemployment rate or legislative changes in the field of financial market, including additional changes in taxation of banks beyond the amount of the bank levy (for example, the discussed financial transaction tax) will not have a material adverse effect on the economic results of the Issuer since most of its income is generated in the Slovak Republic.

The Issuer's economic results are subject to credit conditions in the client sector

Credit conditions in the client sector are dependent to a large extent on factors which are beyond the control of the Issuer. The deterioration of credit conditions across the client base or in particular segment, such as in the consumer loans sector, could result in more debtors to be unable to repay their loans according to their contractual terms and consequently lead to an increase of the increase of non-performing loans (NPLs). This effect may be caused also by a future increase in interest rates. Despite the fact that the Issuer follows a conservative business and lending policy in line with the requirements of banking regulation, these factors could have an adverse effect on the Issuer's financial situation which could, in serious cases, result in a reduced ability to perform the obligations under the Notes.

Evolving legislation and tax rules can have a material adverse effect on the Issuer

The legal order of the Slovak Republic is subject to significant changes. In many cases, the interpretation and laws are changing continuously, which may result in existing laws and regulations being applied inconsistently or arbitrarily and new laws being introduced.

The legal infrastructure and the law enforcement system in the Slovak Republic are less developed compared to those in some Western European countries. In some circumstances, it may not be possible to obtain legal remedies to enforce contractual or other rights in a timely manner or at all. The lack of legal certainty or the inability to obtain effective legal remedies in a timely manner or at all may have a material adverse effect on the Issuer's business, results of activities or financial position. Investors should also be aware that in the Slovak Republic, there are fewer judges who specialise in complex matters such as investments in securities compared to the number of judges in Western European countries. Therefore, disputes brought before the Slovak courts may be subject to delays and may not be conducted in a manner similar to more developed legal systems and may, as a result, lead to delays in proceedings or losses on investments.

The Issuer is subject to complex tax regulations that in some cases have only been in effect for a short period of time, are frequently amended and differently enforced. Furthermore, the inefficient collection of taxes may result in new taxes being continuously introduced in an attempt to increase tax revenues. Therefore, there is a risk that the Issuer may be subject to arbitrary and onerous taxation. Moreover, in a number of cases, the introduction of legal or tax measures is based on political or protectionist reasons and directed primarily against financial institutions.

The risks related to the development and application of the legal and tax systems may have a material adverse effect on the Issuer's financial situation and results of operations, and may affect its ability to meet the obligations under the Notes.

The Issuer's liquidity and profitability would be significantly adversely affected should the Issuer be unable to access the capital markets, to raise deposits, to sell assets on favourable terms, or if there is a strong increase in its funding costs (liquidity risk)

Liquidity risk is the risk of the Issuer to be unable to meet its current and future financial obligations in full and/or in time. This arises, e.g. if refinancing can only be obtained at unfavourable terms or is entirely impossible. Liquidity risk can take various forms.

The Issuer, like many other Slovak banks, relies on client (mainly consumer) deposits, to meet a substantial portion of its funding requirements. The majority of deposits with the Issuer are retail deposits, a significant proportion of which are on-demand deposits. These deposits are subject to fluctuation due to factors beyond the Issuer's control, and no assurances can be given by the Issuer that it will not experience a significant outflow of deposits within a short period of time. Since a significant portion of the Issuer's funding comes from its deposit base, any material decrease in deposits could have an adverse effect on the Issuer's liquidity unless appropriate measures are taken, which may not be possible under economically advantageous terms and conditions, if at all.

Also, the Issuer may be unable to meet their respective payment obligations on a particular day and may have to obtain liquidity from the market at short notice and on unfavourable terms, or even fail to obtain liquidity from the market and, at the same time, be unable to generate sufficient alternative liquidity through the disposing of its assets. Loss of customer trust in the business or performance of the Issuer could result in unexpectedly high levels of loss for the Issuer's clients. Deposits could be withdrawn faster than the rate at which some of the Issuer's borrowers repay their loans, and lending obligations could be terminated. The Issuer's liquidity buffers may not be sufficient and results of the Issuer's liquidity risk management models may lead to inadequate management measures. All of that might negatively affect the Issuer's ability to meet the obligations under the Notes.

The Issuer's credit rating may not reflect all risks

Despite the fact that the Issuer was assigned a credit rating by Moody's Investor Service as of the date of the Prospectus, there can be no assurance that the assigned credit rating fully reflects all risks and that no such situation might occur that would result in losses by the Issuer and that consequently could have an adverse effect on the Issuer's economic results and its ability to meet its obligations under the Notes.

Any deterioration, suspension or withdrawal of the credit rating of the Issuer or the Slovak Republic could result in increased funding costs, may damage customer perception and may have other material adverse effects on the Issuer

A credit rating constitutes an opinion of Moody's Investor Service on the creditworthiness of the Issuer, i.e. an indicator of likelihood of a possible loss due to insolvency, delay in payments or incomplete payments to investors. It cannot be considered as a recommendation to buy, hold or sell the Notes or any other securities issued by the Issuer.

A credit rating agency may downgrade, suspend or withdraw the credit rating of the Issuer, in particular as a result of adverse macroeconomic developments or changes in the regulatory environment in Slovakia, company-specific developments or changes in the credit rating agency's underlying assumptions. Rating agencies also change or adjust their ratings methodologies from time to time. A credit rating may also be suspended or withdrawn if the Issuer were to terminate the agreement with the relevant rating agency or to determine that it would not be in its interest to continue to provide financial data to the rating agency. A credit rating could also be adversely affected by the soundness or perceived soundness of other financial institutions.

Downgrading of the credit rating may have a negative effect on the market price of issued and outstanding Notes. Downgrading of the credit rating may lead to a restriction of access to funds, and consequently to higher refinancing costs. Since the Issuer is also dependent on the interbank market as a refinancing source, any funding rate increase caused by a downgrade, suspension or withdrawal of a credit rating by a rating agency may restrict its access to refinancing opportunities and have a significant effect on the Issuer's earnings. In particular a rating downgrade to below investment grade might restrict investors to invest in notes issued by the Issuer, leading to a reduced funding volume. Furthermore, a rating downgrade among others, has a material effect on the Issuer's business activity, e.g. reduce deposits, derivative business, fee business (e.g. custody and guarantee business), as well as might cause a severe disruption of its client base.

Downgrading, suspension or withdrawal of the credit rating or publishing of negative information or prospects regarding the Slovak Republic as a sovereign country can also result in the increased costs or restrictions of the Issuer's funding.

The Issuer's business, capital position and results of operations have been, and may continue to be, significantly adversely affected by market risks

Market risk refers to the Issuer's specific and general risk position on the asset or liability side in relation to positions in any Issuer's transactions in notes, equity, cash, derivative and other markets. Market risk is the risk that market prices of assets and liabilities or revenues of the Issuer will be adversely affected by changes in market conditions and includes, but is not limited to changes of interest rates, credit spreads of issuers of securities, foreign exchange rates, equity and debt price risks or market volatility. Changes in interest rate levels, yield curves, rates and spreads may affect the Issuer's net interest income and margin. Changes in foreign exchange rates affect the market price of assets and liabilities denominated in foreign currencies and may affect foreign exchange trading income.

The performance of financial markets or financial conditions generally may cause changes in the market price of the Issuer's investment and trading portfolios. The Issuer's risk management systems for the market risks to which its portfolios are exposed contain measurement systems which may prove inadequate as it is difficult to predict changes in economic or market conditions with accuracy and to anticipate the effects that such changes could have on the Issuer's financial performance and business operations, in particular in cases of extreme and unforeseeable events. In times of market stress or other unforeseen circumstances, such as the extreme market conditions experienced in 2008 and 2009, previously uncorrelated indicators may become correlated, or previously correlated indicators may move in different directions. These changes in correlation can be exacerbated where other market participants are using risk or trading models with assumptions or algorithms that are similar to the Issuer's. In these and other cases, it may be difficult to reduce the Issuer's risk positions due to the activity of other market participants or widespread market dislocations, including circumstances where asset values are significantly declining or no market exists for certain assets.

To the extent that the Issuer makes investments directly in assets that do not have an established liquid trading market or are otherwise subject to restrictions on sale or hedging, the Issuer may not be able to reduce its positions and therefore reduce its risk associated with such positions. These types of market movements have at times limited the effectiveness of the Issuer's hedging strategies and have caused the Issuer to incur significant losses, which may also happen in the future.

The realisation of any market risk could have a material adverse effect on the Issuer's financial situation and results of operations and could adversely affect the Issuer's ability to meet the obligations under the Notes.

The Issuer is exposed to credit, interest and operational risk, and falling interest rate margins may have a material adverse effect on the Issuer

The Issuer is exposed to credit risk and despite applying internal measures and control mechanisms to minimise such risk and despite the fact that its activities are subject to supervision by competent authorities, there can be no assurance that adverse market developments or the consequences of erroneous decisions of the Issuer's management will not have an adverse effect on the Issuer's financial situation.

The Issuer is exposed to interest risks, since a further decline in interest rates, could have an adverse effect on the Issuer's interest income and thereby reduce its ability to generate a growing profit. Interest rates are highly sensitive to many factors beyond the Issuer's control, including inflation, monetary policies and domestic and international economic and political conditions. Decreasing interest rates often result in decreasing margins and consequently in decreasing net interest income unless compensated by an increase in customer loan volumes. The effects of changes in interest rates on the Issuer's net interest income depend on the relative amounts of assets and liabilities that are affected by the change in interest rates. Reductions in interest rates and margins may not affect the Issuer's refinancing costs to the same extent as they affect interest rates and margins on loans granted by the Issuer, because a credit institution's ability to make a corresponding reduction in the interest rate and margin it pays to its lenders is limited, in particular when interest rates on deposits are already very low. Additionally, legal provisions may lead to restrictions on charging negative interest rates on deposit accounts and credit customers may be motivated due to low or negative interest rates to do a full repayment of their debts (e.g. loans with fixed interest rates) without any cost charging. As a result of the above, interest rate fluctuations and, in particular, decreasing interest rate margins could negatively affect the Issuer's net interest income and have a material adverse effect on the Issuer's ability to meet the obligations under the Notes.

The Issuer is also exposed to operational risks, such as the risk of a loss resulting from the failure or inadequacy of internal processes or systems or from external events. The Issuer is exposed to, inter alia, the risk of fraud by employees or third parties, including the risk of unauthorised transactions and operational errors, administrative errors and errors regarding data storage and errors resulting from the failure of information technology or telecommunications systems. Considering the high volume of transactions performed by the Issuer, misuse or errors may occur or be repeated before they are discovered or rectified. Any inadequacy of the Issuer's internal processes or systems in detecting or containing such risks may result in unauthorised transactions or errors which may have a material adverse effect on the Issuer's business, financial position, results of activities and prospects.

The Issuer may experience deterioration in credit quality, in particular as a result of financial crises or economic recessions or increased interest rates; The Issuer might suffer losses as a result of the actions of or deterioration in the commercial soundness of its borrowers and counterparties (credit risk/counterparty risk)

Credit risk refers to the commercial soundness of a counterparty (e.g. borrower or another market participant contracting with the Issuer) and the potential financial loss that such market participant may cause to the Issuer if it could not meet its contractual obligations vis-à-vis the Issuer. In addition, the value of the provided security and the Issuer's ability to satisfy itself from that security have an impact on the Issuer's credit risk.

The Issuer is and may continue to be exposed to the risk that its borrowers may not repay their loans according to their contractual terms, that the security or income stream securing the payment of these loans may be insufficient or that legislation may be adopted which will impose fixed exchange rates for loans in foreign currencies.

The Issuer is exposed to the counterparty risk, particularly as regards its lending activities to retail and corporate customers. This exposes the Issuer to the risk of counterparty defaults, which have historically been higher during periods of economic downturn.

Potential deterioration in the credit quality provided by the Issuer and increases in non-performing loans may result in increased risk costs for the Issuer. Its risk costs are based on, inter alia, its analysis of current and

historical probabilities of default and loan management methods and the valuation of underlying assets and expected available income of clients, as well as other management assumptions. The Issuer's analyses and assumptions may prove to be inadequate and may result in inaccurate predictions of credit performance.

In the ordinary course of its business, the Issuer is exposed to a risk of non-performance by counterparties in the financial services industry. This risk can arise through trading, lending, deposit-taking, derivative business, repos and securities lending transactions, clearance and settlement and many other activities and relationships with institutional clients.

Defaults by, or even concerns about potential defaults or a perceived lack of creditworthiness of, one or more financial institutions, or the financial industry generally, have led and could lead to significant market-wide liquidity problems, losses or defaults by other financial institutions as many financial institutions are inter-related due to trading, funding, clearing or other relationships. This risk is often referred to as "systemic risk" and it affects credit institutions and all different types of intermediaries in the financial services industry. In addition to its other adverse effects, the materialisation of systemic risk could lead to an imminent need for the Issuer and other credit institutions in the market to raise additional liquidity or capital while at the same time making it more difficult to do so. Systemic risk could therefore have a material adverse effect on the Issuer's business, financial condition, results of operations, liquidity and prospects.

The issuer creates reserves for potential losses arising from default by a counterparty or credit risk. Should actual credit risk exceed current estimates on which the Issuer has based net allocations to provisioning, the Issuer's loan loss reserves could be insufficient to cover losses. This would have a material adverse impact on the Issuer's financial position and results of operations and could affect the Issuer's ability to meet the obligations under the Notes.

New regulatory requirements and changes in particular regarding sufficient capitalisation and debt ratios could lead to increased capital requirements and reduced profitability of the Issuer

In response to the global financial crisis and the European sovereign debt crisis, a number of initiatives relating to the regulatory requirements applicable to European credit institutions, including the Issuer, have been (and are currently being) implemented, adopted, or developed. These include the following:

(a) **new requirements and changes regarding adequate capitalisation**

In response to the financial crisis in Europe, the European banking sector has become subject to significant new regulations. The key document is the CRR/CRD IV package (Capital Requirements Directive and Regulation) virtue of which the European Commission adopted the standards of the Bank for International Settlements known as Basel III. The CRD IV regulates the capital requirements of banks and introduced the maintenance of "capital buffers" and new requirements regarding liquidity, leverage and other risks of banks.

(b) **bank recovery and resolution legislation**

Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (Bank Recovery and Resolution Directive) (the **BRRD**) should also contribute to the stability of the banking sector. The stress tests by the ECB, first conducted in 2014, and the European Banking Authority also have a significant effect on the banking sector. BRRD was implemented in the Slovak Republic by Act No. 371/2014 Coll. on the resolution of crisis situations on the financial market, as amended (the **Crisis Situation Resolution Act**). This act provides a framework for the recovery and resolution of the credit institutions' crisis situations and, *inter alia*, requires the institutions to prepare "recovery plans" setting out certain agreements and measures that can be used in the event of a substantial deterioration in the financial institution's position to restore its viability from a long-term perspective. Moreover, the institutions must always meet the minimum requirements for own funds and eligible liabilities

(the **MREL**). Measures taken under the Crisis Situation Resolution Act may also have an adverse effect on debt instruments, including the Subordinated Notes, Senior Non-preferred Notes and, in certain circumstances, Senior Notes issued by the Issuer under the Programme. In particular, on the basis of a resolution body's decision, these Notes may be subject to write-offs or conversion if a trigger event occurs. This may cause the Holders to lose part or all of the investment in the Notes (legal absorption of losses) (see also the risk factor *Legal regulation of recovery and resolution of the bank's crisis situations*).

(c) **Single Resolution Mechanism for European Banks**

The single resolution mechanism (the SRM), which has been in place since January 2016, is one of the pillars of the Banking Union, alongside the single supervision mechanism (the SSM) and a common deposit protection system (which is still only under discussion). Its role is to centralise the key competencies and resources for managing the credit institution's failure in the participating Member States of the Banking Union. Under the SRM, the Single Resolution Board is primarily responsible for resolving crisis situations in close cooperation with the ECB, the European Commission and the national crisis resolution authorities in the event of a default (or potential default) of the Issuer as a significant subject under the direct supervision of the ECB if a trigger event occurred. This may cause the Holders to lose part or all of the investment in the Notes (legal absorption of losses).

The SRM is governed by: (i) Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (Single Resolution Mechanism Regulation) (the **SRM Regulation**) covering the main aspects of the mechanism and broadly replicating the BRRD rules on the recovery and resolution of credit institutions; and (ii) an intergovernmental agreement related to some specific aspects of the SRF (Single Resolution Fund).

(d) **EU Banking Reform Package of the European Commission and the European Council**

On 23 November 2016, the European Commission published proposals for the revision of the CRD IV and the CRR as well as of the BRRD and the SRM Regulation. The proposal builds on existing EU banking rules and aims to complete the regulatory agenda of the European Commission after the end of the global financial crisis and the Eurozone debt crisis. The proposals in their latest available version of February 2019 contain the following key elements: (i) more risk-sensitive capital requirements, in particular in the area of market risk, counterparty credit risk, and for exposures to central counterparties; (ii) a binding leverage ratio to prevent institutions from excessive leverage; (iii) a binding net stable funding ratio to address the excessive reliance on short-term wholesale funding and to reduce long-term funding risk; and (iv) the total loss absorbing capacity (the **TLAC**) requirement for global systemically important banks and other credit institutions. The insolvency ranking of unsecured debt instruments was also amended to facilitate credit institutions' issuance of such loss absorbing debt instruments. Directive (EU) 2017/2399 amending the BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy was published in the Official Journal of the EU on 27 December 2017 and had to be transposed into national law by the Member States by 29 December 2018. Senior Non-preferred Notes are just such a type of instrument lower in the hierarchy. As a result of these changes, it is currently not possible to draw any clear conclusions regarding the impact on the potential future capital requirements and the Issuer's profitability.

(e) **MREL**

In order to ensure the effectiveness of bail-in and other tools for resolution of crisis situation introduced by the BRRD, the banking regulation requires that all institutions must meet an individual Minimum Requirement for own funds and Eligible Liabilities (the so-called “MREL”) to be calculated as a percentage of total liabilities and own funds and to be set by the relevant resolution authorities.

In this regard, the European Commission issued a Delegated Regulation supplementing the BRRD, which specifies the current criteria for setting MREL (the **MREL Delegated Regulation**). The MREL Delegated Regulation requires each resolution authority to make a separate determination of the appropriate MREL requirement for each group or institution within its jurisdiction, depending on the institution’s resolvability, risk profile, systemic importance and other characteristics.

As of the date of this Prospectus, no binding MREL target has been set for the Issuer.

While the general goal of these proposals is now well understood, the exact amendments that will be introduced, the timing of their introduction and consequently the precise impact on the Issuer are not yet clear.

It is possible that the Issuer will have to issue additional eligible liabilities to meet additional requirements that will qualify for the MREL, including Subordinated Notes and Senior Non-preferred Notes.

(f) **Regulatory framework for investment services and regulated markets**

The regulatory framework for investment services and regulated markets is updated by Directive 2014/65/EU on Markets in Financial Instruments, as amended (**MiFID II**) and related European and national legislation and applies since 3 January 2018. Due to increased regulatory requirements, there are also increased costs for the Issuer. As many issues with regard to the application of these changes currently remain unclear in practice, the full impact of MiFID II on the Issuer cannot be determined with accuracy.

Stricter and/or new regulatory requirements may be adopted in the future, and the existing regulatory environment continues to evolve. Any such regulatory development could result in requirements for increasing the Issuer’s capital which may increase the Issuer’s financial costs and could have an effect on the Issuer’s profitability. In addition, regulatory developments may expose the Issuer to additional costs and liabilities which may require the Issuer to change its business strategy or otherwise have a negative impact on its business, the offered products and services as well as the value of its assets. There can be no assurance that the Issuer would be able to increase its eligible capital (or, thus, its capital ratios) sufficiently or on time. If the Issuer is unable to increase its capital ratios sufficiently and/or comply with other regulatory requirements, its credit ratings may drop and its cost of funding may increase, and/or the competent authorities may impose fines, penalties or other regulatory measures. The occurrence of all such consequences could have a material adverse effect on the Issuer’s business, financial condition and results of its operations.

The Issuer may not be able to meet the minimum requirement for own funds and eligible liabilities

Within the SRM, each institution must ensure that it always meets the MREL requirement. Such minimum requirement currently shall be determined by the resolution authority and shall be calculated as the amount of own funds and eligible liabilities expressed as a percentage of the total liabilities and own funds of the institution. The scope, calculation and composition of the MREL is currently under review. There is a risk that in the future, the Issuer may not be able to meet the MREL requirement which could result in higher refinancing costs, regulatory measures and, if resolution measures were imposed on the Issuer, could

significantly affect its business operations, could lead to losses for its creditors (including the Holders of the Notes) and could have an adverse effect on the Issuer's ability to make payments on the Notes.

Adjustments to the business profile of the Issuer may lead to changes in its profitability

Adjustments of the business profile to meet increasing capital requirements or other business needs may include the attempt to sell assets including existing subsidiaries of the Issuer. No assurance can be provided that suitable opportunities for disposals will be identified in the future, or that the Issuer will be able to complete such disposals on favourable terms or at all. Such disposals may prove difficult in the market environment as many of the Issuer's competitors may also seek to dispose of assets. This may have a material adverse effect on the Issuer's ability to meet the obligations under the Notes.

The Issuer's ability to meet the obligations under the Notes depends in particular on its financial strength which in turn is influenced by its profitability

The following factors may have an adverse effect on the Issuer's profitability:

- (a) **Consumer Protection.** Changes in consumer protection laws and their application and interpretation as well as the more aggressive enforcement of such laws by consumers, regulatory authorities and consumer protection agencies can adversely affect the pricing terms of the Issuer's loans and other products and services and may allow consumers to reclaim fees, interest and principal payments previously paid (see also the risk *Changes in consumer protection laws and the application or interpretation of such laws might limit the fees and other pricing terms and conditions that the Issuer may charge for certain banking services and might also allow customers to claim back some of those fees already paid in the past*).
- (b) **Project Risk.** The Issuer carries out complex projects, inter alia, in the context of regulatory/legal requirements and business development bearing the risk of not fully achieving the projected targets in terms of effectiveness and efficiency but also with regards to strategic and business ambition. This might potentially increase costs of implementation and operations on one hand and the number of missed profitability targets on the other hand. Regulatory or legal non-compliance due to materialised project risk might additionally result in severe penalties.
- (c) **Issuer's Dependence on Client Deposits.** One of the main sources of financing of the Issuer is deposits of clients. The ongoing availability of deposits to fund the Issuer's loan portfolio is subject to potential changes in factors outside the Issuer's control, such as, inter alia, increased competition from other credit institutions for deposits, depositors' concerns regarding either the economy in general, the financial services industry or the Issuer, rating downgrades and the availability and extent of deposit guarantees (see also the risk *Competition on the Slovak banking market*).
- (d) **Deteriorating Asset Valuations and Impairments of Collateral.** The Issuer is exposed to the risk of deteriorating asset valuations resulting from poor market conditions and impairments of collateral securing loans provided by the Issuer (see also the risk *The Issuer is exposed to the risk of decline in the value of real estate used as collateral to cover the Issuer's receivables*).
- (e) **Competition.** Rising levels of competition may result in the narrowing of net interest margins and lower profitability. The consolidation of the worldwide financial services sector creates competitors with extensive product and service portfolios, which may have better access to liquidity or the ability to provide services at lower prices than the Issuer. Large competitors may expand or further expand their presence in the market in the Slovak Republic. Some groups of customers, such as multinational clients, may find these competitors more attractive than the Issuer.

- (f) **Operational Risk.** Although the Issuer is analysing operational risks on a frequent basis, it may suffer significant losses as a result of operational risk, i.e. the risk of loss due to inadequate or failed internal processes or due to external events. Inadequate or failed internal processes include without limitation unauthorised actions, theft or fraud by employees, clerical and record keeping errors, business interruption and information systems malfunctions or manipulations or model risks (e.g. valuation of assets/liabilities, in terms of liquidity or market risks). External events include, without limitation, earthquakes, riots or terrorist attacks, bank robberies, fraud by outsiders and equipment failures, whether deliberate, accidental or natural (see also the risk *The Issuer's risk management strategies and internal control procedures may expose it to unidentified or unanticipated risks* and the risk *Any failure of the Issuer's information systems, interruption of their activities or security and any failure to update such systems may result in lost business and other losses*).
- (g) **M&A Risks.** In connection with mergers, acquisitions and investments, the Issuer is exposed to previously unidentified risks and to the risk that expenses may arise.
- (h) **Litigation.** The Issuer operates in an increasingly litigious environment, potentially exposing it to liability and other costs, the amounts of which cannot be estimated and may adversely influence the results of operations (see also the risk *Litigation risk*).
- (i) **Risk Management.** The Issuer's risk management strategies and its implementation may not always be effective in identifying and assessing all risks and reducing the potential for significant losses (see also the risk *The Issuer's risk management strategies and internal control procedures may expose it to unidentified or unanticipated risks*).
- (j) **IT Systems.** The Issuer is dependent on complex information technology systems and relies heavily on such systems to conduct its business. Risks include, inter alia, the proper functioning and proper setup of the systems as well as correct data entries and result interpretation (see also the risk *Any failure of the Issuer's information systems, interruption of their activities or security and any failure to update such systems may result in lost business and other losses*).
- (k) **Conflicts of Interest.** The Issuer is exposed to risks in connection with potential conflicts of interest due to various business or personal relationships. As a regulated entity, the Issuer manages this risk in accordance with the law, but the possible adverse effect in this area cannot be completely excluded.
- (l) **Capital Risk.** The Issuer must respect certain levels of own funds (capital) for the purposes of internal and regulatory capital adequacy. As more advanced risk quantification models are used for quantifying the minimum required amount of capital, capital requirements typically also become more volatile. Furthermore, the composition of capital incorporates certain risks, reflecting eligibility rules. In particular, some types of capital might become ineligible or could not be eligible due to applicable regulatory rules. Therefore, capital risk can influence the Issuer's ability to achieve its business targets. If no additional own funds could be raised when needed, a reduction of the overall risk position would be a main option in the case of a capital shortage. This can limit the growth of the Issuer and reduce its earnings in the future.
- (m) **Risk of Property Owned by the Issuer.** Although a major part of the Issuer's assets stem from financial instruments including loans, securities or money market positions, a specific part of the Issuer's consist of owned properties including buildings, suspense accounts and other tangible assets. The permanent decline in the market prices of real property owned by the Issuer or other assets may also affect the Issuer's profit.

- (n) **Settlement Risk.** Potential losses due to settlement risks arise from the time-lag between the dates of the exchange of cash, securities, or assets respectively. A counterparty might not deliver a security or its value in cash after the Issuer has already paid or delivered securities as per agreement (credit risk) or the counterparty will fulfil the respective value later on (liquidity risk). Furthermore, a delay in the settlement of the transaction may lead to trading losses due to the fact that the value of the underlying asset changed. In ordinary market environments, such losses are generally low. However, in stressed market conditions, such losses may increase liquidity risks and may lead to higher losses for the Issuer.

The Issuer is exposed to the risk of decline in the value of real estate used as collateral to cover the Issuer's receivables

Commercial and residential real estate prices have declined in the past reflecting economic uncertainty. Developers were forced to cease or delay the development of planned projects due to a lack of customers, or as a result of declining values of real estate used as security they were unable to obtain financing for the development of these projects. These circumstances resulted in a decline of residential and commercial real estate prices. Although the current real estate market in the Slovak Republic appears to be stable, the Issuer's commercial and residential loan portfolios may suffer losses if property values decline in the future or, if as a result of deficiencies in the collateral management, the value of the security proves to be insufficient. The potential increasing unemployment rate could also lead to an increased number of non-performing loans and losses arising from commercial and consumer loans unrelated to real estate. If these risks were to materialise, it could have an adverse effect on the Issuer's business, financial position, results of activities and prospects.

Abovementioned risk concerns generally the value of the real estate mortgages established in favour of the Issuer as a bank creditor to secure repayment of the loans extended by it.

Potential decline of residential real estate prices may specifically affect value of the cover pool and the cover ratio in the case of the Covered Notes. However, pursuant to the statutory requirements, the cover ratio cannot fall below 105% of the value of the covered liabilities (see also the risk *In exceptionally adverse Issuer's bankruptcy situation the cover pool assets may not be sufficient to fully cover all liabilities under the Covered Notes*).

Competition on the Slovak banking market

The Issuer faces competition from other banking entities offering similar services as the Issuer. If the Issuer fails to succeed in this competition, the results of its activities may be adversely affected. The Issuer faces strong competition in Slovakia from other major Slovak banks owned by major international groups and several local players. As a result of this competition, in particular in the retail segment and the current low interest rate environment, net interest margins have historically been very low. Failure to maintain net interest margins at current levels may have a significant negative impact on the Issuer's financial condition and results of operations.

Issuer's ability to compete effectively will depend on the ability of its businesses to adapt quickly to market and industry trends. If the Issuer fails to compete effectively, or if governmental action in response to financial crises or economic downturns results in it being placed at a competitive disadvantage, the Issuer's business, financial condition and results of operations may be adversely affected.

The Issuer's growth may be limited by the growth of the banking market

The Issuer maintains its leading position on the Slovak banking market. With regard to the financial and economic crisis that have hit individual Eurozone states, no assurances can be given that the market conditions will develop favourably for the Issuer, which may lead to the slower or suspended growth of the Issuer and the deterioration in its economic results.

Litigation risk

Despite the fact that the Issuer is not aware that it may be a party to any administrative, legal or arbitration proceedings that may have or recently have had a significant effect on its financial position or profitability, it is possible that in the future it could become a party to litigation or proceedings that may have an adverse effect on its economic results.

The Issuer's risk management strategies and internal control procedures may expose it to unidentified or unanticipated risks

The Issuer's risk management techniques and strategies have not and may not be fully effective in mitigating the Issuer's risk exposures in all economic market conditions and environments or against all types of risks, including risks that it fails to identify or anticipate. Furthermore, regulatory audits or other regular reviews of the risk management procedures and methods have and may reveal weaknesses or deficiencies in the Issuer's risk management systems. Some of the Issuer's quantitative tools and metrics for risk management are based on its use of observed historical market behaviour. The Issuer applies statistical and other tools to these observations to arrive at quantifications of risk exposures. During the recent financial crisis, the financial markets experienced unprecedented levels of volatility (rapid changes in prices) and the disruption of historically observed correlations (the extent to which prices move in tandem) across asset classes due to extremely limited liquidity. In this volatile market environment, the Issuer's risk management tools and metrics failed to predict some of the losses it experienced and under similar conditions of market disruption may fail to predict future important risk exposures. In addition, the Issuer's quantitative modelling does not take all risks into account and is based on numerous assumptions regarding the overall environment, which may or may not prove to be correct. As a result, risk exposures have arisen and could continue to arise from factors not anticipated or incorrectly evaluated in the Issuer's statistical models.

This has limited and could continue to limit the Issuer's ability to manage its risks in light of the ongoing sovereign debt crisis in several European countries, the outcomes of which are currently unforeseeable. If such circumstances arise that the Issuer did not identify, anticipate or correctly evaluate in developing its statistical models, its losses could be higher than the maximum losses envisaged under its risk management systems. Furthermore, the quantifications do not take all risks or market conditions into account. If the measures used to assess and mitigate risks prove insufficient, the Issuer may experience material unanticipated losses, which could have a material adverse effect on its business, financial position and results of activities.

The Issuer may have difficulty recruiting or retaining qualified employees

The Issuer's existing activities and competitiveness on the Slovak market depend on its ability to retain existing employees and to identify and recruit additional individuals who are not only familiar with the local market conditions, but also have the necessary qualifications and level of experience in banking. On the Slovak market, on which the Issuer operates, the pool of individuals with the required set of skills is smaller than in most Western European countries. Increasing competition for qualified employees from other financial institutions may also make it more difficult for the Issuer to attract and retain qualified employees and may lead to rising labour costs in the future.

Moreover, caps or other restrictions under applicable banking regulations are imposed (or may be tightened in the future) on salaries or bonuses paid to certain employees of the Issuer or its subsidiaries. These regulatory restrictions may limit the Issuer's ability to hire and retain high-quality employees and could result in losses of qualified employees. If the Issuer is unable to attract and retain new talented employees or if competition for

qualified employees increases its labour costs, this could have a material adverse effect on the Issuer's financial position and results of activities.

Any failure of the Issuer's information systems, interruption of their activities or security and any failure to update such systems may result in lost business and other losses

The Issuer heavily relies on information systems when conducting its business activities. Any failure or interruption of their operation or breach in the security of these systems could result in failures or interruptions in its risk management, general ledger, deposit management or loan origination systems. If the Issuer's information systems, including its back-up systems, were to fail, even for a short period of time, its plans for resumption and continuation of activities prove ineffective, it could be unable to satisfy some customers' needs on a timely basis and could thus lose them.

Likewise, a temporary shutdown of the Issuer's information systems could result in costs that are required for information retrieval and verification. There can be no assurances that such failures or interruptions will not occur or that the Issuer can adequately address them if they do occur.

In light of the above, the occurrence of such failures or interruptions could have a material adverse effect on the Issuer's business, financial position, results of activities and prospects. In addition, there can be no assurances that the rollout or implementation of any new systems or processes will provide the desired benefit to the Issuer's business, or will not involve failures or business interruptions that could have a material adverse effect on its business, financial position, results of activities and prospects. To a limited extent, the Issuer has outsourced certain IT services to external service providers and may in the future expand the scope of outsourcing arrangements in order to optimise its cost structure and increase flexibility. The unsatisfactory quality of the external providers' services could increase or exacerbate risks associated with the failure or interruption of its information systems and result in additional operational deficiencies or reputational risk.

Compliance with anti-money laundering and anti-terrorism financing regulations involves significant costs and efforts and non-compliance with them may have severe legal and reputational consequences

The Issuer is the obliged person pursuant to applicable legal regulations regarding anti-money laundering and anti-terrorism financing (the AML). Legal regulations regarding AML issues have been tightened in recent years in particular as a result of the implementation of the Fourth Anti-Money Laundering Directive, Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing. Monitoring compliance with AML rules can result in a significant financial burden on banks and other financial institutions and can pose significant technical problems. Despite the implementation of any applicable legal regulations regarding the AML, the Issuer cannot guarantee that it is in compliance with all applicable AML rules at all times and that the AML policy and standards applied by the RBI Group are being consistently applied by its employees in all circumstances. Any violation of the AML rules or even alleged violations of these rules may have severe legal, monetary and reputational consequences and could have a material adverse effect on the Issuer's business, financial position and results of activities.

Changes in consumer protection laws and the application or interpretation of such laws might limit the fees and other pricing terms and conditions that the Issuer may charge for certain banking services and might also allow customers to claim back some of those fees already paid in the past

Changes in consumer protection laws or the interpretation of consumer protection laws by courts or governmental authorities could limit the fees that the Issuer may charge for the provision of some of its products and services and thereby result in lower commission income. Moreover, as new laws and amendments to existing laws are adopted, these laws may be interpreted inconsistently or applied or changed or interpreted in a manner that is more restrictive. The Issuer has been a party to a number of civil and regulatory proceedings initiated by customers, administrative authorities or consumer protection agencies and associations. The legal proceedings mainly relate to allegations that certain contractual provisions, particularly in respect of consumer loans, violate mandatory consumer protection laws and regulations. These allegations relate to the enforceability of certain fees as well as contractual provisions for the adjustment of interest and

currency exchange rates. Moreover, any such changes in consumer protection laws or the interpretation of such laws by courts or governmental authorities could impair the Issuer's ability to offer certain products and services or to enforce certain contractual provisions and reduce the Issuer's net commission income and have an adverse effect on the results of its operations.

Risk of changes in the tax framework, in particular regarding bank tax and the introduction of a financial transaction tax

The future development of the Issuer's assets, financial and profit position, inter alia, depends on the tax framework. Every future change in legislation, case law and the administrative procedures and practice of tax authorities and other relevant public authorities may have an adverse effect on the Issuer's assets, financial and profit position.

The Issuer is subject to a bank levy pursuant to Act No. 384/2011 Coll. on Special Levy of Selected Financial Institutions, Amending and Supplementing Certain Acts, as amended (the **Special Levy Act**). The amount of the Issuer's liabilities reported in the balance sheet less the amount of equity constitutes the base for the calculation of the levy, if this value is positive, less the value of long-term funds provided to a branch of a foreign bank, and less the amount of the subordinated debt pursuant to a special regulation. Under the Special Levy Act, the levy rate for the years 2017 to 2020 is 0.2%.

Pursuant to the proposal for a Council Directive implementing enhanced cooperation in the area of financial transaction tax (the **Proposal**), ten EU Member States, i.e., Austria, Belgium, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (the **Participating Member States**) intend to collect a financial transaction tax (the **FTT**) on financial transactions as defined in such Proposal if at least one party to the transaction is established in the territory of a Participating Member State and a financial institution established in the territory of a Participating Member State is a party to the transaction, acting either for its own account or for the account of another person, or is acting in the name of a party to the transaction (residence principle). Financial transactions related to derivative contracts shall be taxed at a minimum rate of 0.01% of the principal amount referred to in the derivative contract. All other financial transactions (e.g. the purchase and sale of shares, notes and similar securities, money market instruments or units in collective investment undertakings) shall be taxed at a minimum rate of 0.1%, while the taxable amount will be everything which constitutes a consideration paid or owed from the counterparty or a third party in connection with this transaction. The planned deadline for the FTT introduction has been postponed several times in the past, and it is currently not clear either whether the FTT will be introduced in the proposed form, or at all. If the FTT is introduced, there is a risk that the higher costs for investors would result in fewer transactions and negatively affect the earnings of the Issuer.

Legal regulation of recovery and resolution of the bank's crisis situations

Measures taken under the Crisis Situation Resolution Act may also have an adverse effect on debt instruments, including the Subordinated Notes, Senior Non-preferred Notes and, in certain circumstances, Senior Notes issued by the Issuer under the Programme. In particular, on the basis of a resolution body's decision, these Notes may be subject to write-offs if a trigger event occurs. This may cause the Holders to lose part or all of the investment in the Notes (legal absorption of losses). Any partial or total write-off or conversion of the principal amount or unpaid interest of the Notes will not under legal regulation of the capitalisation instruments (*bail-in*) or the write-off and conversion constitute an event of breach of the Notes. This means that any amounts written off or converted in this manner will be irrevocably lost and the Holders will lose any claims arising therefrom, regardless of whether or not the financial position of the Issuer will be renewed.

In addition, the resolution body has the power to impose a number of other measures, the exercise of which could substantially affect the Issuer's ability to meet the obligations under the Notes or fulfil the value of the Notes, for example:

- the power to transfer the rights, assets or obligations of the Issuer (including the Notes) to another company;

- the power to reduce, including a reduction to zero, the principal amount or unpaid amount of the Issuer's eligible liabilities (including liabilities under the Notes, with the exception of Covered Notes);
- the ability to convert the Issuer's eligible liabilities (including liabilities under the Notes, with the exception of Covered Notes) into ordinary shares or other equity instruments of the Issuer, relevant parent institution or bridging institution into which the assets, rights and liabilities are transferred;
- the power to cancel the Notes (other than the Covered Notes) as debt instruments issued by the Issuer;
- the power to require the Issuer or the parent company concerned to issue new shares or other equity instruments;
- the power to change the maturity of the Notes or the date of payment and the amount of interest on the Notes (other than the Covered Notes).

Exercising these powers of the resolution body is highly unpredictable and any proposal or expectation of such exercise could materially affect the market price of the Notes.

The majority interest in the Issuer is owned by a sole shareholder and risks related to the business of the RBI Group might have a material adverse effect on its business

The Issuer is a member of the RBI Group and majority interest in it is owned and controlled by a sole shareholder. Risks related to the business of the RBI Group and the markets on which it operates may have a material adverse effect on the Issuer; they include, inter alia, the following:

- (a) The RBI Group is subject to concentration risk with respect to geographic regions and client sectors;
- (b) The RBI Group has been and may continue to be adversely affected by global financial and economic crises including the Eurozone debt crisis, the risk of one or more countries leaving the European Union or the Eurozone and other negative macroeconomic and market environments and may further be required to make impairments on its exposures;
- (c) The RBI Group operates in several markets which are partially characterised by an increased risk of unpredictable political, economic, legal and social changes and related risks, such as exchange rate volatility, exchange controls/restrictions, regulatory changes, inflation, economic recession, local market disruptions, labour market tensions, ethnic conflicts and economic disparity;
- (d) Any appreciation of the value of any currency in which foreign-currency loans are denominated against CEE currencies or even a continuing high value of such a currency may (also retroactively) deteriorate the quality of foreign currency loans which the RBI Group has granted to clients in CEE and also raises the risk of new legislation actions as well as regulatory and/or tax measures and/or challenges in litigation proceedings detrimental to the RBI Group;
- (e) Developing legal and taxation systems in some of the countries in which the RBI Group operates may have a material adverse effect on the Issuer;
- (f) In certain of its markets, the RBI Group is exposed to a heightened risk of government intervention;
- (g) The RBI Group's liquidity and profitability would be significantly adversely affected should the RBI Group be unable to access the capital markets, to raise deposits, to sell assets on favourable terms, or if there is a strong increase in its funding costs (liquidity risk);
- (h) Any deterioration, suspension or withdrawal of one or more of the credit ratings of a member of the RBI Group could result in increased funding costs, may damage client perception of the RBI Group and may have other material adverse effects on the RBI Group;

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- (i) The RBI Group's business, capital position and results of operations have been, and may continue to be, significantly adversely affected by market risks;
- (j) Hedging measures might prove to be ineffective. When entering into unhedged positions, the RBI Group is directly exposed to the risk of changes in interest rates, foreign exchange rates or prices of financial instruments;
- (k) Decreasing interest rate margins may have a material adverse effect on the RBI Group;
- (l) The RBI Group has suffered and could continue to suffer losses as a result of the actions of or deterioration in the commercial soundness of its borrowers, counterparties and other financial services institutions (credit risk/counterparty risk);
- (m) Adverse movements and volatility in foreign exchange rates had and could continue to have an adverse effect on the valuation of the RBI Group's assets and on the RBI Group's financial condition, results of operations, cash flows and capital adequacy;
- (n) The relevant members of the RBI Group shall contribute to the joint resolution fund and to the deposit guarantee schemes funds. Changes of the contributions can lead to additional financial burdens for the RBI Group and thus, adversely affects the financial position of the RBI Group and the results of its business, financial condition and results of operations;
- (o) The RBI Group may be required to finance or participate in governmental support programs for credit institutions or finance governmental budget consolidation programmes, including through the introduction of banking taxes and other levies;
- (p) New governmental or regulatory requirements and changes in perceived levels of capital adequacy and leverage could lead to increased capital requirements and reduced profitability for the RBI Group;
- (q) A member of the RBI Group may not be able to meet the minimum requirement for own funds and eligible liabilities;
- (r) Adjustments to the business profile of a member of the RBI Group may lead to changes in its profitability; and
- (s) Compliance with applicable rules and regulations, in particular on anti-money laundering and anti-terrorism financing, anti-corruption and fraud prevention, sanctions, tax as well as capital markets (securities and stock exchange related), involve significant costs and efforts and non-compliance may have serious legal and reputational consequences for the RBI Group.

2.2 Risk factors related to the Notes

Risk factors which could be material for the Notes and the assessment of market risks related thereto are provided below. No assurances can be given that in addition to the risk factors described below no other facts exist which could have an effect on the Notes and related risks.

The Notes may not be a suitable investment for prospective investors, and each prospective investor in the Notes must consider the suitability of that investment in light of its own circumstances and should:

- (i) have sufficient skills and experience to make an appropriate evaluation of the Notes, risks related to them and information contained (or incorporated by reference) in the Prospectus, the Final Terms and in the relevant Summary of the Issue (if applicable);*
- (ii) have knowledge of and access to appropriate analytical tools to evaluate investments in the Notes and be able to evaluate the effect of the investment in the Notes on its financial situation and/or its overall investment portfolio, always in the context of its particular financial situation;*
- (iii) have sufficient financial resources and liquidity to bear all the risks related to the investment in the Notes, including the potential volatility of the value of the Notes;*
- (iv) fully understand the relevant terms and conditions of the Notes (including the relevant Final Terms) and be familiar with the functioning of the relevant indices and financial markets; and*
- (v) be able to evaluate (either alone or in cooperation with its financial advisor) possible scenarios of development of the economy, interest rates and other factors that may affect its investment and its ability to bear relevant risks.*

Issuer risk

Holders of the Notes are exposed to the credit risk and other Issuer risk. Such risk means the risk of the Issuer becoming either temporarily or permanently insolvent which means that the Issuer may become partially or fully unable to pay the yield and/or repay the principal amount of the Notes under their terms and conditions when they fall due. In such event a total loss of all capital invested cannot be excluded. The risks associated with the Issuer are described in detail in Article 2.1 (Risk factors associated with the Issuer and the Issuer's Group) above.

Prospective investors should be able to comprehend and assess the historical financial information regarding the Issuer and the information from the relevant annual audited consolidated financial statements of the Issuer including the relevant notes which form an integral part to these financial statements.

Credit spread risk

Potential investors in the Notes must be aware that the Notes bear the risk of the Issuer's credit spread, which may increase during the life of the Notes, resulting in a decrease in the price of the Notes. Factors affecting the credit spread include, inter alia, the Issuer's creditworthiness and rating, probability of default, potential loss in the event of a default and the remaining term to maturity of the Notes. The liquidity rate, the general level of interest rates, overall economic developments and the currency in which the Notes are denominated may also have a positive or negative effect.

Absence of independent calculation agent and paying agent, risk of a potential conflict of interest

With regard to the Notes, the Issuer may act in different capacities, such as a calculation and paying agent (administrator) that enables the Issuer to make calculations in respect of the Notes (e.g. the calculation of the amount of yield to be paid) which are binding for the Holders. Unless an Administrator is appointed, all calculations and payments to the Holders will normally be performed by the Issuer. Therefore, there will not be any independent calculation agent or payment administrator normally responsible for these tasks. Therefore, potential conflicts of interest may exist between the Issuer and Holders (in particular where the Issuer acts as a calculation agent), in particular with respect to certain determinations and judgements that the Issuer may

make under the Terms and Conditions of the Notes that may influence amounts receivable by the Holders under the Terms and Conditions of the Notes. This is in line with prevailing market practice for debt issuances by Slovak credit institutions in the domestic Slovak market and the Issuer has taken steps to prevent potential conflicts of interests in accordance with the applicable law. However, investors should be aware that they cannot rely on any impartial agents – third parties – if an Administrator is not appointed. This fact may affect the value of the Notes.

No early maturity in the event of non-fulfilment of the Issuer's obligations, no joint representative

Pursuant to the terms of the Notes and in line with the prevailing market practice for debt issuances by Slovak credit institutions in domestic Slovak market, a default on Issuer's obligations under the Notes will not cause the early maturity (acceleration) of Issuer's obligations owed to the Holders of the Notes or the right of the Holders of the Notes to claim early redemption of the Notes. In the case of a payment default by the Issuer, the Holders of the Notes will have a right to sue the Issuer for payment, and in the case of the Covered Notes, they will also have the right to separate satisfaction in respect of the assets in the cover pool in potential execution proceedings. However, the Holder will not have the right to demand early redemption of the full principal amount. A default by the Issuer may trigger convening of the meeting of the Holders of the Notes, but there is no common representative of the Holders of the Notes and each Holder will generally have to enforce its rights against the Issuer individually.

Risk of financial benchmark and reference rate continuity

The Notes with a floating interest rate are usually volatile investments. The Holder of the Notes with a floating interest rate is exposed to the risk of interest rate fluctuations and uncertain interest income. As a result of interest rate fluctuations, it is not possible to determine in advance the yield on the Notes with a floating interest rate. If the Notes with a floating interest rate are structured so as to include so-called "caps" (i.e. the maximum interest rate), the so-called "floors" (i.e. the minimum interest rate), or any combination thereof or other similar related elements, their market price may change more than the market price of the Notes with a floating interest rate that do not include those elements. The effect of the "cap" is that the amount of interest never rises above and does not exceed a predefined threshold, so the Holder will not be able to benefit from any current advantageous development above the specified threshold. For this reason, the yield may be significantly lower than on the similar Notes with a floating interest rate without the "cap".

Interest on the Notes with a floating rate of interest will be calculated by reference to one or several specific benchmark indices or swap rates; the reference rate will be provided by a relevant administrator. The EURIBOR (Euro Interbank Offered Rate), the LIBOR (London Interbank Offered Rate,) and other interest rate indices which are deemed to be benchmarks are the subject of regulatory supervision and recent national and international regulatory recommendations and proposals for reform (such indices jointly the **Benchmarks**). Some of these reforms are already effective while others are still to be implemented. These reforms may cause such Benchmarks to perform differently than in the past, or stop to be used, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to such a Benchmark.

In May 2016, the Council of the European Union adopted the Benchmarking Regulation (Regulation (EU) No. 2016/1011). The Benchmark Regulation entered into force on 30 June 2016. Subject to various transitional provisions, the Benchmark Regulation applies from 1 January 2018, except that the regime for "critical" Benchmarks applies from 30 June 2016. According to the Benchmark Regulation, a Benchmark may only be used if its administrator obtains authorisation or is registered or in the case of an administrator which is based in a non-EU jurisdiction, if the administrator's legal benchmark system is considered equivalent (Article 30 of the Benchmark Regulation), the administrator is recognised (Article 32 of the Benchmark Regulation) or the Benchmark is endorsed (Article 33 of the Benchmark Regulation) (subject to applicable transitional provisions). The Benchmark Regulation prohibits the use of unauthorised administrators' Benchmarks. The scope of the Benchmark Regulation is wide and, in addition to so-called "critical Benchmark indices" such as EURIBOR and LIBOR, it applies to many other interest rate indices.

The Benchmark Regulation could have a material impact on Notes linked to a Benchmark, including any of the following circumstances:

- a rate or an index which is a Benchmark could not be used as such if its administrator does not obtain authorisation or is based in a non-EU jurisdiction which (subject to applicable transitional provisions) does not satisfy the equivalence conditions, is not recognised pending such a decision and is not endorsed for such purpose. In any such event, depending on the particular Benchmark and the applicable terms of the Notes, the Notes could be de-listed, adjusted, redeemed prior to maturity or otherwise impacted;
- the methodology or other terms of the Benchmark could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level; and
- fall-back provisions will apply in case a Benchmark used as a reference for calculation of amounts payable under the Notes issued under the Programme has ceased to be calculated or administered. The application of these fall-back provisions means the determination of the rate by the Issuer.

In addition to the aforementioned Benchmark Regulation, there are numerous other proposals, initiatives and investigations which may impact Benchmarks.

Any of the international, national or other proposals for reform or the general increased regulatory supervision of Benchmarks could increase the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or create certain Benchmarks, trigger changes in the rules or methodologies used in certain Benchmarks or lead to the disappearance of certain Benchmarks.

Benchmarks could also be discontinued entirely. If the Benchmark is discontinued or otherwise unavailable, the interest rate for the Notes with a floating interest rate linked to such a Benchmark will be determined by the Issuer for the relevant period. Any such consequence could have a material adverse effect on the value of and return on any such Notes.

Although it is uncertain whether or to what extent any of the above-mentioned changes and/or any further changes in the administration or method of determining a Benchmark could have an effect on the value of any Notes linked to the relevant Benchmark, investors should be aware that any changes to a relevant Benchmark may have a material adverse effect on the value of any Notes linked to such Benchmark.

Reduced yield caused by transaction costs and depositary fees

The total return of the investment in the Notes may be affected by the fees mainly related to the acquisition, purchase or sale of the Notes. Therefore, the Issuer recommends that potential investors in the Notes become familiar with the fees charged related to the holding, purchase and sale of the Notes.

Fees and transaction costs reduce the yield an investor will realise on the investment in the Notes. When Notes are purchased, several types of incidental costs (including transaction fees and commissions) may be incurred and will have to be paid by the investor in addition to the then current market price of the Note. Similarly, when a Holder sells any Notes, such incidental costs will reduce the actual price the Holder will receive for each Note sold. These incidental costs may significantly reduce or even exclude the profitability of an investment in the Notes. For instance, credit institutions as a rule charge their clients commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic managers or brokers, Holders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

Risk of using credit facility or loan to finance the purchase of the Notes

If a credit or loan is used to finance the purchase of the Notes, the costs for the credit or loan could exceed the yield on the Notes, which may result in the sale of the Notes on the secondary market for a price lower than the anticipated price, which will ultimately lead to a loss incurred by the Holder. Furthermore, if the Issuer is subsequently unable to pay any or all of the principal amounts of the Notes and related interests thereon or if the market price of the Notes diminishes significantly, the Holder may not only have to face a loss on its investment in such Notes, but it will also have to repay the credit or loan used for financing the Notes and the relevant interest thereon. Thus, the credit or loan to finance the purchase of the Notes may significantly increase the amount of a potential loss. Holders should not assume that they will be able to repay the credit or loan or pay the relevant interest thereon from the income arising from their investment in the Notes. Instead, prior to investing, the Holders should assess their financial position in order to determine whether they are able to pay the relevant interest on the credit or loan, to repay it on demand, and whether they may suffer losses instead of generating profits.

Risk of potential conflicts of interest

The Issuer may use all or part of the proceeds received from the sale of the Notes to enter into hedging transactions which may affect the value of the Notes. The Issuer believes that under ordinary circumstances such hedging transactions will not have a material effect on the value of the Notes, however, such effect cannot be ruled out. It is a standard practice for employees of financial institutions similar to the Issuer that in making transactions on their own behalf they are subject to financial instruments market regulation as well as statutory and internal compliance standards concerning transactions on their own account and market abuse. Employees and related parties may take part in the offering of securities issued by the Issuer or offerings arranged by the Issuer. Furthermore, when purchasing such products, the employee receives a discount from the value of the market price. The sales employees of the Issuer may be motivated to sell the Notes based on incentive bonuses received by them (if the sale is successful), although the remuneration of employees and conflicts of interest mitigation are subject to relevant regulation. Despite the measures adopted by the Issuer to ensure compliance with applicable laws and internal procedures, this could create a conflict of interest regarding the duties towards the Holders.

Tax impact of the investment

A net income on the Notes may be diminished by the tax burden associated with the investment in the Notes. Interest on the Notes, or profits realised by the Holder upon the sale or repayment of the Notes, may be subject to taxation in the Holder's country of residence, in a country in which the transfer of the Notes takes place or in another country that is relevant in the situation in which the Holder is subject to tax. Official statements of tax authorities or court decisions regarding financial instruments as the Notes may not be available in certain countries.

All investors are advised to contact their own tax advisors for advice on the tax impact of an investment in the Notes.

Payments on the Notes may be subject to U.S. withholding tax under FATCA

In certain circumstances, payments made under or in connection with the Notes may be subject to U.S. withholding tax pursuant to Sections 1471 – 1474 of the U.S. Foreign Account Tax Compliance Act (usually designated as **FATCA**) and related legislation, or international agreements on the implementation of FATCA.

FATCA may also affect payments made to custodians or intermediaries in the payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of FATCA withholding, or an ultimate investor that fails to provide the trader (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA

or other laws or agreements related to FATCA), and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them.

If withholding is required under FATCA, the Issuer will not be required to pay any additional amounts with respect to the withheld amounts.

Obligations under the Subordinated Notes will only be fulfilled after all non-subordinated claims of creditors have been satisfied

Upon the Issuer's entry into liquidation, bankruptcy or restructuring, the receivable corresponding to the Issuer's obligations under the Subordinated Notes will be satisfied only after all other receivables have been satisfied (including, but not limited to, the Issuer's obligations under the Senior Notes, Covered Notes and Senior Non-preferred Notes) other than receivables which are bound by the same or similar condition of subordination. Thus, in any such case, no sums under those obligations will be payable unless the claims of all unsubordinated creditors of the Issuer have been fully satisfied. If this occurs, the Issuer may not have enough assets remaining after such payments to pay amounts due under the relevant Subordinated Notes and the Holder of such Subordinated Notes could lose all or some of his investment.

Similarly, if the Issuer gets into a crisis situation under Act No. 371/2014 Coll. on the resolution of crisis situations on the financial market, as amended, including related regulations, the obligations of the Issuer from the Subordinated Notes may be subject to measures for resolution of the Issuer or its group, mainly a partial or full write-off or conversion into registered capital of the Issuer. Such measure may be adopted in respect of the Subordinated Notes, rather than other receivables (including, but not limited to, the Issuer's obligations under the Senior Notes, Covered Notes and Senior Non-preferred Notes). This circumstance, too, may result in the Holders losing a part or their whole investment in the Subordinated Notes.

The Notes are not covered by any (statutory or voluntary) protection scheme

The Notes are not covered by any statutory or protection scheme. In addition, no voluntary deposit guarantee scheme exists for the Notes. In the event of the insolvency of the Issuer, investors in the Notes therefore cannot rely on any (statutory or voluntary) protection scheme to compensate them for the loss of capital invested in the Notes and might lose their entire investment.

No set-off of claims under the Subordinated Notes and the Senior Non-preferred Notes

The Holders do not have the right to set-off their claims under the Subordinated Notes and the Senior Non-preferred Notes against the Issuer and at the same time the Issuer does not have the right to set-off its claims against the claims of the Holders under these Notes.

Rating of the Notes may not adequately reflect all the risks of investing in the Notes, and may also result in its suspension, downgrade or withdrawal

Even if some Notes are assigned credit rating, it may not adequately reflect all the risks of investing in these Notes. Credit rating may be also suspended, downgraded or withdrawn. Such suspension, downgrade or withdrawal may have an adverse effect on the market value and trading price of the Notes. A credit rating is not a recommendation to purchase, sell or hold securities and may be revised or withdrawn by a credit rating agency at any time.

In exceptionally adverse Issuer's bankruptcy situation the cover pool assets may not be sufficient to fully cover all liabilities under the Covered Notes

The cover pool (in Slovak: *krycí súbor*) covering the liabilities of the Issuer under the Covered Notes will consist primarily of mortgage loans secured by way of a legally perfected first ranking mortgage in favour of the Issuer over the mortgaged property and certain substitute assets, such as cash and securities. All assets included in the cover pool must comply with the applicable requirements or criteria set out in the Act on Banks. In particular, for an individual mortgage loan eligible to be included in the cover pool must comply

with the applicable requirements including, amongst other things, the loan-to-value limit under which the outstanding amount of principal under the loan may not exceed 80% of the value of mortgaged property, subject to limited exemptions. Also, the Issuer is required to perform regular testing of the value of the mortgaged properties and the total value of the cover pool assets must at all times be at least 105% of the value of all covered liabilities, whereby according to the legislation, the Issuer must calculate this cover ratio on the last day of each relevant month.

As at the date of this Prospectus, all the mortgaged property is located in the Slovak Republic. The value of the mortgaged property as well as the value of the mortgage loans included in the cover pool may reduce over time, in particular, in the event of a general downturn in the value of properties located in the Slovak Republic. In such cases, despite the relevant statutory safeguards and regulatory requirements under Section 67 et seq. of the Act on Banks, the value of the mortgage loans may become insufficient to provide full cover for the issued and outstanding Covered Notes. While the Issuer is solvent and operating its business, it will be obliged to include additional eligible assets in the cover pool in order to maintain the required cover ratio. In the case of bankruptcy, involuntary administration or similar situations when the Issuer's ability to generate additional eligible assets will be limited, the value of the cover pool assets may decrease below the required levels so that it may not be sufficient to fully cover all covered liabilities including those under the Covered Notes.

It should be also noted that due to the preregistration of the mortgage bonds issued by the Issuer before 1 January 2018 as described in part 6.2 below, the single common cover pool will also cover all the liabilities of the Issuer under those historic mortgage bonds. The claims of the Holders under the Covered Notes will rank *pari passu* with the claims of the holders of the historic mortgage bonds and all holders will have the same priority right with respect to the whole cover pool.

Finally, any substantial overall downturn in the value of real properties in the Slovak Republic could adversely affect the Issuer's results of operations, financial condition and business prospects and its ability to perform the obligations under the Covered Notes and the value of the cover pool.

Risk of extension of final maturity of the Covered Notes and risk of change of the issuer of the Covered Notes

In the event of bankruptcy or involuntary administration of the Issuer, the bankruptcy trustee or the involuntary administrator (each a **trustee**) of the Issuer will take over the operation of the programme of the covered notes and of the cover pool (the **programme**, as defined in the Act on Banks and not to be confused with the Programme under this Prospectus). The programme of covered notes (as defined in the Act on Banks) includes generally all assets of the cover pool as well as all obligations under the Covered Notes, mortgage bonds issued by the Issuer in the past, any other covered notes issued by the Issuer and other covered liabilities, such as hedging derivatives (if any) and related administrative contracts and functions. The trustee will be obliged to evaluate whether the operation of the covered notes programme does not cause the overall decrease of rate of satisfaction of the Holders of the Covered Notes. If the trustee reaches the conclusion that the operation of the programme may result in decrease of satisfaction of the Holders of the Covered Notes, it will have the obligation to notify the NBS of its intention to transfer the programme or its parts to another bank or several banks in the Slovak Republic and to attempt such transfer. As a result of the notification, the final maturity of the Covered Notes would be adjusted in accordance with Section 67 (10) and (11) of the Act on Banks (so-called "soft bullet extension") as follows: (i) during the first month from delivery of the transfer notification to the NBS, the maturity dates would not be adjusted, (ii) from the first day of the second month until the last day of the 12th month from delivery of the transfer proposal to the NBS, any final maturity date for principal amount payment under any Covered Notes falling into that period would be postponed by 12 months, and (iii) if the administrator requires a prolongation of the transfer period, any final maturity date for principal amount payment under the Covered Notes in the period of subsequent 12 months would be prolonged by a another 12 months. The same applies to final maturity dates already extended during the first prolongation period. The payments of yields and other conditions of the Covered Notes would not be affected, but the Holders will not receive any other compensation and will not have any remedies in respect of the extended maturity of the Covered Notes.

The soft bullet extension of the final maturities will be effective from the date of delivery of the programme transfer notification by the trustee to the NBS and will not be subject to any further approval or consent of the NBS. In the event no transfer is effected, the postponed maturities for principal amount payments would occur on the last day of the prolongation period.

It should be noted that the extension of the final maturities will not apply to maturities of the mortgage bonds issued before 1 January 2018. If the maturity date for any issue of mortgage bonds occurs during the transfer period, the trustee will have to pay the principal amount to the holders of the mortgage bonds under their original terms.

The transfer of the programme itself will be subject to prior approval of the NBS. If such a transfer is effected, the identity of the Issuer of the Covered Notes will change to the transferee bank, i.e. another bank in the Slovak Republic will become an obligor under the Covered Notes. This does not have an effect on the terms of the Covered Notes themselves, but the creditworthiness of the new issuer might be different from the creditworthiness of the Issuer.

In accordance with Section 55(10) of the Act on Banks and Section 195a (7) of the Bankruptcy Act, the consent of the Holders is not required in bankruptcy and involuntary administration scenarios in order for the transfer of the programme or its part to be valid and become effective.

Senior Non-preferred Notes are subordinated to existing unsubordinated unsecured obligations and contain some additional restrictions

The Senior Non-preferred Notes will be issued with the intention of meeting the minimum requirements for the eligible liabilities (the MREL) pursuant to Section 31 et seq. of the Crisis Situation Resolution Act and the proposed Article 72a et seq. of the CRR. However, there is no uniform interpretation and the Issuer cannot guarantee that the Senior Non-preferred Notes will be (or remain) instruments eligible for MREL purposes. If, for any reason, Senior Non-preferred Notes are not eligible for MREL purposes or if they are instruments eligible for MREL but subsequently become ineligible, the Issuer may subsequently be required to issue other equity instruments or Notes to meet its MREL requirements.

As such, the Senior Non-preferred Note have lower ranking and the claims arising out them will be satisfied in the Issuer's bankruptcy only after satisfaction of the preferred claims from protected and covered deposits (Section 180a(1) of the Bankruptcy Act) as well as all unsecured claims under Section 95(1) of the Bankruptcy Act, which also includes claims under the Senior Notes or other current unsecured obligations. On the contrary, the Senior Non-preferred Notes have a higher ranking in the bankruptcy than the Subordinated Notes. The Senior Non-preferred Notes may, on the basis of a resolution body's decision, be subject to write-offs if a trigger event occurs. This may cause the Holders to lose part or all of the investment in the Notes (legal absorption of losses). Any partial or total write-off or conversion of the principal amount or unpaid interest of the Notes will not under legal regulation of the capitalisation instruments (bail-in) or the write-off and conversion constitute an event of breach of the Notes. This means that any amounts written off or converted in this manner will be irrevocably lost and the Holders will lose any claims arising therefrom, regardless of whether or not the financial position of the Issuer will be renewed.

The Senior Non-preferred Notes may be early redeemed only under strictly defined conditions, including obtaining the approval of the competent regulatory or resolution body. Early redemption or repurchase of the Senior Non-preferred Notes is only possible after the conditions prescribed by the CRR have been satisfied and by future changes of the CRR. Holders of the Senior Non-preferred Notes should therefore be aware that they are likely to be forced to bear the financial risks of their investment until their final maturity.

No guarantee can be given that the Senior Non-preferred Notes will qualify as being eligible instruments for the MREL purposes or that there will be some other change in the legislation of the Slovak Republic or the European Union that would lead the Issuer to redeem the Senior Non-preferred Notes. If this is the case, no guarantee can be given that the Issuer decides to exercise this option or if it is given any necessary prior approval by the competent supervisory authority and/or resolution authority (if such consent is required). The Issuer may be expected to be motivated to redeem the Senior Non-preferred Notes on this basis, when its

current borrowing cost of comparable debt is lower than the interest rate on the Senior Non-preferred Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Senior Non-preferred Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time. Early redemption options are also likely to limit the market price of the Senior Non-preferred Notes. During any period when the Issuer can redeem the Senior Non-preferred Notes, the market price of the Senior Non-preferred Notes will generally not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period if the market believes that the Senior Non-preferred Notes may be redeemed in the near future.

The Senior Non-preferred Notes contain the exclusion of the right to set-off, so the Holders will not be entitled to set-off their claims against the Issuer under the Senior Non-preferred Notes against any potential claims of the Issuer.

Senior Non-preferred Notes are a new type of financial instruments for which there is no trade history and their regulation may change

The Issuer is unaware that any Slovak financial institution has so far made any offer of senior non-preferred debt instruments. There is, therefore, no trade history for this type of securities. Financial market participants, including rating agencies, are only at the early stages of risk assessment related to senior non-preferred obligations. Moreover, the regulatory requirements associated with this type of Notes are not yet settled. The value of these securities may become extremely volatile as soon as they are introduced on the financial market. It is possible that after a certain period of time the value of the Senior Non-preferred Notes will be lower than the investors assumed at the time of their issue by the Issuer. If this was the case, the Holders could suffer losses in respect of their investments in the Senior Non-preferred Notes.

Inflation risk

Inflation risk represents the risk of future money depreciation (inflation) that will reduce the real yield on investment.

Trading in the Notes may not be liquid

Since the capital market in the Slovak Republic is not sufficiently liquid, no assurance can be given with regard to the Issuer's intention to make an application to admit the Notes to trading on the regulated market of the Stock Exchange in Bratislava, that the Notes will be actively traded and if the Notes are actively traded that such activity will be preserved during the entire life of the Notes. In such case, the market price and liquidity during the trading in the Notes may be significantly affected. The issues of mortgage notes issued by the Issuer in the past which are traded on the regulated free market of the Stock Exchange and which are not sufficiently liquid can serve as an example of low liquidity during the trading on the secondary market.

In the case of the issues of the Notes admitted to trading on a foreign regulated market, the liquidity of that issue's trading will be affected by the level of liquidity and business activity in the given market. However, not even in this case any guarantee can be given that a sufficiently liquid market will be created for the Notes.

Risk of fluctuations in market price of the Notes

The Holders are at risk of the change of the market price of the Notes in the case of the sale of the Notes. The historical development of the prices of the Notes cannot serve as an indicator of the future development of the prices of any Notes. The development of market prices of the Notes depends on various factors, such as changes in market interest rate levels, the policies of central banks, overall economic developments, inflation rates, changes in taxation methods and the lack of or excess demand for the relevant Notes. Thus, the Holders are exposed to the risk of unfavourable developments in the market prices of the Notes they hold which may materialise if the Holders decide to sell them prior to their final maturity. The Holders must be aware that Notes may be issued at a price higher than the price of comparable Notes on the secondary market which may increase the effect of the unfavourable market price development. If a Holder decides to hold the Notes up to their final maturity, the principal amount will be repaid at the amount set out in the relevant Final Terms.

Investment in the Notes should be considered with regard to all related circumstances

Potential investors should assess the investment in the Notes with regard to all related circumstances at the moment of their acquisition, holding and potential sale, including the following facts: (i) investment in the Notes includes the risk of changes in interest rates the value of which can be affected by various factors, such as macroeconomic, political, speculative and market expectations; interest rate fluctuation and/or changes that may affect the value of the Notes; and (ii) prospective investors in the Notes should be aware that they are purchasing securities which are dependent solely on the Issuer's creditworthiness with which the risk of change in the Issuer's risk margin is associated and of the fact that they have no rights towards third parties.

A change in the laws may affect the value of the Notes

The conditions and rights arising from the Notes are based on Slovak law, valid and effective as at the date of this Prospectus, Common Terms, relevant Final Terms and the relevant Summary of the Issue (if applicable). No representation can be made and no assurances can be given by the Issuer regarding the effect of any changes in the Slovak legal system (including changes in the method of taxation of yield on the Notes) on the value of the Notes after this date.

Risk of subordination of related receivables

Pursuant to Act No. 7/2005 Coll. on Bankruptcy and Restructuring and on Changes and Amendments to Certain Laws, as amended (the **Bankruptcy Act**), any receivable owed by the Issuer whose creditor is or at any time during its existence was a person which is or was a related party to the Issuer under Section 9 of the Bankruptcy Act (the **Related Receivable**) (i) will be automatically subordinated to any and all of the Issuer's other unsubordinated receivables in a bankruptcy proceedings over the Issuer's property held in the Slovak Republic and such Related Receivable will not be satisfied before all of the Issuer's other unsubordinated receivables towards the creditors who have registered their receivables in the bankruptcy over the Issuer's property; (ii) in the Issuer's restructuring, it cannot be satisfied in an identical or better manner than any of the Issuer's other unsubordinated obligations towards creditors who have registered their receivables in the Issuer's restructuring.

However, the abovementioned regime of the subordinated satisfaction of the Related Receivables in bankruptcy and restructuring will not apply (i) to a creditor who is not related to the debtor and at the moment of the acquisition of the Related Receivable was neither aware of and upon exercising professional care it could not have known that it was acquiring a Related Receivable; and (ii) to a creditor of a receivable arising from the note or another financial instrument within a transaction on the regulated market, multilateral trading system or similar foreign organised market, since such manner of the acquisition of a note or another financial instrument establishes a statutory precondition that the creditor was not aware that it constituted a Related Receivable.

Definition of **related party** is broad and will include inter alia the Issuer's shareholders with at least 5% direct or indirect interest, subsidiaries in which the Issuer holds at least 5% direct or indirect interest and affiliates related to the Issuer through at least 5% direct or indirect interest.

With regard to the Covered Notes, Section 95(5) of the Bankruptcy Act clarifies specifically that the subordination will not apply to a creditor who is neither related to the Issuer nor to a person from which it acquired the receivable under the Covered Notes. This means that a holder of a Covered Note who is not related to the Issuer and has not acquired a Covered Note from its related party, should not be considered a creditor of a Related Receivable. Because the subordination rule applies only in the case of distribution of bankruptcy estate to creditors (i.e. the cover pool in the case of the Covered Notes), the subordination risk is, in respect of the Covered Notes, unlikely to have material impact on the creditors of the Related Receivables arising under the Covered Notes, except in the case of liquidation of the cover pool following a failure by the bankruptcy trustee to transfer the whole programme of the covered notes of the Issuer to another Slovak bank, as envisaged under Section 195a of the Bankruptcy Act. However, if such liquidation of the cover pool takes place, the creditors of the Related Receivables who are related to the Issuer most likely will not have priority rights to the proceeds of the sale of the cover pool assets and will be satisfied (if at all) only after all other general unsecured creditors of the Issuer are satisfied in full. No provision of the Bankruptcy Act prevents a holder of a Covered Note to transfer that note to an unrelated party at any time.

Regulation applying to investment activities of certain investors may limit or fully preclude these investors from investing in the Notes

Investment activities of certain investors may be regulated under special, generally binding legal regulations and may be subject to supervision or control by competent public authorities. Each potential investor in the Notes should refer to its professional advisor to determine whether and to which extent the Notes represent an admissible investment, while taking into account the nature of the investor and the extent to which it is subject to restrictions on its own purchase or pledge of the Note. If a potential investor in the Notes is a financial institution, it should also consider the rules related to risk weighted assets and other related rules and measures.

Withholding tax risk

As at the date of this Prospectus, the yield on the Notes is not subject to any withholding tax, except for yield paid to tax payers who are individuals or tax payers not incorporated or established for business purposes and NBS. With regard to frequent changes of tax regime, no established application practice exists. Tax regulations which are subject to changes create negative prospects for the predictability and stability of the Slovak tax environment. Further changes regarding the withholding tax regime cannot be ruled out, which could negatively affect the expected yield on the Notes.

Risk of the Notes with a fixed interest rate

Holders of these Notes are exposed to the risk that the price of these Notes will fall as a result of interest rate changes. While the nominal interest rate of the Notes is fixed during the life of the Notes, the actual interest rate on the capital market (for the purpose of this paragraph, the **market interest rate**) is subject to change. The change of the market interest rate also means the change of value of the Notes with a fixed interest rate, but in the opposite direction. Thus, if the market interest rate increases, the value of the Notes with a fixed interest rate usually drops to the level in which the interest on such Note is approximately equal to the market interest rate. If, on the contrary, the market interest rate decreases, the value of the Notes with the fixed interest rate usually increases to the level in which the interest on such Note is approximately equal to the market interest rate.

Risk of the Notes with zero coupon

The Holders of these Notes are exposed to the risk that the price of such Notes will fall as a result of changes in the interest rates, while the prices of these Notes are more volatile than prices of the Notes with a fixed interest rate and are likely to respond to a greater degree to market interest rate changes than interest bearing Notes with a similar maturity.

Risk of the Notes with interest rate structure

The Notes with an embedded interest rate structure are associated with the risk of a change in the interest rate, including (i) the risk that the conversion of the original interest rate to the changed interest rate may result in a

change in the price of the relevant Note, whereas such changed interest rate may be lower than the original interest rate, which may be less advantageous for the Holders than if such conversion did not take place, (ii) the risk that if a conversion of the original interest rate to the changed interest rate is made, the determination of such adjusted interest rate may depend on the difference between the two reference rates with different maturity dates so the Holders must be aware that, over the life of the Notes, the yield curves may change in a different direction than could have been assumed, which may mean that the changed interest rates may be lower than originally foreseen due to changes in the reference rates; (iii) the risk that in the conversion of the original interest rate to the changed interest rate, the high volatility of the reference rates may cause the changed interest rate to be significantly lower than originally assumed, which may also have a negative effect on the price of the Notes; (iv) the risk that, if the potential automatic conversion of the original interest rate to the changed interest rate may limit the growth in the market price of the Notes, e.g. the setting of the maximum interest rate that even in the case of favourably developing reference rates may cause the market price of the Notes not to increase significantly above the price at which the Notes will be payable. Early maturity of the Notes decided by the Issuer may arise in situations where the cost of financing is generally lower than when they are issued. In this case, the Holder may generally not be able to reinvest the funds acquired by the redemption of the Notes at interest rates that will be higher than the original interest rates on the Notes; they may also be significantly lower. Potential investors should consider the risk of reinvestment in the light of other, at that time available, investments and (v) the risk that the Notes may contain a maximum interest rate, and the Holders will not be able to fully participate in the positive development of interest rates above the maximum interest rate. For this reason, the yield on the Notes may be significantly lower than with the Notes without a specified maximum interest rate.

Risk of the Notes with planned redemption after reaching a certain yield

Investors in the Notes with planned redemption must take into account that the Notes will be redeemed automatically upon reaching the predefined amount of interest paid. If the Notes are redeemed early, the investor bears the risk that the early redeemed principal amount cannot be re-invested under similar market circumstances with a similar yield. Moreover, the automatic redemption of the Notes after reaching a defined interest income may limit the market price of these Notes. Due to the maximum total amount of interest paid on these Notes, their market price will not increase significantly above the level of the price for which they are to be redeemed, even in a favourable market/interest environment.

The Holders are exposed to the risk that in the event of the Issuer's bankruptcy, deposits will be satisfied before their receivables in respect of the Notes are paid

Pursuant to Section 180a of the Bankruptcy Act, as amended on 15 November 2016, which transposed Article 108 of the BRRD into Slovak law, in the event of the Issuer's bankruptcy, the proceeds of the liquidation of the assets forming the general bankruptcy estate that will be primarily used to compensate the creditors of receivables from protected deposits will be satisfied in the following order:

- receivables of the Deposit Protection Fund within the scope of compensation paid to depositors pursuant to Section 11(1) of Act No. 118/1996 Coll. on Protection of Deposits, as amended (the **Deposit Protection Act**) or within the scope of the funds provided to resolve the crisis situation pursuant to Section 13(4)(g) of the Deposit Protection Act; and
- receivables from protected deposits of individuals, micro-enterprises, small and medium-sized enterprises, which exceed the level of cover under Section 11(4) of the Deposit Protection Act.

Abovementioned risk concerns all creditors of unsecured receivables as well as parts of receivables that haven't been fully compensated from available collateral. Therefore, the Holders of the Senior Notes should be aware that in the event of the Issuer's bankruptcy, their receivables will be subordinated to the abovementioned receivables from protected deposits and that their claims under the Senior Notes will be satisfied (though only partially) only if the receivables referred to in paragraphs above are fully satisfied.

The ranking of receivables of the Holders of the Subordinated Notes and the Senior Non-preferred Notes will be even lower than that of the Holders of the Senior Notes.

The Holders are exposed to the risk that the Issuer is not limited in issuing additional debt securities or creating additional liabilities

The Issuer is not limited to the amount of debt it may issue that may arise or which it can secure. Moreover, the Issuer is not obliged to inform the Holders about the issue, creation or securing of a further debt. The issue, creation, or guarantee of a further debt may have an adverse effect on the market price of the Notes (including the Covered Notes) and the Issuer's ability to meet all its obligations arising from the issued Notes and may reduce the amount that the Holders would be able to obtain in the event of the Issuer's bankruptcy. If the Issuer's financial situation deteriorated, the Holders could suffer direct and materially negative consequences, including interruption in interest income or a reduction in the principal amount of the Notes and, in the event of liquidation of the Issuer, loss of the whole investment. All these facts could have a negative impact on the Holders.

Risk that trading in the Notes will be suspended, interrupted or terminated

There is a risk that trading in the Notes on the relevant stock exchange may, for any reason, be suspended, interrupted or terminated; such event(s) is(are) beyond the Issuer's control and may have an adverse effect on the price of the Notes.

Risk of relevant clearing/settlement system

There is a risk that the clearing system will become dysfunctional for some reason; such event is beyond the Issuer's control and may have an adverse effect on the price of the Notes and may lead to transactions with the Notes not being settled.

The risk of unforeseeable event, the so-called "force majeure"

An unforeseeable event (such as a natural disaster, terrorist attack, etc.) that can cause financial market disruption and a rapid fluctuation of exchange rates may have an effect on the value of the Notes. An adverse effect of such events may result in the decrease of the return of funds invested by the Issuer and thus threaten the Issuer's ability to repay all outstanding amounts arising from the Notes. Further, the value of the Notes and any income therefrom may be affected by a global event (political, economic, etc.) which may also occur in a country other than the one in which the Notes are issued and traded.

Indicated Aggregate Amount of the Issue of the Notes is not binding

The Aggregate Amount of the Issue of the Notes indicated in the relevant Final Terms represents the maximum Aggregate Amount of the Issue of such Notes. However, the actual aggregate principal amount of the Notes issued in this manner may be lower than the indicated Aggregate Amount of the Issue and may vary during the life of the Notes issued in this manner, depending, in particular, on the demand for such Notes and repurchases by the Issuer. Therefore, no conclusion may be drawn from the indicated Aggregate Amount of the Issue of such Notes with regard to their liquidity on the secondary market.

Denomination of financial activities of the Holder in a currency other than the currency in which the Notes will be issued and in which the Issuer will pay the Principal Amount and interest on the Notes, may give rise to exchange rate risks

The Issuer will pay the Principal Amount and interest on the Notes in the currency specified in the relevant Final Terms. This presents certain risk related to currency conversions if a Holder's financial activities are denominated in a currency other than the currency specified in the relevant Final Terms (the **Holder's Currency**). These risks include, in particular, risks related to the significant change of exchange rates (including changes due to the devaluation of the currency specified in the relevant Final Terms or the revaluation of the Holder's Currency) and risks related to the introduction of exchange rate measures and controls. An appreciation of the Holder's Currency relative to the currency specified in the relevant Final Terms with respect to the expression in the Holder's Currency would mean a decrease of (i) the interest income on the Notes; (ii) the Principal Amount; and (iii) the market value of the Notes.

Government authorities may introduce or exercise exchange rate measures and controls that could adversely affect an applicable exchange rate; as a result, certain Holders, whose financial activities are denominated in a currency other than the currency specified in the relevant Final Terms could receive lower interest on the Notes or a lower Principal Amount than expected or no interest on or Principal Amount from the Notes.

Early redemption or repurchase of the Subordinated Notes and the Senior Non-preferred Notes is subject to prior authorisation by the relevant supervisory body

Any early redemption and any repurchase of the Subordinated Notes and the Senior Non-preferred Notes is subject to the prior permission of the competent supervisory authority pursuant to the CRR which is responsible for the supervision of the Issuer and compliance with regulatory capital rules applicable from time to time to the Issuer. In the case of the Issuer, such authority is the European Central Bank. Under the CRR, the competent supervisory authority may only permit institutions to early redeem or repurchase Tier 2 instruments such as the Subordinated Notes if certain conditions prescribed by the CRR are complied with. These conditions, as well as a number of other technical rules and standards relating to regulatory capital requirements applicable to the Issuer, should be taken into account by the competent supervisory authority in its assessment of whether or not to permit any early redemption or repurchase. It is uncertain how the Competent Supervisory Authority will apply these criteria in practice and such rules and standards may change during the maturity of the Notes. It is therefore difficult to predict whether, and if so, on what terms, the competent supervisory authority will grant its prior permission for any early redemption or repurchase of the Notes. A similar restriction will also apply to Senior Non-preferred Notes.

Furthermore, even if the Issuer was granted the prior permission of the competent supervisory authority, any decision by the Issuer as to whether it will early redeem the Notes will be made at the absolute discretion of the Issuer with regard to external factors such as the economic and market impact of exercising an early redemption right, regulatory capital requirements and prevailing market conditions. The Issuer is not obliged to early redeem the Notes, so the investors should not invest in the Notes expecting the Issuer to exercise any right to early redeem or to repurchase the Notes. Holders of the Notes should therefore be aware that they may be forced to bear the financial risks of investing in the Notes until their final maturity.

If the Issuer exercises an early redemption right in relation to the Notes with the prior consent of the competent supervisory authority, Holders of the Notes are exposed to the risk that due to such early redemption their investments may have a different than expected yield and maturity.

ENGLISH TRANSLATION FOR INFORMATION ONLY

BASE PROSPECTUS

*Tatra banka, a.s.
member of the Raiffeisen Bank International Group*

3. RESPONSIBILITY STATEMENT

Tatra banka, a.s., with its registered seat at Hodžovo námestie 3, 811 06 Bratislava 1, Slovak Republic, Identification No.: 00 686 930, registered in the Commercial Register of the District Court Bratislava I, section: Sa, insert No.: 71/B (the **Issuer**) acting through Dr. Johannes Schuster and Ing. Peter Matúš, members of the Board of Directors, represents to be solely responsible for the information provided in the Prospectus.

The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the knowledge of the Issuer, in accordance with the facts and contains no omission likely to affect its meaning.

In Bratislava, on 30 May 2019.

Dr. Johannes Schuster

Member of the Board of Directors

Tatra banka, a.s.

Ing. Peter Matúš

Member of the Board of Directors

Tatra banka, a.s.

4. INFORMATION ABOUT THE ISSUER AND THE ISSUER'S GROUP

4.1 Basic information

Business name:	Tatra banka, a.s.
Registered seat:	Hodžovo námestie 3, 811 06 Bratislava 1
Telephone:	+421 2 5919 1000
Website:	www.tatrabanka.sk

The Issuer, Tatra banka, a.s., Identification No. 00 686 930, is a legal entity that was established by the memorandum of association of 17 September 1990 as an enterprise with foreign property participation pursuant to Section 26 et seq. of Act No. 104/1990 Coll. on joint stock companies and on the basis of the provisions of the Commercial Code.

Since 1 November 1990, it has been registered in the Commercial Register of the District Court Bratislava I, Slovak Republic, Section: Sa, Insert No.: 71/B. The Issuer is a public joint-stock company established for an indefinite period of time and it carries out its business in compliance with Slovak law.

The Issuer holds Slovak banking licence and it is a Slovak bank (credit institution) under the Act on Banks.

The Issuer obtained the prior consent of the NBS to carry out activities related to the covered notes' programme based on the decision of the NBS dated 14 November 2018, No.: 100-000-136-392 to file No.: NBS1-000-027-192, which became final on 20 November 2018.

4.2 Credit rating

The table below sets out the current credit ratings of the Issuer assigned to it by the credit rating agency Moody's Investors Service Ltd (**Moody's**). Moody's provides a regular paid credit rating to the Issuer. Moody's was registered under the CRA Regulation on 31 October 2011.

Rating assigned by Moody's.

	Credit Rating
Long-term deposit rating	A3
Short-term deposit rating	Prime-2
Long-term Issuer rating	Baa1
Outlook	positive

4.3 Business overview

The Issuer is a Slovak bank and operates primarily on the basis of the Commercial Code and the Act on Banks. The Issuer's scope of business includes banking activities performed on the basis of a banking licence granted to the Issuer in compliance with the Act on Banks. The banking activities performed by the Issuer are listed in the Issuer's articles of association and are registered as the scope of business in the Commercial Register, and are carried out in compliance with the applicable generally binding legal regulations.

The principal products and services offered by the Issuer to its clients include the acceptance of deposits, provision of loans, domestic and cross-border transfers of funds, provision of investment services, investment activities and ancillary services under the Securities Act.

The Issuer operates in the Slovak Republic through 116 branches, corporate centres and sales offices of corporate centres, Centrá bývania^{TB} and Centrum investovania^{TB} and 62 branches of the Raiffeisen banka division.

4.4 Strategy and responsible conduct of business of the Issuer

Mission, vision and values

As part of its strategy, the Issuer articulates its mission, vision and values. The Issuer's mission is to shift the boundaries of banking. As part of its vision, the goal has been set to be the largest or the second largest provider in each serviced client segment. The Issuer articulates its values as follows:

Ambition: *We do things the best we can because it makes sense to us.*

Creativity: *We introduce new solutions, support bold and innovative thinking.*

Partnership: *We have a common goal, we treat ourselves with respect.*

Courage: *We have the courage to act and take responsibility.*

Responsible conduct of business

The Issuer is part of the Austrian Raiffeisen Bank International Group (the **RBI Group**) operating in several countries in Europe. The basic principles of this group are derived from F.W. Raiffeisen's ideas that all economic activities should lead to social solidarity and self-help, as well as to sustainability.

In addition to complying with applicable laws when performing their work, the RBI Group employees are also required to comply with the RBI Group's Code of Conduct (the **Code**) adopted and complied with by the Issuer. The Code sets out common values and minimum standards of ethical conduct of business that are binding on all group employees, including the Issuer's employees. Employees are expected to understand and comply with the Code in any contact with any internal and external party.

If necessary, employees can contact their managers or Compliance Officers. Managers are expected to be role models for other employees and promptly, discreetly and respectfully address any employee questions regarding possible inappropriate behaviour.

By meeting high standards and acting in accordance with the Code, each employee contributes to a positive perception of the group by all parties concerned – especially clients, shareholders, business partners and the general public.

The Code is available on the Issuer's website under Important Documents but are not included in this Prospectus by reference.

The Issuer's annual report provides information on selected aspects: relations with clients, relations with employees, fight against financial crime, protecting human rights and the environment, and community relations. However, this part of the annual report is not included in this Prospectus by reference.

Relations with clients

Confidential information and personal data

The Issuer shall adequately protect and use personal information and confidential information of clients. Information is provided to authorised entities only in accordance with applicable law.

Top products and services

The Issuer provides the products and services on the basis of the relevant permits, using all necessary expertise and infrastructure. The Issuer seeks to provide the highest quality products and services to its clients.

Among other things, the Issuer has equipped all ATMs with barrier-free access. With the exception of branches in the historic city centres, all existing and newly opened branches are accessible to the disabled. Voice navigation for visually impaired clients is a standard feature of each ATM. ATMs provide multilingual navigation (Slovak, English, German, Hungarian and French). Internet banking is also tailored for visually impaired clients. Websites and mobile apps are equipped with voice navigation. Each change in Internet banking, mobile applications and websites is done with the needs of visually impaired clients in mind.

Justice

In carrying out its business, the Issuer complies with all applicable legal and regulatory obligations, including consumer protection. The Issuer treats its clients with respect. False or misleading marketing actions and advertising are unacceptable. The Issuer seeks to avoid the risk of over-indebtedness of clients and treats clients who have problems with repayment fairly.

Investor protection

The Issuer provides its clients and investors with clear and appropriate information or individual advice.

Conflict of interest

The Issuer has internal processes to identify and prevent potential conflicts of interest in the conduct of its business activities and has strict internal regulations in this respect. Employees must ensure that their own interests do not conflict with their obligations to the Issuer and the Issuer's obligations to its clients.

Relations with employees

In 2018, the Issuer made significant progress in strengthening its employee relations and team atmosphere. Members of the board of directors gave each employee the opportunity to personally attend the roadshow, where they presented the bank's new strategy as an employer and key activities for each area. Bank employees were extensively involved in the development of this strategy both during the gathering of opinions and ideas as well as during the formulation and implementation itself.

The Issuer's vision as an employer is to be the employer of the future for smart people and a place where people enjoy being, creating and progressing.

The fulfilment of this vision is based on three basic pillars: atmosphere, meaningful and creative work, and a place to work and live.

The Issuer has also made significant efforts to develop leadership and new culture. It strives to be a company that attracts talented people from outside and inside, where talents get their space to realise their potential and have the opportunity to be part of something special. Change management and internal communication have also been strengthened.

The Issuer also supports its employees in the field of volunteering and donation.

Fight against financial crime

The bank has strict rules in place to prevent and combat corruption, to prevent money laundering and terrorist financing, to comply with economic sanctions and embargoes, and to prevent commercial abuse in accordance with applicable law and, in some cases, beyond it.

Protection of human rights and the environment

Human Rights

The Issuer respects and promotes the protection of human rights as set out in the European Convention on Human Rights and in the Universal Declaration of Human Rights. The Issuer seeks not to directly or indirectly finance any transactions, projects or parties, nor to cooperate with business partners (including clients, service providers and suppliers) who do not respect these standards or are suspected of violating human rights. The Issuer strives not to engage in the marketing of products to be used to suppress demonstrations, political unrest or other human rights violations.

Protection of the Environment

The issuer takes care of the environment – which is why it is taking into consideration the environmental impact of its business activities. It favours trade in green technologies and also selects suppliers with regard to ecological balance and related measures. It seeks to do business with companies adhering to the sustainability

philosophies. Funding or participation in any transactions or projects that threaten the environment with lasting severe harmful effects (such as soil, air or water pollution) is not consistent with its commercial behaviour.

The Issuer installs new energy consumption meters in its buildings and uses advanced online monitoring thanks to which the building can intelligently inform the operator of its malfunction. One of the buildings of Tatra banka is a low-energy building heated by waste heat from a data centre. Another building has lower consumption of energy thanks to its double facade.

About ten percent of the electricity purchased comes from renewable energy sources such as water and wind.

Community relations

Promotion of art, education and design

As part of its sponsorship activities, as well as grant programs and cooperation of its own foundation (Nadácia Tatra banky), the Issuer supports areas with a great deal of talent, intellect and innovation. Therefore, for more than twenty years, it has been dedicated to supporting Slovak artistic creation, higher education and, recently, also design.

Having a strong brand, Tatra banka supports important cultural institutions such as the Slovak National Gallery or the Slovak National Theatre, with which it also has the longest lasting partnership in the field of art. It supports art also through having awarded prizes for both established and emerging creators – for twenty-three years – by the Tatra banka Foundation Award for Art.

It has been already seven years that the Issuer's strategic ambition has been to strengthen its design support, which it sees as an integral part of comprehensive art support with a strong innovation potential.

The implementation of these ambitions was reflected mainly in the partnerships of the Tatra banka Foundation, its grant programme for young design (Viac dizajnu) and participation in events of this nature, such as the By Design conference and Dni architektúry a dizajnu, Bratislava Design Week, Fashion Live! 2018 and Best Fashion Graduate.

Promotion of higher education

The Issuer has long supported the quality of the educational process at universities, has been supporting institutions that are dedicated to educating and raising its level, as well as individual students.

Tatra banka Foundation

Tatra banka Foundation is a prestigious philanthropic institution supporting education at secondary schools and universities, original Slovak art and design.

Through its grants, programs and collaboration, it brings new inspirational meetings with world-class scientists, promotes active groups of professors and students at both universities and secondary schools, as well as young talented artists and designers, while also creating attractive opportunities for NGOs.

In 2018, the Tatra banka Foundation provided almost EUR 685 000 towards 372 projects.

Grant programs

The aim of the Tatra banka Foundation grants is to support active groups of professors and students at universities who go beyond the official framework in the process of education and try to extend the educational process, enrich a specific subject of study or link the educational process with the needs of practice, etc.. The Tatra banka Foundation offers 7 open grant programs in the field of education, art and design as well as three employee grant programs.

Support in regions

Supporting theatrical creation is one of the dominant areas of support for the Tatra banka Foundation and has been helping 11 selected theatres in the regions for a long time.

Through the Viac pre región^{TB} employee grant program, it supported 8 projects of non-governmental non-profit organisations.

Osobnosti osobne

In the framework of the Osobnosti osobne (*Personalities in person*) program, the Tatra banka Foundation personally welcomed seven Nobel Prize winners and eight Pulitzer Prize winners, dozens of foreign professors or more than 80 top Slovak and Czech economists who delivered lectures for students at Slovak universities and the wider public.

Tatra banka Foundation Award for Art

Also through its foundation, the Issuer has for the twenty-third time appreciated personalities who have contributed to the development of Slovak art through their efforts in the past year, in film, literature, music, theatre, art and design. The aim of the Tatra banka Foundation is to appreciate the personalities of Slovak culture in this way and to provide them with the opportunity to create other valuable works.

The Tatra banka Foundation has so far awarded this prize to 99 established artists and 58 emerging creators.

Charity

The Issuer perceives its employees as the most precious essence of corporate philanthropy. Volunteering and donation are an integral part of its activities. It supports larger and smaller projects that are often initiated by the employees themselves.

Corporate volunteering

The Issuer exhibits its responsibility towards the community also by its support for employees in corporate volunteering (during working hours with wage compensation according to established rules). These activities are carried out mainly through two activities – the Viac pre región^{TB} foundation employee program and the active involvement in the largest corporate volunteering project in Slovakia Naše Mesto (Pontis Foundation).

Donation and other charitable activities of Tatra banka employees

The mission of the Dobré srdce^{TB} employee grant program, which has been operating since 2007 and is very popular, is to support the projects of employees who help and support others. Employees who use the opportunity and give 2% of their taxes or individual financial donations to their favourite public benefit organisation have the opportunity to get additional money for this organisation or its projects, thus increasing the necessary funding through the Tatra banka Foundation. The condition is that the employee, together with the organisation, prepare a specific project for which they want to raise money together. In June 2018, a total of EUR 82 000 was redistributed to 152 projects under the Dobré srdce^{TB} program.

Tatra banka Foundation grant programme Prvá pomoc^{TB} facilitates employees and their closest relatives to alleviate the financial costs associated with solving a health or social problem or with difficulties caused by a natural disaster or other person's fault. In 2018, 68 applicants were supported.

The Issuer also organises mobile blood donations under the Krvná banka^{TB} programme in cooperation with the National Transfusion Service and collection of clothes and other articles for non-profit organisations under the Posuň ďalej^{TB} programme in cooperation with the Pontis Foundation.

4.5 Principal markets

The Issuer provides its services and performs its banking operations mostly on the domestic market in the Slovak Republic.

As of 31 December 2018, the Issuer was the third largest bank in the Slovak Republic by the total value of consolidated assets and provided more than 15 % of the total volume of mortgage loans on the Slovak market.

4.6 Information regarding current and new products/services

Retail Clients

Individuals

In the retail client segment, in 2018 the Issuer confirmed its position as a leader in innovation by launching the unique Tvárová biometria^{TB} technology to identify persons who are not the bank's clients through a mobile application. As a result, the process of opening a new account or applying for an all purpose loan without visiting a bank branch was greatly simplified and accelerated for new clients.

The Issuer also successfully completed the takeover of the ZUNO Bank. A significant portion of its clients accepted the Issuer's offer to open an account and started using its innovative banking.

In 2018, the Hudba platí všade campaign together with a unique PLAY debit card was launched for students. Thanks also to it, more than 16 000 students have opened a Student Account with the Issuer.

For the youngest clients, a campaign with the figure of Kozmix was launched, and almost 5 000 children, for whom the parents opened the Children's account, were rewarded with pocket money at the end of the year.

The year 2018 was also successful in terms of selling Travel Insurance for debit and credit cards with an increase of more than 17%.

Private clients

The volume of assets managed in the private banking segment exceeded EUR 2.5 billion in 2018, thereby confirming the position of Tatra banka as the leader in the Slovak market.

In 2018, issues of certificates of more than EUR 101 million were successfully carried out in cooperation with Raiffeisen Centrobank and the volume of assets dealt with by the subsidiary, Tatra Asset Management, exceeded EUR 630 million.

To improve the quality of financial advisory services, a digital platform – Digital Wealth Management – was introduced with a unique view of the overall portfolio performance. The platform meets the strict requirements of MiFID II and enables provision of ongoing financial advisory services to clients.

In 2018, the Issuer's private banking received an award – Best private banking in Slovakia – from renowned companies Global Finance and The Banker.

Card business

In 2018, the growing trend continued in both contactless payments and online purchases. The volume of online purchases increased by 19% relative to last year and the volume of contactless transactions by 68%.

Tatra banka succeeded in almost tripling the number of MobilePay^{TB} users. This was also reflected in the number of transactions that rose to more than half a million. The volume of transactions made through MobilePay^{TB} reached EUR 14.8 million last year. The application was enhanced by the My Benefit loyalty programme for credit cards, Savings Overview (*Prehľad úspor*) section, in which clients can clearly see how much they saved thanks to the credit card, and the Show PIN functionality. This unique and on the Slovak market exceptional feature allows clients to conveniently find a PIN code for their plastic card in case they forget it.

Credit cards went through a functional redesign in 2018, bringing new benefits to clients in their daily use. New features include the My Benefit Loyalty Program, the 5% Birthday Cashback, and Limit Alert. In addition, clients with a gold credit card have been given the option to choose an automatic payment day, a due date reminder, the use of the aggregate credit amount multiple times, and the Visa Luxury Hotel Collection service.

Credit products

Focusing primarily on credit products, the Issuer introduced a unique innovation within the global banking sector, namely Tvárová biometria^{TB}, which had huge success for the first time in October at IT GALA, the most prestigious annual event of the Slovak information technology and telecommunications community. It won the IT project award of 2018. Spoločnosť pre projektové riadenie (*Project Management Association*) and PMI Slovakia Chapter also gave the Tvárová biometria^{TB} the same award.

The reputable Global Finance magazine awarded the Issuer The World's Best Digital Bank 2018 in the category The World's Best Online Deposit, Credit and Investment Product Offerings. The jury praised the innovative approach to providing online loans and accounts to new clients and a wide range of online products and services for the existing clients of the bank.

The mortgage credit segment responded to the legislative changes effective from 1 July 2018. Loans of over 90% of the value of the property have been discontinued and a limit for the total indebtedness of the client of 8 times the net annual income of the client, including non-purpose consumer loans, has been introduced. Even with regard to these tightening measures, the Issuer recorded in 2018 historically the highest volumes of utilised loans relative to previous years. The mortgage credit portfolio grew by 16.37 % on a year-on-year basis and the unsecured loan portfolio by 10 %.

Clients can consult a loan, apply for a loan and, from July 2018, utilise a loan through the DIALOG Live service without having to visit a bank branch.

Internet banking, mobile applications, acceptance of payment cards

In 2018, the Issuer's electronic banking proved its exceptional position on the Slovak banking market as evidenced by the number of awards and achievements that the Bank has received in this area.

Internet banking^{TB} has long been the most frequently used tool for making payments within the Issuer. While less than 2% of transactions are executed through a branch, more than 45 % of transactions are executed via Internet banking^{TB} and mobile applications. In total, more than 98 % of transactions with the Issuer are executed electronically. In 2018, more than 30 million home payments were made by clients via Internet banking^{TB} and mobile applications.

In 2018, Tatra banka successfully followed up on the prizes it received in previous years. The international monthly Global Finance awarded Tatra banka: The Best Digital Banking and the Best Website Design in Central and Eastern Europe (CEE) award. In the category The World's Best Online Deposit, Credit and Investment Product Offerings, Tatra banka was awarded the following awards: The World's Best Digital Bank 2018 for online account opening and provision of a loan in a mobile application. Mobile application Tatra banka also defended its win in two Slovak polls regarding the best banking application for 2018: Techbox banking application and Smartbanka.

Internet banking

In line with PSD2, Open banking^{TB} delivers a secure and modern API solution, where, upon client approval, a licensed company (third party) obtains access to a client account.

The new beta version of Internet banking^{TB} allows for an easy PIN code signing, brings new design, is accessible for tablets, better text readability and new controls. At the same time, it provides a more affordable solution without technological constraints.

In the area of e-commerce, a 21% increase in the number of transactions and a 19% increase in the volume of transactions was recorded within the TatraPay internet payment service (payment by bank transfer to contractual traders). A total of 1.2 million payments in excess of EUR 72 million were executed.

Mobile applications

A key innovation in this area is the Tvárová biometria^{TB} technology described above. Other mobile applications of the bank – MobilePay^{TB}, Tatra banka VIAMO and Čítačka^{TB} – have also been updated with new functionalities.

Thanks to regular updates, incorporation of changes proposed by clients and other activities, the applications have maintained its high satisfaction level and helped extend the mobile banking user base to over 330 000 regular users.

Acceptance of payment cards

In 2018, the Issuer maintained its leading position on the Slovak market in the area of accepting payment cards. The Issuer's business partners generated turnover of EUR 3.4 billion using payment terminals and more than 148 million transactions were executed. In 2018, 10.1 million transactions amounting to EUR 411.2 million were executed through the Internet payment gates CardPay and ComfortPay. The number of online payments continues to increase, as evidenced by a 30% increase in the number of transactions relative to 2017.

At the end of 2018, the Issuer had a total of 325 ATMs and 16 826 active payment terminals, of which up to 99% support contactless payments. The share of contactless transactions at Issuer's payment terminals in 2018 was almost 72%. The Issuer as the first bank in Slovakia brought the possibility of withdrawing cash from an ATM by mobile phone.

The total turnover of payment operations at the Issuer's facilities in 2018 was EUR 3.8 billion as a result of 158.4 million transactions.

DIALOG Live (telephone banking)

From the point of view of meeting the strategic objective of the Issuer to be an undisputed market leader in premium client care, the DIALOG Live service played an irreplaceable role through relationship management, serving approximately one third of all Tatra banka premium clients throughout 2018.

During 2018, the DIALOG Live service was expanded in Prešov, and from a business perspective, DIALOG Live had a very successful year since it has become the most successful sales form of the Issuer's retail segment.

Products for corporate clients

In terms of business results, 2018 was under the influence of stable demand for loans and other business and project finance products by commercial entities.

In project financing, demand for real estate financing continued to grow. The volume of utilised loans has stabilised slightly above EUR 1 billion, thus confirming the Issuer's leading position in the Slovak market.

Factoring managed to grow year-on-year with a turnover of more than EUR 7 million to EUR 395 million.

Large corporate clients

Segment revenues were affected by the overall situation on the market, the prevailing low interest rate environment, and very strong competition. A slight increase was achieved in the volume of utilised loans, while the total amount of assets exceeded EUR 3.1 billion. In particular, investments in new technologies, infrastructure and real estate financing, and an increase in existing credit transactions, contributed to the asset growth.

In the course of the year, the demand in the area of project financing continued to grow significantly, as did the financing of office space, shopping, as well as new residential construction.

The Issuer devoted significant effort to further progress in the optimisation of its credit process and the implementation of the new Business banking^{TB} for corporate clients, resulting in a significant increase in the number of clients actively using this new tool.

The Issuer also focused on further developing the cross-selling activities in both product and individual client segments.

Medium-sized corporate clients – corporate centres

In the medium-sized corporate client segment, the Issuer focused primarily on the acquisition of new clients, credit business, increasing the number of clients actively using Business banking^{TB} and also on confirming the leading position in the area of client satisfaction.

In the area of sales of new loans, standard instalment and overdraft loans were successful, with the segment achieving a year-on-year increase in sales of more than 8%. The share of non-performing loans reaches long-standing minimum levels. With regard to deposit products, current accounts dominate due to the persistently low interest rates, while primary deposits also record historically highest levels.

The time for the approval and provision of loans of up to EUR 500 000, which accounts for more than half of the segment's all new granted loans, has been significantly reduced.

Capital Markets products

The EUR liquidity surplus in the sector in combination with zero or very low interest rates, especially in the case of shorter maturity dates, almost completely eliminated the interest of clients in appreciating their available funds through term deposits. These were mainly institutional clients. Increased activity of clients was recorded in term deposits denominated in higher-interest foreign currencies, mainly in USD and CZK. In addition to higher interest rates, the clients' motivation was the diversification of their assets as well as the appreciation of the currencies concerned expected by the market.

Low yields were also reflected in the continued decline in the institutional client' interest in investing in euro-denominated notes; rather a sell-off of their portfolios was observed.

In terms of client transactions in foreign exchange operations, the past year did not differ significantly from the average of previous years. Most foreign exchange trades were more operational in nature. More or less the same client portfolio as last year decided to use monetary hedging products. The clients were mainly interested in EUR/USD hedging. The concern about Brexit and its possible impact on the GBP exchange rate, and last but not least, the risks of unwanted CZK movements, also resonated.

The Issuer's activity in the area of trading in government bonds on both primary and secondary markets led to the Issuer becoming number one among Slovak and foreign banks in these areas. With regard to this position on the Slovak market and as a sign of recognition by the State, the Issuer was given a mandate to mediate the issue of a 10- and 50-year government bond. A EUR 1.5 billion issue was successfully carried out, with great interest of foreign as well as domestic investors mostly from the institutional client environment.

4.7 Organisational structure and status of the Issuer in the Group

The Issuer is part of the RBI Group that belongs to one of Europe's largest and most important banking groups, providing retail, corporate and investment banking services in Central, South East and Eastern Europe. The RBI Group consists of Raiffeisen Bank International AG (the parent company) and its individual subsidiaries included in the consolidation of the Raiffeisen Bank International Group according to its direct or indirect share in them.

The most significant banking institution within the RBI Group and at the same time the parent company of the Issuer is Raiffeisen Bank International AG, a leading commercial and investment bank in Austria with its registered seat at Am Stadtpark 9, 1030 Vienna, Austria, FN 122119m, which holds an indirect 78.78 % majority share in the Issuer's registered capital and an 89.11 % share in the Issuer's voting rights through its subsidiary Raiffeisen RS Beteiligungs GmbH. Raiffeisen Bank International AG holds a 100 % share in the

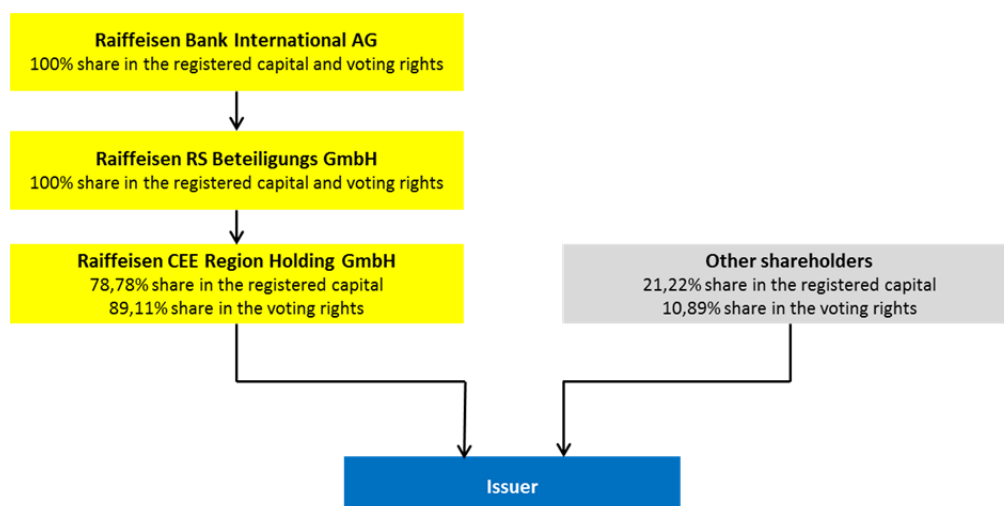
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registered capital and voting rights of Raiffeisen RS Beteiligungs GmbH. Raiffeisen RS Beteiligungs GmbH holds a 100% share in the registered capital and voting rights of Raiffeisen CEE Region Holding GmbH, which directly holds the majority share of 78.78 % in the Issuer's registered capital and a 89.11 % share in the Issuer's voting rights.

The Issuer's ownership structure is shown below.



Important members of the RBI Group are banking institutions operating in domestic Austrian market and in 13 markets in the Central and Eastern Europe region (Czech Republic, Hungary, Poland and Slovakia), the South East Europe region (Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Romania, Serbia) and Eastern Europe (Belarus, Russia and Ukraine).

The RBI Group also includes leasing, asset management or merger and acquisition financial services providers and in total services more than 16 million clients.

Major companies forming the RBI Group as of 31 March 2019 are:

Name	Country	Share of Raiffeisen Bank International AG in the registered capital
Raiffeisenbank a.s.	Czech Republic	75%
Raiffeisen Bank Zrt.	Hungary	100%
Tatra banka, a.s.	Slovak Republic	78.78%
Raiffeisen Bank Sh.a.	Albania	100%
Raiffeisen Bank d.d. Bosna i Hercegovina	Bosnia and Herzegovina	99.99%
Raiffeisenbank (Bulgaria) EAD	Bulgaria	100%
Raiffeisenbank Austria d.d.	Croatia	100%
Raiffeisen Bank Kosovo S.A.	Kosovo	100%
Raiffeisen Bank S.A.	Romania	99.92%
Raiffeisenbank a.d.	Serbia	100%
Priorbank OAO	Belarus	87.74%
AO Raiffeisenbank	Russia	100%
VAT Raiffeisen Bank Aval	Ukraine	68.16%

4.8 Issuer's Group and its participation in business of other Slovak and foreign persons

The Issuer itself holds shares in several companies that together with the Issuer form a consolidated group (the **Issuer's Group** or the **Tatra banka Group**). The Issuer is not significantly dependent on its subsidiaries.

Major companies forming the Tatra banka Group as of 31 March 2019 are:

Entity	Registered capital (in EUR)	Issuer's share
Tatra-Leasing, s.r.o. ¹⁾	6 638 785	100 %
Tatra Residence, a.s. ¹⁾	21 420 423	100 %
Tatra Asset Management, správ. spol., a. s.	1 659 700	100 %
Doplnková dôchodková spoločnosť Tatra banky, a.s.	1 659 700	100 %

1) Tatra Residence and Tatra-Leasing has several non-material subsidiaries.

Tatra-Leasing, s.r.o. is a universal leasing company operating in the Slovak financial market since 1992. It is one of the founding members of the Leasing Companies Association (*Asociácia leasingových spoločností*). The company has its registered seat in Bratislava and provides its services throughout the Slovak Republic through its regional offices and it has several subsidiaries. The product portfolio covers the most common investment needs of many client groups in the segment of passenger vehicles, utility vehicles and trucks, machinery, technology, equipment and real estate.

Doplnková dôchodková spoločnosť Tatra banky, a.s. (Tatra banka's DDS) was established in 1998. It is one of the founding members of the Association of supplementary pension companies. Since its foundation, Tatra banka's DDS has been the second largest company on the market of supplementary pension savings in the Slovak Republic. According to the volume of assets, at the end of 2018 it commanded a market share of 31%. It currently manages over EUR 600 million. Its savers have access to supplementary pension savings at more than 100 branches of the Issuer. Clients also have an on-line overview of savings in their Internet banking^{TB} and mobile applications. Each fund managed is suitable for a particular group of savers to reflect their life phase, year of birth and their retirement time. Tatra banka's DDS funds use the innovative Comfort life^{TB} investment strategy. Assets held by supplementary pension funds are entrusted with the depositary. The depositary of the supplementary pension funds of Tatra banka is Československá obchodná banka, a.s.

Tatra Asset Management, správ. spol., a. s. (TAM) was founded in March 1998 and is one of the founding members of the Slovak Association of Fund Management Companies. It performs its activities under Act No. 203/2011 Coll. on Collective Investment, as amended, and is in line with the requirements of the UCITS Directive and the AIFMD Directive. The main object of the management company is the establishment and management of standard mutual funds and European mutual funds as well as the establishment and management of alternative investment funds and foreign alternative investment funds. TAM operates in the territory of the Slovak Republic and is subject to supervision by the NBS.

TAM has been a leader in investment for more than 20 years, with a market share of 22 % as of 31 December 2018 by the assets under its management. For the entire time, it has appreciated savings of its clients by more than EUR 300 million. It currently manages savings of more than 110 000 clients in 21 mutual funds with a total assets of more than EUR 2 billion. TAM has won more than 50 awards abroad and in Slovakia.

Tatra Residence, a.s. was established in 1997 and integrates management, construction, design and real estate activities. Currently, it manages several lucrative multifunctional properties in Bratislava and Trnava. It has several subsidiaries. Its real estate agency department is focused on providing services in selling and leasing residential real estate in Bratislava and its surroundings within 40 km. The aim is to provide high-quality and comprehensive services in sale, purchase and financing of real estate.

4.9 Trend information

Macroeconomic conditions, market environment, as well as legislation and regulation applicable to all financial institutions in the Slovak Republic and the Eurozone have an impact on the Issuer, the Issuer's Group and its business. Moreover, there are no known trends, uncertainties, requirements, liabilities or events that could reasonably be considered to have an impact on the Issuer's prospects in the current financial year.

4.10 Profit forecasts or estimate

The Issuer has neither published nor included in the Prospectus any profit forecast or estimate.

4.11 Administrative, managing and supervising bodies

Board of Directors

The Board of Directors is the Issuer's statutory body which manages the Issuer's activities and acts on its behalf. The Board of Directors decides on all matters of the Issuer, unless a matter is reserved for the General Meeting or the Supervisory Board by law or the Issuer's articles of association. All members of the Board of Directors may act on behalf of the Issuer. At all times two members of the Board of Directors together or two proxies together act and sign on behalf of the Issuer. The Board of Directors has seven members, their term of office is no more than five years.

Members of the Board of Directors of Tatra banka, a.s.

Name and surname	Position held
Mgr. Michal Liday	Chairman
Ing. Marcel Kaščák	Member
Ing. Peter Matúš	Member
Mgr. Natália Major	Member
Mag. Bernhard Henhappel	Member
Dr. Johannes Schuster	Member
Ing. Martin Kubík	Member

All of the members of the Issuer's Board of Directors have professional qualifications for the performance of their positions and hold no significant share in the Issuer's business. None of them has been convicted of a property crime. None of the members of the Board of Directors conducts business or activities outside the Issuer or the Issuer's Group that would be significant with regard to the Issuer's activities.

The Issuer has no knowledge of any conflict of interest among the members of the Board of Directors in relation to their obligations vis-à-vis the Issuer and their private interests or other obligations.

Contact address of all members of the Issuer's Board of Directors is: Hodžovo námestie 3, 811 06 Bratislava 1.

Supervisory Board

The Supervisory Board is the supreme control body of the Issuer; it supervises the financial and business activities of the Issuer, the execution of powers of the Board of Directors and the performance of other activities of the Issuer. It has nine members, six are elected by the General Meeting and three by the Issuer's employees. The term of their office is no more than five years. The Supervisory Board meets at least three times a year. A majority of all its members is required to adopt a decision.

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Members of the Supervisory Board of Tatra banka, a.s.

Name and surname	Position held
Dr. Andrii Stepanenko	Chairman
Ing. Igor Vida	Vice-chairman
Mag. Peter Lennkh	Member
Dr. Johann Strobl	Member
Mag. Lukasz Januszewski	Member
Mag. Andreas Gschwenter	Member
Ing. Iveta Uhrínová	Member
Prof. Ing. Peter Baláž, PhD.	Member
Dr. Hannes Mösenbacher	Member

All of the members of the Issuer's Supervisory Board have professional qualifications for the performance of their positions and hold no significant share in the Issuer's business. None of them has been convicted of a property crime. None of the members of the Supervisory Board conducts business, or activities outside the Issuer or the Issuer's Group that would be significant with regard to the Issuer's activities.

The Issuer has no knowledge of any conflict of interest among the members of the Supervisory Board in relation to their obligations vis-à-vis the Issuer and their private interests or other obligations.

Contact address of all members of the Issuer's Supervisory Board is: Hodžovo námestie 3, 811 06 Bratislava 1.

4.12 The Corporate Governance Code

In administration and management, the bank complies with the Corporate Governance Code for Slovakia issued by the Slovak Association of Corporate Governance. The Corporate Governance Code is available at the Association's website www.sacg.sk.

4.13 Shareholders of the Issuer

The table below presents the shareholding structure of the Issuer as of the date of this Prospectus.

	Registered capital (in thousands of EUR)	Share in %	Voting rights in %
Shareholder			
Raiffeisen CEE Region Holding GmbH	50 678	78.78	89.11
Other shareholders	13 648	21.22	10.89
Total	64 326	100.00	100.00

Raiffeisen CEE Region Holding GmbH is a legal entity with its registered seat at Am Stadtpark 9, 1030 Vienna, Republic of Austria, FN 286845g, registered in the Commercial Register of the Commercial Court of Vienna.

The Issuer is not aware of any mechanisms whose application may later result in the change of its control. Control mechanisms for exercising the shareholder rights of the Issuer's owner and measures to ensure the

elimination of the misuse of these rights are stipulated in the Act on Banks and other generally binding legal regulations.

4.14 Financial information concerning assets and liabilities, financial situation and profits and losses of the Issuer

Historical financial information that has been audited as well as interim financial information that has not been audited are included in the prospectus by reference from the following Issuer's financial statements:

- (a) The consolidated financial statements of the Issuer for the year ending 31 December 2017 prepared in compliance with the IFRS, which form part of the Issuer's Annual Report for 2017;
- (b) The consolidated financial statements of the Issuer for the year ending 31 December 2018 prepared in compliance with the IFRS, which form part of the Issuer's Annual Report for 2018; and
- (c) the Issuer's individual unaudited financial statements for the three months ending 31 March 2019 in accordance with IAS 34.

The consolidated financial statements for the year ending 31 December 2017 were audited by Deloitte Audit s.r.o., with its registered seat at Digital Park II, Einsteinova 23, 851 01 Bratislava, member of the Slovak Chamber of Auditors, SKAU licence No. 014.

The consolidated financial statements for the year ending 31 December 2018 were audited by KPMG Slovensko spol. s r.o., with its registered seat at Dvořákovo nábrežie 10, Bratislava 811 02, member of the Slovak Chamber of Auditors, SKAU licence No. 96.

The change of auditors was due to the normal regular replacement under the requirements of law.

The auditor's statements were in all cases issued without qualification.

Besides the financial data from the above-mentioned audited consolidated financial statements, no other information in the Prospectus has been audited.

The Issuer's individual unaudited financial statements for the three months ending 31 March 2019 in accordance with IAS 34 were not audited.

Selected historical and interim financial data

The following historical financial information has been taken from the relevant published audited consolidated financial statements of the Issuer for the relevant periods:

Short-form consolidated statement of financial situation as of 31 December	2018	2017
<i>(in thousands of EUR, IFRS)</i>		
Assets		
Cash, treasury balances with central banks and other deposits repayable on demand	1 144 212	1 313 569
Financial assets – held for trading	26 146	40 730
Financial assets at fair value through other aggregate gains and losses	502 391	177 127
Financial assets at amortised cost	11 248 247	10 737 366
Total assets	<u>13 195 897</u>	<u>12 502 678</u>
Liabilities and equity		
Financial liabilities held for trading	28 226	80 490
Financial liabilities at amortised cost	11 923 175	11 322 699
Total liabilities	12 063 993	11 510 427

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Equity (other than current year profit)	1 012 029	867 909
Profit after tax	119 875	124 342
Total equity	1 131 904	992 251
Total liabilities	12 063 993	11 510 427
Total liabilities and equity	13 195 897	12 502 678

Short-form consolidated statement of aggregate profit and loss for the period of 12 months	2018	2017
<i>(in thousands of EUR, IFRS)</i>		
Interest income and dividend income, net	289 254	269 094
Fee and commission income, net	129 280	125 215
Pre-tax profit	154 580	155 649
Taxes on income	(34 705)	(31 307)
After-tax profit	119 875	124 342
Comprehensive profit after tax	118 056	125 222

The following interim financial information was taken from the Issuer's individual interim unaudited financial statements for three months ending 31 March 2019:

Short-form individual statement of financial condition as of 31 March	31.3.2019	31.12.2018
<i>(in thousands of EUR, IAS 34)</i>		
Assets		
Cash, treasury balances with central banks and other deposits repayable on demand	648 808	1 138 267
Financial assets – held for trading	38 123	26 146
Financial assets at fair value through other aggregate gains and losses	400 607	502 391
Financial assets at amortised cost	11 609 704	11 029 051
Total assets	12 985 901	12 943 559
Liabilities and equity		
Financial liabilities held for trading	37 657	28 226
Financial liabilities at amortised cost	11 753 950	11 745 105
Total liabilities	11 889 382	11 877 246
Equity (other than current year profit)	1 069 564	956 670
Profit after tax	26 955	109 643
Total equity	1 096 519	1 066 313
Total liabilities and equity	12 985 901	12 943 559
Short-form individual statement of aggregate profit and loss for the period of 3 months ending 31 March	31.3.2019	31.3.2018
<i>(in thousands of EUR, IAS 34)</i>		
Interest income and dividend income, net	69 255	65 804
Fee and commission income, net	26 748	27 492
Pre-tax profit	33 931	34 028
Taxes on income	(6 976)	(8 397)
After-tax profit	26 955	25 631
Comprehensive profit after tax	31 484	24 287

The volume of non-performing loans defaulted by more than 90 days (the **NPLs**) in the Issuer's portfolio has long been below the average of the Slovak banking market. The overall share of the NPLs in the entire portfolio was only 2.1 % as of 31 March 2019, while NPLs share of household loans segment was 2 % and 1.1 % of the mortgage loan segment.

4.15 Legal, administrative and arbitration proceedings

During the period of one year preceding the preparation of the Prospectus, the Issuer or any member of the Issuer's Group was not and is not aware of it being a party to any administrative, legal or arbitration proceedings (the **Proceedings**) that may have or may have had in the recent past significant effects on the financial position or profitability of the Issuer or on the companies in the Issuer's Group. It cannot be excluded that in the future the Issuer or a company from the Issuer's Group will become a party to any Proceedings that may have a material adverse effect on the economic results and financial position of the Issuer.

4.16 Significant change in the Issuer's financial position

Since the date of compilation of the audited consolidated financial statements of the Issuer prepared in accordance with IFRS for the year ended 31 December 2018, no significant changes or facts have occurred in the financial or business position of the Issuer and the Issuer's Group.

4.17 Material contracts

The Issuer or any member of the Issuer's Group has not entered into any material contracts other than contracts entered into in the ordinary course of the business that may result in a situation in which the Issuer or any member of the Issuer's Group will have an obligation or authorisation decisive for the Issuer's ability to perform the obligations under the Notes towards their Holders.

5. REASONS FOR THE OFFER AND THE USE OF PROCEEDS

Net proceeds from the issue of the Notes will be used to finance ordinary operational needs and business activities of the Issuer.

The reason for the offer in the case of Subordinated Notes is also the strengthening of the Issuer's sources of own funds and, in the case of Senior Non-preferred Notes, also the fulfilment of the minimum requirement for eligible liabilities, in each case according to the requirements of banking regulation.

6. BASIC INFORMATION ABOUT THE NOTES

The Notes are debt securities that represent the Issuer's obligation to repay their principal amount and any proceeds. The Notes will be issued as Senior Notes, Covered Notes, Subordinated Notes or Senior Non-preferred Notes.

The Notes will be issued under the laws of the Slovak Republic, in particular the Bonds Act; as part of the Programme, the Issuer may issue them on a continuous or repeated basis as separate issues; individual issues may also be issued in parts (tranches).

The Notes may be offered in the territory of the Slovak Republic in the form of a public offering or on the territory of other Member States of the European Union by one or more manners specified in the relevant national legislation which have transposed Article 3(2) of the Prospectus Directive which is exempt from the obligation to publish a prospectus.

The Issuer may but is not obliged to apply for admission of the Notes on the regulated Stock Exchange market or on another regulated market in the Member State of the European Economic Area.

6.1 Basic information about the Senior Notes

The details of the notes and their issuance are set out in the Bonds Act and the Securities Act. Senior Notes under the Programme will be issued as senior unsecured notes, which will not be subordinated pursuant to Section 20a of the Bonds Act or secured pursuant to Section 20b of the Bonds Act.

In addition to basic features of notes specified in Section 1 of the Bonds Act, being the right of the Holder to request the payment of outstanding principal amount and the payment of interest as at a certain date, no other special rights are attached to the Senior Notes.

If the Issuer finds itself in a crisis situation under the Resolution Act, including related regulations, the Issuer's obligations under the Senior Notes may be subject to the Issuer's or Group's resolution measures, in particular a bail-in, resulting in liabilities under the Senior Notes changed, terminated or converted into the Issuer's registered capital. This can result in the Holders losing a part or their whole investment in the Senior Notes.

6.2 Basic information about the Covered Notes

General information

The details of the Covered Notes and their issuance are set out in the Act on Banks and the Act on Bonds. The Covered Notes are secured notes the principal amount of which, including the yields on them, is fully covered by assets or other property values in the cover pool, which can only be issued by a bank in the Slovak Republic, and which is designated in its name as "covered note" (in Slovak: *krytý dlhopis*). The Holders of the Covered Notes have by virtue of law the priority security right over all assets registered in the cover pool, including in the mortgages over the real estate property securing the included mortgage loans.

The Covered Notes can only be issued by a Slovak bank that has a bank license under the Act on Banks and which has obtained prior approval from the NBS to perform activities related to the covered notes programme. The Issuer has obtained such prior approval of the NBS on 20 November 2018.

The cover pool consists of four components: (i) underlying assets (i.e. mortgage loans), (ii) additional assets, (iii) hedging derivatives, and (iv) liquid assets. An asset or property value becomes part of the cover pool by its inclusion in the register of covered notes and is included until it is removed from this register. The cover pool may, pursuant to Section 68(3) of the Act on Banks, be used only to cover the Issuer's obligations to repay the principal amount of the covered notes and their interest proceeds, the estimated obligations and costs of the Issuer related to the covered notes programme (e.g. to the covered notes programme administrator, the payment service agent, etc.) and the obligations of the Issuer arising from hedging derivatives.

The base assets are the Issuer's receivables from mortgage loans with a maturity of no more than 30 years, provided to consumers and secured by pledges over immovable assets that meet the statutory conditions. The

base assets are also these pledges over immovable assets. If the value of the pledged property decreases to the amount of the current unpaid principal of the mortgage loan, such Issuer's receivable shall be included in the base assets only up to the amount not exceeding 80% of the value of the pledged property. If the value of the pledged property falls below the unpaid principal, it is not included in the base assets at all.

Additional assets include deposits with the NBS, the ECB or the central bank of a Member State, ECB debt certificates, cash, treasury bills issued by the Slovak Republic, or debt securities issued by a Member State, deposits with banks, foreign banks and debt securities issued by banks and foreign banks.

The Act on Banks sets out the method of calculating the cover ratio. The cover ratio is the ratio between the value of the cover pool and the sum of the Issuer's obligations and costs arising from the covered notes programme and must be maintained at a level of at least 105%.

Property values and assets forming part of the cover pool are registered in the register of covered notes. They cannot be pledged by the Issuer or used to secure its other obligations.

The NBS appoints for each bank that is the issuer of covered notes, a cover notes programme administrator and its deputy supervising the compliance with the statutory conditions in relation to the covered notes programme. The covered notes programme administrator supervises the issue of covered notes in terms of their requirements and coverage under the Act on Banks and informs NBS about any identified deficiencies. The covered notes programme administrator is required to issue a written certificate for each issue of covered notes prior to the issue, that they have the required coverage and that a record is kept in the register of covered notes.

If the Issuer becomes insolvent, the separate bankruptcy estate of the secured creditors, who are the holders of the covered notes, would be composed of the assets constituting the cover pool and registered in the register of covered notes; this separate bankruptcy estate will include in particular the base assets, i.e. receivables from mortgage loans, including pledges over properties serving to secure the receivables from mortgage loans, provided that they have been registered in the register of covered notes and included in the cover pool.

If the Issuer is insolvent, the bankruptcy trustee has several options to deal with the covered notes programme. The bankruptcy trustee may in particular continue to operate the covered notes programme as part of the Issuer's business unless this reduces the overall satisfaction ratio for the holders of the covered notes. If the bankruptcy trustee assesses that it will be more beneficial to the holders of the covered notes, he may attempt to transfer the covered notes programme or its part so that the whole covered notes programme is transferred to another bank or multiple banks. If the bankruptcy trustee fails to secure transferring of the covered notes programme, he is entitled to sell individual receivables from mortgage loans that form part of the cover pool's assets during the business operation. If the capitalisation fails to be achieved in such a way before termination of the operation of the Issuer's business, the bankruptcy trustee may, after fulfilling the statutory conditions and complying with the statutory deadlines, terminate the operation of the covered notes programme as a part of the Issuer's business and enforce an early repayment of obligations corresponding to the receivables that constitute the base assets of the cover pool. Termination of the covered notes programme operation will result in receivables payment falling due under the Covered Notes.

Re-registration of the legacy mortgage bonds

The Covered Notes will be issued pursuant to new rules introduced in Slovak law by amendment to the Act on Banks No. 279/2017 Coll. with effect from 1 January 2018 (the **AoB Amendment**). Under the AoB Amendment, the issuance of mortgage bonds (in Slovak: *hypotekárne záložné listy*), i.e. notes covered in the manner similar to the Covered Notes under the previous regulation, is no longer possible from 1 January 2018. However the AoB Amendment, specifically new Section 122ya(3) of the Act on Banks, allows to include the historic mortgage bonds together with their cover assets into the new covered notes programme by way of their re-registration into the new register of covered notes.

The Issuer has made use of this statutory option and in December 2018 registered 9 issues of mortgage bonds in the aggregate principal amount of EUR 573.8 million in its new register of covered notes. Due to the re-registration, the outstanding mortgage bonds are deemed as the covered notes under new rules of the Act on

Banks, as amended by the AoB Amendment. In addition, the Issuer has registered in the register of covered notes the mortgage loans provided under agreements entered into before 1 January 2018 that serve to cover these issues of mortgage bonds and fulfil the new eligibility criteria under the AoB Amendment.

Statutory publication concerning the Cover Pool and the Covered Notes

The information regarding the Cover Pool and the Covered Notes was and will be published by the Issuer to the extent required under the Act on Banks and other applicable regulation and prevailing practice.

6.3 Basic information about the Subordinated Notes

Subordinated Notes will be issued as subordinated notes under Section 20a of the Bonds Act and they are subject to all limitations under Section 408a of Act No. 513/1991 Coll. Commercial Code, as amended (the **Commercial Code**).

In the event of bankruptcy or liquidation of the Issuer, the Issuer's payment obligations under the Subordinated Notes shall, regarding the right to payment, rank after the unsubordinated debtors of the Issuer and before the claims of shareholders, holders of (other) instruments of common equity Tier 1 capital under Article 28 of the CRR, as well as before the holders of instruments of additional Tier 1 capital under Article 52 of the CRR of the Issuer and any other subordinated obligations of the Issuer expressed under their terms and conditions as ranked after the Subordinated Notes. The subordination undertaking relating to all obligations under the Subordinated Notes cannot be altered or terminated in any way. All obligations under the Subordinate Notes are unsecured and no provisions or guarantees increasing the seniority of the Subordinated Obligations from Notes apply to them, whether from the side of the Issuer, its affiliates or any other person under Article 63 of the CRR.

If the Issuer gets into a crisis situation under the Resolution Act, including related regulations, the obligations of the Issuer from the Subordinated Notes may be subject to measures for resolution of the crisis situation of the Issuer or its group, mainly to the capitalisation measure, as a result of which the obligations from the Subordinated Notes may be modified, terminated, or converted into registered capital of the Issuer. This can result in the Holders losing a part or their whole investment in the Subordinated Notes.

The Holders do not have the right to set-off their claims under the Subordinated Notes against the claims of the Issuer. In accordance with Section 408a(6) of the Commercial Code, no contractual or statutory set-off is permitted.

6.4 Basic information about the Senior Non-preferred Notes

The Senior Non-preferred Notes will under the Programme be issued as non-preferred, senior and unsecured notes with lower ranking in bankruptcy under Section 180a(2) of the Bankruptcy Act. The Senior Non-preferred Notes will be issued primarily with the intention of meeting the minimum requirements for eligible liabilities (the MREL) pursuant to Section 31 et seq. of the Crisis Situation Resolution Act and relevant provisions of the CRR at the time of their issuance. As such, these Notes have lower ranking and the claims arising out them will be satisfied in the Issuer's bankruptcy only after satisfaction of the preferred claims from protected and covered deposits (Section 180a(1) of the Bankruptcy Act) as well as all unsecured claims under Section 95(1) of the Bankruptcy Act, which also includes claims under the Senior Notes or other current unsecured obligations. On the contrary, the Senior Non-preferred Notes have a higher ranking in the bankruptcy than the Subordinated Notes.

If the Issuer gets into a crisis situation under the Resolution Act, including related regulations, the Issuer's obligations under the Senior Non-preferred Notes may be subject to the Issuer's or Group's resolution measures, in particular a bail-in, resulting in liabilities under the Senior Non-preferred Notes changed, terminated or converted into the Issuer's registered capital. This can result in the Holders losing a part or their whole investment in the Senior Non-preferred Notes.

The Holders do not have the right to set off their claims under the Senior Non-preferred Notes against the Issuer's claims.

7. COMMON TERMS

This section of the Prospectus contains certain information in square brackets that do not contain specific information or contain only a general description (or general principles or alternatives). At the moment of the preparation of the Prospectus, the unknown information concerning the Notes, will be completed by the Issuer for individual issues of the Notes in the Final Terms (as defined below) to be prepared and published in the form specified in part 8 of the Prospectus designated as the “Form of Final Terms”.

The term “Notes” for the purpose of this part 7 (Common Terms) only refers to the notes of the issue concerned and shall not be construed as any notes issued continuously or repeatedly by the Issuer under the Programme.

The text in these Common Terms in italics is merely a guide to the preparation of the Final Terms and is not part of the final legally binding text of the relevant Terms and Conditions (as defined below) of the relevant issue of the Notes.

All issues of the Notes to be issued under the Programme on the basis of this Prospectus will be governed by the Common Terms set out in this part 7 (the **Common Terms**) and the respective Final Terms. For the purposes of these Common Terms and pursuant to Section 121(10) of the Securities Act, the Final Terms mean a document designated as the “Final Terms” to be prepared and published by the Issuer with regard to individual issues of the Notes, and which will contain particular information the description of which is given in square brackets in these Common Terms (the **Final Terms**).

For the sake of clarity, the articles and paragraphs of the Common Terms are numbered separately.

PART A: INFORMATION ABOUT SECURITIES

This Part A (*Information about securities*) of the Common Terms together with Part A of the Final Terms replaces the terms and conditions of the respective issue of the Notes (the **Terms and Conditions**).

For the avoidance of doubt, the term “Notes” in the Terms and Conditions only refers to the notes of the particular issue and shall not be construed as referring to any notes issued continuously or repeatedly by the Issuer under the Programme.

Any reference to point, section or paragraph in the Terms and Conditions (including in the Final Terms) means reference to point, section or paragraph of the whole Terms and Conditions of a given issuance of the Notes.

1. Basic information, form and manner of issue of the Notes

- 1.1 [Type of Notes – [Unsubordinated and unsecured notes (the **Senior Notes**)] or [Covered Notes] or [Subordinated Notes] or [Senior Non-preferred Notes]], [ISIN], [FISN] [Common Code] will be issued by the Issuer, Tatra banka, a.s., with its registered seat at Hodžovo námestie 3, 811 06 Bratislava 1, Slovak Republic, Identification No.: 00 686 930, registered in the Commercial Register of the District Court Bratislava I, Slovak Republic, Section: Sa, Insert No: 71/B, LEI: 3157002JBFAI478MD587 (the **Issuer**) in accordance with Act No. 530/1990 Coll., on Bonds, as amended (the **Bonds Act**) and in accordance with Act No. 566/2001 Coll. on Securities and Investment Services, as amended (the **Securities Act**).

The Covered Notes are issued as covered notes (in Slovak: *kryté dlhopisy*) under Section 67 et seq. of Act No. 483/2001 Coll. on Banks, as amended (the **Act on Banks**) and are covered by assets or other property values in the cover pool pursuant to the relevant provisions of the Act on Banks.

- 1.2 The Notes are book-entry securities (in Slovak: *zaknihované cenné papiere*) registered in: [**Depository** – *information (name and address of the entity) about the entity that maintains the statutory records of securities*] (the **Central Depository**) in bearer form (in Slovak: *vo forme na doručiteľa*) pursuant to the Securities Act.
- 1.3 The Notes will be issued with principal amount (in Slovak: *menovitá hodnota*) of each of the Notes of [**Principal Amount**] (the **Principal Amount**), the number of securities being no more than [**Number of Securities in the Issue**].

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- 1.4 The Notes will be issued in the currency [**Currency**] (the **Currency**).
- 1.5 The name of the Notes is [**Name**].
- 1.6 The Aggregate Principal Amount (in Slovak: *celková menovitá hodnota*) of the Notes will be no more than [**Aggregate Amount of the Issue**] (the **Aggregate Amount of the Issue**) and after deduction of the costs relating to the issue of the Notes (costs of the Central Depository, admission to trading, advisors, subscription or placement of the Notes, administration, settlement and other associated costs) the estimated net proceeds from the issue of the Notes will be [**Estimated Net Proceeds from the Issue**].
- 1.7 Individual issues of the Notes may be issued by the Issuer in parts (tranches) in compliance with the applicable provisions of the Bonds Act.
- 1.8 The Issue Price of the Notes was determined as [**Issue Price in %**] of the Principal Amount (the **Issue Price**).
[Information about the accrued interest]
- 1.9 The issue date of the Notes is set for [**Issue Date**] (the **Issue Date**).
- 1.10 The Notes will be issued under the EUR 3 000 000 000 debt securities issuance programme pursuant to Section 121(5)(a) of the Securities Act (the **Programme**).

2. **Rights attached to the Notes**

- 2.1 The Notes will be issued in accordance with the Bonds Act, the Securities Act and in the case of the Covered Notes also the Act on Banks, and the Holders have the rights and obligations arising from these laws and the Terms and Conditions. The procedure for exercising these rights follows from the applicable laws and the Terms and Conditions.
- 2.2 Rights attached to the Notes are not restricted, except for general restrictions pursuant to applicable legal regulations.
- 2.3 The transferability of the Notes is not restricted. No rights to exchange them for any other securities and no pre-emption rights (rights for preferential subscription) to any securities and no other benefits are attached to the Notes.
- 2.4 The payment of the Principal Amount or the payment of interest on the Notes as regards the Covered Notes is secured (covered) in compliance with the applicable provisions of the Act on Banks and as regards the Senior Notes, Subordinated Notes and Senior Non-preferred Notes, it is unsecured or not otherwise covered.
- 2.5 A joint representative of the Holders or any other representative of Holders has not been appointed.

3. **Holders of the Notes and transfers**

- 3.1 The Holders of the Notes will be the persons registered as owners of the Notes (a) on the owner's account (in Slovak: *účet majiteľa*) maintained by the Central Depository or by a member of Central Depository; or (b) in the internal records of a person for which Central Depository maintains a custody account (in Slovak: *držiteľský účet*) or similar account (each such account the **Relevant Account** and each such person the **Holder**). If some of the Notes are registered in a custody account, the Issuer reserves the right to rely on the authority of each person maintaining such account to fully represent (directly or indirectly) the Holder and perform vis-à-vis the Issuer and to the account of the Holder all legal acts (either in the Holder's name or in its own name) associated with the Notes as if this person were their owner.
- 3.2 A transfer of the Notes is made through the registration of the transfer in the Relevant Account.
- 3.3 Unless the law or a decision of the court delivered to the Issuer provides otherwise, the Issuer will deem each Holder as the authorised owner in all respects and make the payments under the Notes to that Holder.

4. Status of obligations

[**Status of obligations** – *selection of option* – *in the case of the Senior Notes it shall be stated:* [Obligations from the Senior Notes constitute direct, general, unsecured, unconditional and unsubordinated liabilities of the Issuer which rank *pari passu* among themselves and always rank at least *pari passu* with any other direct, general, unsecured, unconditional and unsubordinated liabilities of the Issuer, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law. Each Holder acknowledges and explicitly agrees that if the Issuer gets into a crisis situation under Act No. 371/2014 Coll. on the resolution of crisis situations on the financial market, as amended, including related regulations, the obligations of the Issuer from the Senior Notes may be subject to measures for resolution of the crisis situation of the Issuer or its group, mainly to the capitalisation measure, as a result of which the obligations from the Senior Notes may be modified or terminated, or converted into registered capital of the Issuer. This can result in the Holders losing a part or their whole investment in the Senior Notes.]

or in the case of the Covered Notes it shall be stated: [Obligations from the Covered Notes constitute direct, general, secured (covered), unconditional and unsubordinated liabilities of the Issuer which rank *pari passu* among themselves and always rank at least *pari passu* with any other direct, general, similarly secured (covered), unconditional and unsubordinated liabilities of the Issuer, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law.]

or in the case of the Subordinated Notes it shall be stated: [Obligations from the Subordinated Notes constitute direct, general, unsecured, unconditional and subordinated liabilities of the Issuer which rank *pari passu* among themselves and always rank at least *pari passu* with any other direct, general, unsecured, unconditional and subordinated liabilities of the Issuer, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law. The Subordinated Notes are subordinated notes under Section 20a of the Bonds Act, and they are subject to all limitations under Section 408a of Act No. 513/1991 Coll., the Commercial Code, as amended (the **Commercial Code**). By subscribing, purchasing or otherwise acquiring any Subordinated Notes, each Holder agrees with this subordination undertaking and related limitations. In the event of bankruptcy or liquidation of the Issuer, the Issuer's payment obligations under the Subordinated Notes shall, regarding the right to payment, rank after the claims of unsubordinated creditors of the Issuer and before the claims of shareholders, claims of holders of (other) instruments of common equity Tier 1 capital under Article 28 of the CRR, as well as before the claims of holders of instruments of additional Tier 1 capital under Article 52 of the CRR of the Issuer and claims under any other subordinated obligations of the Issuer expressed under their terms and conditions as ranked after the Subordinated Notes. The subordination undertaking relating to all obligations under the Subordinated Notes cannot be altered or terminated in any way. All obligations under the Subordinate Notes are unsecured and no provisions or guarantees increasing the seniority of the Subordinated Obligations from Notes apply to them, whether from the side of the Issuer, its related parties or any other person under Article 63 of the CRR. Each Holder acknowledges and explicitly agrees that if the Issuer gets into a crisis situation under Act No. 371/2014 Coll. on the resolution of crisis situations on the financial market, as amended, including related regulations, the obligations of the Issuer from the Subordinated Notes may be subject to measures for resolution of the crisis situation of the Issuer or its group, mainly to the capitalisation measure, as a result of which the obligations from the Subordinated Notes may be modified or terminated, or converted into registered capital of the Issuer. This can result in the Holders losing a part or their whole investment in the Subordinated Notes. The Holders do not have the right to set-off their claims under the Subordinated Notes against the Issuer and at the same time the Issuer does not have the right to set-off its claims against the claims of the Holders under the Subordinated Notes. In accordance with Section 408a (6) of the Commercial Code, no contractual or statutory set-off is permitted.]

or in case of Senior Non-preferred Notes it shall be stated: [The purpose of the issue of the Notes is to set them off against "the minimum requirements for own funds and eligible liabilities" (the MREL) under Section 31 et seq. of Act No. 371/2014 Coll. on the resolution of crisis situations on the financial market, as amended, and related regulations. Obligations from the Senior Non-preferred Notes constitute direct, general, unsecured and unconditional obligations of the Issuer with a lower ranking in bankruptcy under

Section 180a(2) of Act No. 7/2005 Coll. on Bankruptcy and Restructuring, as amended, which rank *pari passu* among themselves and always rank at least *pari passu* with any other direct, general, unsecured and unconditional obligations of the Issuer with the same ranking in bankruptcy of the Issuer, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law. Claims under the Senior Non-preferred Notes are subordinated to other unsecured and unsubordinated obligations of the Issuer, but under any circumstances are superior to the Tier 2 instruments under Article 63 of the CRR. Each Holder acknowledges and explicitly agrees that if the Issuer gets into a crisis situation under Act No. 371/2014 Coll. on the resolution on the financial market, as amended, including related regulations, the obligations of the Issuer from the Senior Non-preferred Notes may be subject to measures for resolution of the crisis situation of the Issuer or its group, mainly to the capitalisation measure, as a result of which the obligations from the Senior Non-preferred Notes may be modified or terminated, or converted into the registered capital of the Issuer. This can result in the Holders losing a part or their whole investment in the Senior Non-preferred Notes. The Holders do not have the right to set-off their claims under the Senior Non-preferred Notes against the Issuer and at the same time the Issuer does not have the right to set-off its claims against the Holders under the Senior Non-preferred Notes.]

5. Representations and undertakings of the Issuer

5.1 The Issuer declares that it owes to the Holders the Principal Amount and undertakes to repay the Principal Amount and any interest on the Notes (if the Notes bear interest income), in accordance with their Terms and Conditions.

5.2 The Issuer undertakes to treat all Holders in the same circumstances equally.

6. Interest

6.1 The Notes will bear interest from the date of the Issue Date: [**Determination of interest** – (selection of options below)]

(a) *for the Notes with a fixed interest rate without changing it to the Principal Amount Maturity Date or to the Early Maturity Date, it must be stated:*

[The Notes bear a fixed interest rate throughout their life, in the amount of [Rate]% p. a.] (the **Interest Rate**.)]

(b) *for the Notes without payment of interest income (zero coupon), it must be stated:*

[The Notes have no interest rate and their interest is determined as the difference between the Principal Amount of the Notes and their Issue Price. The provisions of clauses 6.2 to 6.6 and any reference to interest or its payment shall in this case not be applicable to the Notes.]

(c) *for the Notes with a fixed interest rate that is to be changed repeatedly to a different fixed interest rate, it must be stated:*

[The Notes bear a fixed Interest Rate the value of which over time is changing, as follows [Rate – add appropriate dates or periods and add individual Interest Rates in % p. a. in the format “from [Date] (including) to [Date] (excluding) with interest income [amount of adjusted interest income]% p. a.”, with the text in this format being specified for each relevant period in which the fixed Interest Rate is to be increased/decreased.

The term **Interest Rate** refers to the interest income in % p. a. applicable over the relevant period and the current Interest Rate shall be notified by the Issuer to the Holders immediately.]

(d) *for the Notes with a fixed interest rate that is to be changed one time to a different fixed interest rate, it must be stated:*

[The Notes bear fixed interest rate of [First Rate]% p. a. until [Interest Rate Change Date] (the **Interest Rate Change Date**) (the **First Interest Rate**) during each Interest Period. The Interest Rate Change Date may only be one of the Payment Dates determined in accordance with clause 6.2. From the Interest Rate Change Date until the Principal Amount Maturity Date or the Early Maturity Date, the Notes will during each Interest

Period bear interest at a fixed interest rate determined as the $\frac{[\text{sum}]}{[\text{difference}]}$ of the Reference Rate and the Margin of **[Reference Rate and Margin]**% p. a. *[and if the interest rate so determined is still to be multiplied by the factor, include the following text: “and the result of this difference will still be multiplied by the factor **[Factor Numerical Value]**”]* (the **Second Interest Rate**).

The term **Interest Rate** refers to the First Interest Rate and/or the Second Interest Rate in % p. a. applicable over the relevant period and the Second Interest Rate shall be notified by the Issuer to the Holders immediately.

The Reference Rate will be set only once at **[Reference Rate Setting Deadline]** before the Interest Rate Change Date and will be applicable during the following Interest Periods (as defined below) (the **Reference Rate Setting Date**).

- (e) *for the Notes with a fixed interest rate that will be changed to a floating interest rate, as well as for the Notes with target redemption with a fixed interest rate that will be changed to a floating interest rate, it must be stated:*

[The Notes bear fixed interest rate of **[First Rate]**% p. a. until **[Interest Rate Change Date]** (the **Interest Rate Change Date**) (the **First Interest Rate**) during each Interest Period. The Interest Rate Change Date may only be one of the Payment Dates.

From the Interest Rate Change Date until the Principal Amount Maturity Date or the Early Maturity Date, the Notes will during each Interest Period bear interest at an interest rate determined as the $\frac{[\text{sum}]}{[\text{difference}]}$ of the Reference Rate and the Margin of **[Reference Rate and Margin]**% p. a. *[and if the interest rate so determined is still to be multiplied by the factor, include the following text: “and the result of this difference will still be multiplied by the factor **[Factor Numerical Value]**”]* (the **Second Interest Rate**).

The term **Interest Rate** refers to the First Interest Rate and/or the Second Interest Rate in % p. a. applicable over the relevant period and the Second Interest Rate for the relevant Interest Period shall be notified by the Issuer to the Holders immediately. The Reference Rate will be set for the first time **[Reference Rate Setting Deadline]** before the Interest Rate Change Date and subsequently set **[Reference Rate Setting Deadline]** before the applicable Payment Date for the following Interest Period (as defined below) (the **Reference Rate Setting Date**).

and further for the Notes under this paragraph (e):

- *in the case of the Notes where, in the case of the Second Interest Rate, the amount of the Margin may vary, it must be stated:*

[The Margin is set as follows: **[Margin – add relevant dates or periods and add individual Margins in % p. a. in the format “from [Date] (including) to [Date] (excluding) the amount of Margin of [amount of Margin] % p. a.”, with the text in this format being specified for each relevant period in which the amount of Margin is to be changed]**. The term **Margin** refers to the margin in % p. a. applicable during the relevant period.]

- *in the case of the Notes for which the Second Interest Rate is to be set using the minimum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is less than **[Floor Rate]**% p. a., the Notes will bear interest of **[Floor Rate]**% p. a. (the **Floor Interest Rate**) for the given Interest Period. If the Floor Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** will be interpreted as the Floor Interest Rate for the purposes of the Terms and Conditions for the given Interest Period and not as an interest rate determined in the manner above.]

- *in the case of the Notes for which the Second Interest Rate is to be set using the maximum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is higher than [**Cap Rate**]% p. a., the Notes will bear interest of [**Cap Rate**]% p. a. (the **Cap Interest Rate**) for the given Interest Period. If the Cap Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** will be interpreted as the Cap Interest Rate for the purposes of the Terms and Conditions for the given Interest Period and not as an interest rate determined in the manner above.]

- *for the Notes with target redemption, it must be stated:*

[*in the case of the unguaranteed Target Interest Amount, it must be stated:* The Target Interest Amount for the whole period until the Principal Amount Maturity Date is neither specified nor guaranteed.] *or* [*in the case of the guaranteed Target Interest Amount, it must be stated:* The minimum amount of interest on each Note due for the whole period from the Interest Rate Change Date to the Principal Amount Maturity Date or to the Early Maturity Date is equal to the difference of (a) [**Target Interest Amount**] and (b) the sum of all interest payments paid on one Note for all previous Interest Periods.]

and [*in the case of the Total Interest Ceiling, it must be stated:* The maximum amount of interest on each Note is equal to the difference of (a) [**Target Interest Amount**]; and (b) the sum of all interest paid for all previous Interest Periods (the **Total Interest Ceiling**). The Issuer is for the last variable Interest Period under no obligation to pay any further interest exceeding the Total Interest Ceiling.] *or*, [*if Total Interest Ceiling is not stated, it must be stated:* The variable amount of interest for the last variable Interest Period is also payable in full if the sum of all interest paid for all previous Interest Periods exceeds the Target Interest Amount.]]

- (f) *for the Notes with a fixed interest rate that is to be changed to a reversed floating interest rate, it must be stated:*

[The Notes bear fixed interest rate of [**First Rate**]% p. a. until [**Interest Rate Change Date**] (the **Interest Rate Change Date**) (the **First Interest Rate**) during each Interest Period. The Interest Rate Change Date may only be one of the Payment Dates.

From the Interest Rate Change Date until the Principal Amount Maturity Date or the Early Maturity Date, the Notes will during each Interest Period bear interest at an interest rate determined as the difference between (i) [**Second Rate**] in % p. a. and (ii) the Reference rate [**Reference rate**]% p. a. [*and if the interest rate so determined is still to be multiplied by the factor, include the following text:* “and the result of this difference will still be multiplied by the factor [**Factor Numerical Value**]”] (the **Second Interest Rate**).

The term **Interest Rate** refers to the First Interest Rate and/or the Second Interest Rate in % p. a. applicable over the relevant period and the current Second Interest Rate for the relevant Interest Period shall be notified by the Issuer to the Holders immediately.

The Reference Rate will be set for the first time [**Reference Rate Setting Deadline**] before the Interest Rate Change Date and subsequently set [**Reference Rate Setting Deadline**] before the applicable Payment Date for the following Interest Period (as defined below) (the **Reference Rate Setting Date**).]

and further for the Notes under this paragraph (f):

- *in the case of the Notes for which the Second Interest Rate is to be set using the minimum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is less than [**Floor Rate**]% p. a., the Notes will bear interest for that Interest Period of [**Floor Rate**]% p. a. (the **Floor Interest Rate**). If the Floor Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** will be

interpreted as the Floor Interest Rate for the purposes of the Terms and Conditions and not as an interest rate determined in the manner above.]

- *in the case of the Notes for which the Second Interest Rate is to be set using the maximum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is higher than [Cap Rate]% p. a., the Notes will bear interest of [Cap Rate]% p. a. (the Cap Interest Rate) for the given Interest Period. If the Cap Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** will be interpreted as the Cap Interest Rate for the purposes of the Terms and Conditions for the given Interest Period and not as an interest rate determined in the manner above.]]

- (g) *for the Notes with a fixed interest rate that is to be changed to a spread floating interest rate, as well as for the Notes with target redemption with a fixed interest rate that is to be changed to a spread floating interest rate, it must be stated:*

[The Notes bear fixed interest rate of [First Rate]% p. a. until [Interest Rate Change Date] (the **Interest Rate Change Date**) (the **First Interest Rate**) during each Interest Period. The Interest Rate Change Date may only be one of the Payment Dates.

From the Interest Rate Change Date until the Principal Amount Maturity Date or the Early Maturity Date, the Notes will during each Interest Period bear interest at an interest rate determined as the difference between (i) Floating Interest Rate 1 (as defined below) and (ii) Floating Interest Rate 2 (as defined below) [and if the interest rate so determined is still to be multiplied by the factor, include the following text: “and the result of this difference will still be multiplied by the factor [Factor Numerical Value]”] (the **Second Interest Rate**).

The term **Interest Rate** refers to the First Interest Rate and/or the Second Interest Rate in % p. a. applicable over the relevant period and the current Second Interest Rate for the relevant Interest Period shall be notified by the Issuer to the Holders immediately.

The term **Floating Interest Rate 1** means: [Reference Rate 1]% p. a.

The term **Floating Interest Rate 2** means: [Reference Rate 2]% p. a.

Reference Rate 1 and Reference Rate 2 will be set for the first time [Reference Rate Setting Deadline] before the Interest Rate Change Date and subsequently set [Reference Rate Setting Deadline] before the applicable Payment Date for the following Interest Period (as defined below) (the **Reference Rate Setting Date**).

and further for the Notes under this paragraph (g):

- *for the Notes for which the Second Interest Rate is to be set using the minimum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is less than [Floor Rate]% p. a., the Notes will bear interest of [Floor Rate]% p. a. for the given Interest Period (the **Floor Interest Rate**). If the Floor Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** will be interpreted as the Floor Interest Rate for the purposes of the Terms and Conditions and not as an interest rate determined in the manner above.]

- *for the Notes for which the Second Interest Rate is to be set using the maximum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is higher than [Cap Rate]% p. a., the Notes will bear interest of [Cap Rate]% p. a. (the **Cap Interest Rate**) for the given Interest Period. If the Cap Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** is to be

interpreted as the Cap Interest Rate for the purposes of the Terms and Conditions and not as an interest rate determined in the manner above.]

- *for the Notes with target redemption, it must be stated:*

[in the case of the unguaranteed Target Interest Amount, it must be stated: The Target Interest Amount for the whole period until the Principal Amount Maturity Date is neither specified nor guaranteed.] or [in the case of the guaranteed Target Interest Amount, it must be stated: The minimum amount of interest on each Note due for the whole period from the Interest Rate Change Date to the Principal Amount Maturity Date or to the Early Maturity Date is equal to the difference of (a) [Target Interest Amount] and (b) the sum of all interest payments paid on one Note for all previous Interest Periods.]

and [in the case of the Total Interest Ceiling, it must be stated: The maximum amount of interest on each Note is equal to the difference of (a) [Target Interest Amount]; and (b) the sum of all interest paid for all previous Interest Periods (the Total Interest Ceiling). The Issuer is for the last variable Interest Period under no obligation to pay any further interest exceeding the Total Interest Ceiling.] or, [if Total Interest Ceiling is not stated, it must be stated: The variable amount of interest for the last variable Interest Period is also payable in full if the sum of all interest paid for all previous Interest Periods exceeds the Target Interest Amount.];

- (h) *for the Notes with a floating interest rate, it must be stated:*

[The Notes bear interest at the floating rate set as the sum of the Reference Rate and the Margin of [Reference Rate and Margin]% p. a. (the Interest Rate).

The Reference Rate will be set for the first time [Reference Rate Setting Deadline] before the Issue Date and subsequently set [Reference Rate Setting Deadline] before the applicable Payment Date for the following Interest Period (as defined below) (the Reference Rate Setting Date).

The current floating Interest Rate for the relevant Interest Period shall be notified by the Issuer to the Holders promptly.]

and further for the Notes under this paragraph (h):

- *for the Notes where the amount of Margin may vary, it must be stated:*

[The Margin is set as follows: [Margin – add relevant dates or periods and add individual Margins in % p. a. in the format “from [Date] (including) to [Date] (excluding) the amount of Margin of [amount of Margin]% p. a.”, with the text in this format being specified for each relevant period in which the amount of Margin is to be changed]. The term Margin refers to the margin in % p. a. applicable during the relevant period.]

- *for the Notes using the minimum interest rate, it must be stated:*

[If, for any Interest Period, the floating Interest Rate determined in accordance with the preceding provisions is less than [Floor Rate]% p. a., the Notes will bear interest of [Floor Rate]% p. a. (the Floor Interest Rate) for the given Interest Period. If the Floor Interest Rate is applied in accordance with the previous sentence, the term Interest Rate will be interpreted as the Floor Interest Rate for the purposes of the Terms and Conditions and not as an interest rate determined in the manner above.]

- *for the Notes using the Memory interest rate, it must be stated:*

[If, for any Interest Period, the floating Interest Rate determined in accordance with the preceding provisions is less than the interest rate determined for the immediately preceding period (the Memory Interest Rate), the Notes will bear interest at the Memory Interest Rate for the given Interest Period. If the Memory Interest Rate is applied in accordance with the previous sentence, the term Interest Rate will be interpreted as the Memory Interest Rate for the purposes of the Terms and Conditions and not as an interest rate determined in the manner above.]

- *for the Notes using the maximum interest rate, it must be stated:*

[If, for any Interest Period, the floating Interest Rate determined in accordance with the preceding provisions is higher than [Cap Rate] % p. a., the Notes will bear interest of [Cap Rate] % p. a. (the **Cap Interest Rate**) for the given Interest Period. If the Cap Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** will be interpreted as the Cap Interest Rate for the purposes of the Terms and Conditions and not as an interest rate determined in the manner above.]].

- 6.2 Yield to Maturity as at the Issue Date amounts to: [Yield to Maturity]. Interest on the Notes will be always paid [Interest Payment Frequency] (on) [Interest Payment Date(s)] of the relevant calendar year (each a **Payment Date**) in compliance with Article 8.

Interest on the Notes will be paid to the Holders for each Interest Period retrospectively, for the first time on [First Interest Payment Date].

For the purposes of the Terms and Conditions, the **Interest Period** shall mean the period commencing on the Issue Date (inclusive) and ending on the first Payment Date (exclusive) and subsequently each successive period commencing on the Payment Date (inclusive) and ending on the next successive Payment Date (exclusive) until (a) the Principal Amount Maturity Date (exclusive) or until (b) the Early Maturity Date (exclusive) if the Notes are redeemed early.

Interest on the Notes shall be calculated according to the convention [Convention] (as defined below).

- 6.3 The amount of interest payable to each Holder shall be calculated (a) as the product of the Principal Amount and the Interest Rate (expressed as a decimal number), (b) by subsequent multiplication of this amount by the relevant fraction of days calculated in accordance with the convention specified in the preceding sentence, (c) by subsequent multiplication of this amount by the number of the Notes held by the relevant Holder, and (d) by rounding the resulting value to two decimal places, with the value of 0.005 being rounded up. The same procedure shall be used also for calculation of the aliquot accrued interest.
- 6.4 The Notes will cease to bear interest as of the Principal Amount Maturity Date or the Early Maturity Date (if the Notes are redeemed early), provided that the Principal Amount has as of this date been repaid. If the Principal Amount is not fully repaid as of the Principal Amount Maturity Date or the Early Maturity Date (if the Notes are redeemed early) due to the Issuer's fault, the Notes will continue to bear interest at the Interest Rate until all due amounts in respect of the Notes have been paid.
- 6.5 For the purposes of the Terms and Conditions, "**Reference Rate**" means the interest rate expressed as the percentage p.a. displayed on [Screen page] (or any substitute screen page displaying such information) as [Relevant value – [the value of the fixing of the interest rates for sale on the interbank market for deposits for the relevant currency for the relevant period] or [the value of mid-swap interest rate (the average of bid and offer swap rate) for the fixed part of swap transaction, where the fixed rate is changed into a floating rate in the relevant currency for the relevant period] or [Not applicable.]]; information/data regarding the past performance, current value as well as the volatility of the Reference Rate can also be obtained there.

If the Reference Rate is not available on the above-mentioned page or it is not displayed for any reason, it will be determined by the Issuer. In the event that any interest rate calculated using the Reference Rate in accordance with the procedures set out above would be less than zero, the Interest Rate with a value of zero will be used to calculate the Interest Rate.

- 6.6 **Convention** means for the purposes of the Terms and Conditions one of the following conventions for the calculation of interest:
- (a) "**30E/360**" which, for the purposes of the calculation, means that a calendar year has 360 days divided into 12 months, and each month has 30 days;
- (b) "**Act/360**" which, for the purposes of the calculation, means that a calendar year has 360 days; however, the actual number of days lapsed in the relevant Interest Period is taken into consideration, i.e. the same convention as for the Reference Rate is used; and

- (c) “**Act/Act**” which, for the purposes of the calculation, means the actual number of days from the beginning of the Interest Period to the day of the relevant calculation divided by 365 (or if any part of the period for which the interest income is determined falls within a leap year, the sum of (i) the actual number of days in that part of the period for which the interest income is determined, which falls within the leap year, divided by the number 366, and (ii) the actual number of days in that part of the period for which the interest income is determined, which falls into the non-leap year, divided by the number 365).
- 6.7 The calculation of interest on the Notes by the Issuer will be final and binding for all Holders, except for a manifest error.
- 7. Maturity of the Notes**
- 7.1 Unless the Notes are redeemed earlier or repurchased by the Issuer and thus cease to exist, as defined below, the Principal Amount [**Method of Redemption**] shall be repaid on [**Maturity Date**] (the **Principal Amount Maturity Date**).
- 7.2 [**Repurchase** – [The Issuer has the right to purchase any of the Notes on the secondary market at any market price any time prior to the Principal Amount Maturity Date.] *or [only in the case of Subordinated Notes included in Tier 2 capital of the Issuer: The Issuer may buy back all or only some of the Notes only if the conditions under Articles 63, 77, 78 and related provisions of the CRR have been satisfied, and the authorisation of the competent supervisory authority has been obtained.] or [only in the case of Senior Non-preferred Notes: The Issuer may buy back all or only some of the Notes only if the conditions under the requirements of the CRR applicable and effective at that time applicable to the eligible liabilities and their buy-back are satisfied, and the authorisation of the competent supervisory authority has been obtained. [The Issuer may also buy back all or some of the Notes with the remaining maturity of less than one year, unless they are already included in the minimum requirement for eligible liabilities due to this shorter maturity.]]* The Notes purchased by the Issuer will not cease to exist and the Issuer may keep and resell them. However, the Issuer may at any time after the buy-back of the Notes until the Principal Amount Maturity Date decide to terminate the Notes, in which case the Notes bought back by the Issuer shall cease to exist.]
- 7.3 [**Early redemption of the Notes decided by the Issuer** – [The Issuer is, on the basis of its decision, entitled to early redeem all (not only some) Notes issued and outstanding as of [**Early Redemption Date(s)**] (the **Early Maturity Date**). The Issuer is obliged to announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date.] *[only in the case of Subordinated Notes included in Tier 2 capital of the Issuer: If there is a change in the regulatory classification of the Notes or in the applicable tax terms in respect of the Notes, in each case referred to in Article 78(4) of the CRR, the Issuer may, by a written notice addressed to the Holders, determine that all (and not only some) Notes may become early redeemable as of [**Early Redemption Date(s)**] (the **Early Maturity Date**). The Issuer is obliged to announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date. The Issuer may exercise this right only if the conditions under Articles 63, 77, 78 and related provisions of the CRR are satisfied, and the authorisation of the competent supervisory authority has been obtained. [only in the case of Senior Non-preferred Notes: If there is a change in the regulatory classification of the Notes or in the applicable tax terms in respect of the Notes, in each case as will be provided in the relevant provisions of the CRR applicable and effective at that time, the Issuer may, by a written notice addressed to the Holders, determine that all (and not only some) Notes may become early redeemable as of [**Early Redemption Date(s)**] (the **Early Maturity Date**). [The Issuer may also, by a written notice addressed to the Holders, determine that all (and not only some) Notes may become early redeemable as of [**Early Redemption Date(s)**] in the case of the Notes with the remaining maturity of less than one year, unless they are already included in the minimum requirement for eligible liabilities due to this shorter maturity.]* The Issuer is obliged to announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date. The Issuer may exercise this right only if the conditions under the relevant provisions of the CRR applicable and effective at that time are satisfied, and the authorisation of the competent supervisory authority has been obtained.]]

The Issuer's notification of the early redemption of the Notes and of the Early Maturity Date is irrevocable and obliges the Issuer to early redeem the entire issue in respect of which the notification was made.

On the Early Maturity Date, the Issuer shall pay to each Holder [(i) 100.00% of Principal Amount of the Notes; and (ii) the extraordinary interest of [**Extraordinary Interest Amount in %**]] of the Principal Amount of the Notes *or* [**Other Determination of the Early Redemption Amount**]. The provisions of Article 8 shall apply accordingly to the early redemption of the Notes.] *or* [Not applicable. The Issuer may not, on the basis of its decision, redeem the Notes early.]]

- 7.4 [**Early redemption of the Notes with target redemption upon reaching the Target Interest Amount** – [The Notes become early redeemable as of the Payment Date when the sum of all interest payments paid on one Note for all previous Interest Periods (including the most recent one) reaches or exceeds [**Target Interest Amount**]. This Payment Date will be considered the Early Maturity Date.] *or* [Not applicable. The Notes do not have a target redemption when reaching a certain amount of interest.]

8. Payment terms and conditions

- 8.1 The Issuer undertakes to pay the interest from the Notes and repay the Principal Amount in the Currency. The interest from the Notes and the Principal Amount shall be paid to the Holder in accordance with the tax, foreign exchange and other applicable Slovak legal regulations effective on the date of the relevant payment.
- 8.2 Payment of the interest from the Notes will be made as of the Payment Date and the repayment of the Principal Amount will be made as of the Principal Amount Maturity Date or the Early Maturity Date (if the Notes are redeemed early) in accordance with the Terms and Conditions, through the Issuer and/or the Administrator (as defined below) of the issue of the Notes at its registered seat (the **Payment Venue**).
- 8.3 The interest from the Notes and the Principal Amount shall be paid to persons who will prove to be the Holders according to the current register of Notes held by the Central Depository or a Central Depository member or a person registering a Holder for the Notes registered on the holding account held for such a person by the Central Depository at the close of business hours of the Central Depository on the relevant Determination Date (the **Authorised Person**).
- 8.4 For the purposes of the Terms and Conditions, the **Determination Date** means:
- (a) for the purposes of the payment of interest from the Notes, the 15th calendar day prior to the Payment Date (exclusive), or
 - (b) for the purposes of the payment of the Principal Amount:
 - (i) the 15th calendar day prior to the of Principal Amount Maturity Date (exclusive); or
 - (ii) the 15th calendar day prior to the Early Maturity Date.
- 8.5 The Issuer shall make the payment of interest from the Notes and the Principal Amount to the Authorised Persons via wire transfer to their accounts held at the bank, foreign bank or a branch of the foreign bank, which the Authorised Person shall notify to the Issuer in a manner satisfactorily certain and acceptable for the Issuer no later than five business days prior to the Payment Date or the Principal Amount Maturity Date or the Early Maturity Date.
- 8.6 The form and content of the instruction must satisfy the reasonable requirements of the Issuer, and the Issuer will be entitled to request sufficiently satisfactory evidence that a person who has signed the instruction is authorised to do so on behalf of the Authorised Person. Such evidence must also be delivered to the Issuer no later than five business days prior to the Payment Date/Principal Amount Maturity Date/Early Maturity Date (as applicable). In particular, the Issuer will be entitled to request any Authorised Person to deliver an officially certified power of attorney if the Authorised Person acts through a representative.

Despite the Issuer's rights under the preceding sentence, the Issuer will not (a) be obliged to verify the authenticity of the instruction according to this clause, or (b) be liable for any damage incurred in relation to any delay resulting from the delivery of incorrect, out-of-date and/or incomplete instruction, or (c) be liable for

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any damage incurred in connection with the verification of the instruction or any other information or documents pursuant to this clause. In these cases, the Authorised Person shall not be entitled to any additional payment or interest for the caused delay or the delay of the relevant payment.

- 8.7 If the Issuer, in reasonable time after the Payment Date, the Principal Amount Maturity Date or the Early Maturity Date (as the case may be) cannot pay any amount due in relation to the Notes due to delays caused by the Authorised Person, failure to provide a proper instruction or for other reasons on the part of the Authorised Person (e.g. in case of his/her death), the Issuer may, without prejudice to its authorisation pursuant to Section 568 of Act No. 40/1964 Coll. the Civil Code, as amended, deposit the due amount at the expense of the Authorised Person (or his/her legal successor) at his discretion either into notarial custody or keep the due amount itself. By depositing the due amount into custody (notarial or its own), the Issuer's obligation for payment of such amount is deemed to have been satisfied and the Authorised Person (or his/her legal successor) shall in such case not be entitled to any additional payment, interest or other proceeds in connection with the safekeeping and later payment of the amount.
- 8.8 For the purposes of the Terms and Conditions, a business day means a day on which commercial banks in city [**Financial Centre**] are normally open for business and the TARGET 2 system (Trans-European Automated Real-Time Gross Settlement Express Transfer System) is open for settling transactions except for a Saturday, Sunday and any other day which is considered a public holiday in the Slovak Republic. If the Payment Date, the Principal Amount Maturity Date or the Early Maturity Date, as the case may be, falls on a day other than a business day, the Payment Date, the Principal Amount Maturity Date or the Early Maturity Date will be deemed to fall on the next business day, provided that in this case no additional interest or other additional amounts will accrue on the Notes.

9. Administrator

- 9.1 The activities of the administrator related to the payment of interest income, redemption of the Notes and calculations related to the determination of income shall be provided by the Issuer.
- 9.2 The Issuer reserves the right to designate at any time another or additional Payment Venue or to appoint one or more administrators (the **Administrator**) in relation to one or several issues or only in relation to this activity in some countries. The Administrator can only be a bank, a branch of a foreign bank, or another person with the required authorisation to do so. If the Issuer appoints an Administrator, it shall enter into an agreement with such Administrator (the **Administration Agreement**) which will regulate the rights and obligations of the Issuer and the Administrator to ensure that all of the rights and obligations of the Issuer under the Terms and Conditions, the Bonds Act, the Act on Banks, the Securities Act and any other applicable legal regulations are performed. The provisions of the Terms and Conditions concerning making payments and other administrative functions applicable to the Issuer shall apply to the Administrator *mutatis mutandis*. The changes to the Administrator and the Payment Venue shall be deemed to be the changes of the Payment Venue. The changes must not be substantially detrimental to the Holders. The Issuer shall notify the Holders of its decision to appoint the Administrator. Any such change shall become effective after the end of a 15-day period after the date of the notice, unless a later effective date is specified in the notice. However, any change which would otherwise become effective less than 30 days prior to or after the Payment Date of any amount in relation to the Notes, shall become effective on the thirtieth day after such Payment Date.
- 9.3 The Administrator (if appointed) acts as the Issuer's representative in relation to the performance of the obligations arising from the Administration Agreement and unless the Administration Agreement or the law provides otherwise, it has no legal relationship with the Holders. The Administrator shall not guarantee the Issuer's obligations under the Notes or secure them in any other manner.
- 9.4 The Issuer and the Administrator may, without the consent of the Holders, agree on (a) any change of any provision of the Administration Agreement if such change is exclusively of a formal, secondary or technical nature or if it is made in order to correct a manifest error or required due to changes in legal regulations; and (b) any other change and waiver of claims arising from any breach of any provision of the Administration

Agreement which, in the reasonable opinion of the Issuer and the Administrator, will not be detrimental to the Holders.

10. Taxation

The payments of the Principal Amount and interest from the Notes are subject to withholding tax, levies or other charges if required by the Slovak legal regulations applicable as at the date of their payment.

[**Gross-up** – [The Issuer will not be obliged to pay any additional sums to the recipient for the reimbursement of these withholdings, taxes, levies or charges.] *or* [If such withholding or deduction is required by the laws of the Slovak Republic, the Issuer will pay such additional amounts to the Holders as will be necessary so that the net amount of the principal or interest received by the Holders after such withholding or deduction will equal the respective amounts which would otherwise have been received in respect of the Notes in the absence of such withholding or deduction (the **Additional Amounts**). However, no such Additional Amounts will be payable on account of any withheld or deducted tax which:

- (a) is payable by any person (including the Issuer) acting as custodian bank or collecting agent on behalf of a Holder, or by the Issuer if no custodian bank or collecting agent is appointed or otherwise in any manner which does not constitute a payment of tax by way of withholding or deduction by the Issuer as tax payer;
- (b) is payable by reason of the Holder having, or having had, some personal or business connection with the Slovak Republic;
- (c) is withheld or deducted pursuant to: (i) any European Union directive or other legal instrument of the Union law concerning the taxation of distributions income; or (ii) any international treaty relating to such taxation and to which the Slovak Republic or the European Union is a party; or (iii) any provision of law implementing, or complying with, such directive, legal instrument or treaty;
- (d) is payable by reason of a change in law that becomes effective more than 30 days after the relevant payment in respect of the Notes becomes due; or
- (e) would not be payable if the Holder would provide a certificate of residence, certificate of exemption or any other similar documents required according to the respective applicable regulations.]]

11. Limitation

Any rights arising from the Notes shall become time-barred after the lapse of the ten-year period from (a) the relevant Payment Date in the case of the right to claim an interest payment; or (b) the Principal Amount Maturity Date, in the case of the right to claim the payment of the Principal Amount of the Note and extraordinary interest (if applicable); and (c) the first day on which such right could have been enforced under the law, in the case of any other right as the ones mentioned above.

12. Unilateral modifications

The Issuer may unilaterally change the Terms and Conditions only if such change is a correction of a manifest inaccuracy in the provisions of the Terms and Conditions, a change of the designation of the Issuer or the Payment Venue, unless the Bonds Act or a special law require otherwise.

13. Meeting

13.1 The request to convene a Meeting

Any Holders whose principal amount is at least 10% of the total aggregate principal amount of the issued and outstanding Notes has the right to request the convening of the Meeting of the Holders of the Notes (the **Meeting**). The request to convene the Meeting must be delivered to the Issuer and, if appointed, to each Administrator. The Holders who have requested a Meeting are required to submit an extract from the records demonstrating that they are Holders pursuant to clause 3.1 as of the date of signing of the request along with the request to convene the Meeting.

The request to convene a Meeting may be withdrawn by the relevant Holders, but only if such withdrawal is received by the Issuer and, if appointed, also by each Administrator, no later than three business days before the Meeting. Withdrawal of the request to convene a Meeting does not affect any other request to convene a Meeting by other Holders. If the Meeting does not take place solely due to the withdrawal of the request to convene the Meeting, the Holders shall jointly and severally reimburse to the Issuer the costs incurred so far for the preparation of the Meeting.

The Issuer is entitled to convene the Meeting at any time and is obliged to convene the Meeting without undue delay if it is in delay with the satisfaction of the rights attached to the Notes.

13.2 **Convening of the Meeting**

The Issuer is obliged to promptly convene the Meeting within ten business days of the receipt of the request to convene the Meeting.

The costs of organising and convening the Meeting shall be borne by the Issuer, unless stated otherwise. However, the Issuer has the right to demand reimbursement of the costs of convening the Meeting from the Holders who have filed the Request to convene the Meeting without serious cause, especially if the Issuer duly fulfils the obligations arising from the Terms and Conditions. The costs associated with attending the Meeting are covered by each participant himself.

13.3 **Notice of the Meeting**

The Issuer is obliged to publish the convening notice of the Meeting no later than five Business days prior to the date of the Meeting.

The convening notice of the Meeting must include at least:

- (a) name, Identification No. and registered seat of the Issuer;
- (b) designation of the Notes, including at least name of the Note, Issue Date and ISIN;
- (c) place, date and hour of the Meeting; place of the Meeting may only be a place in Bratislava, date of the Meeting must be a day which is a business day and the time of the Meeting may not be earlier than 9:00 a.m. and later than 4:00 p.m.;
- (d) agenda of the Meeting, whereas the choice of the Chairman of the Meeting must be the first item of the agenda of the Meeting; and
- (e) The Date of Record for Attending the Meeting (as defined below).

If there is no reason to convene the Meeting, the convener shall withdraw it in the same way as it was convened.

In the convening notice of the Meeting, the Issuer may determine the organisational and technical conditions under which the Holders may participate in the Meeting using electronic means of distance communication allowing a direct remote transmission of audio and video of the Meeting between the Meeting and the Holder.

13.4 **Attending the Meeting**

(a) Persons entitled to attend the Meeting

Each Holder who has been registered as a Holder of the Notes pursuant to clause 3.1, except for the Issuer itself and any person controlled by the Issuer, is entitled to participate and vote at the Meeting (the **Person Entitled to Attend the Meeting**) on the seventh day prior to the day of the relevant Meeting (the **Date of Record for Attending the Meeting**). Any transfers of the Notes made after the Date of Record for Attending the Meeting are disregarded.

The Person Entitled to Attend the Meeting may be represented by an attorney who, at the beginning of the Meeting, presents and hands over to the Chairman of the Meeting (as defined below) the original of a power of attorney with an officially certified signature of the Person Entitled to Attend the

Meeting or its statutory body, in the case of a legal entity, together with an original or a copy of a valid extract from the commercial register or other similar register in which the Person Entitled to Attend the Meeting is registered (possibly also the attorney, if a legal entity); this power of attorney is, except for manifest deficiencies, an irrefutable proof of the representative's right to participate and vote at the Meeting on behalf of the represented Person Entitled to Attend the Meeting. After the end of the Meeting, the Chairman of the Meeting shall hand the power of attorney over to the Issuer's custody.

(b) Voting right

The Person Entitled to Attend the Meeting has as many votes out of the total number of the votes that corresponds to the ratio between the principal amount of the Notes it holds as of the Date of Record for Attending the Meeting and the total principal amount of the given Issue which is held by other Persons Entitled to Attend the Meeting attending the Meeting as of the Date of Record for Attending the Meeting.

(c) Attendance of other persons at the Meeting and co-operation of the Issuer

The Issuer is obliged to attend the Meeting, either through its statutory body or through a duly authorised person, and provide the information necessary for the decision or adoption of the Meeting's opinion. Other members of the Issuer's and/or Administrator's statutory, supervisory, inspection or management body (if appointed), notary and guests invited by the Issuer to participate in the Meeting or any other persons whose attendance at the Meeting has been approved by the Issuer, may also attend the Meeting.

13.5 Course of the Meeting and adopting decisions

(a) Quorum

The Meeting has a quorum if attended (including the attendance through electronic means of communication in accordance with paragraph (f) below) by the Persons Entitled to Attend the Meeting who are, as of the Date of Record for Attending the Meeting, the Holders of the Notes whose principal amount represents more than 50% of the total principal amount of issued and outstanding Notes of the given Issue, except for the Notes held by any person controlled by the Issuer. Prior to commencement of the Meeting, the Issuer will provide information on the number of Notes in respect of which the Persons Entitled to Attend the Meeting are entitled to attend and vote at the Meeting in accordance with the Common Terms.

(b) Chairman of the Meeting

The Meeting is chaired by the Issuer or a person designated by the Issuer until it has been decided at the Meeting that another person will become the Chairman of the Meeting (the **Chairman of the Meeting**). Election of the Chairman of the Meeting shall be the first item of the agenda of the Meeting. If the election of the Chairman of the Meeting at the Meeting is not successful, the Meeting shall be chaired by the Issuer or a person designated by the Issuer until the end of the Meeting.

(c) Adopting decisions at the Meeting

The Meeting is entitled to decide only on proposed resolutions that fall within the scope of the Meeting defined in the Common Terms. The Meeting shall decide only on proposed resolutions referred to in the convening notice. Matters that were neither included in the proposed agenda of the Meeting nor mentioned in the convening notice can only be decided if the discussion of these points is agreed by all attending Persons Entitled to Attend the Meeting who are entitled to vote at this Meeting and if they at the same time relate to the items specified in the convening notice of the Meeting.

The Meeting has the power to decide on the change of the Terms and Conditions of the respective Issue of the Notes only if proposed by the Issuer. The Meeting does not have the power to decide on

the early redemption of the Principal Amount of the Notes or a change of other obligations of the Issuer under the Notes.

The Meeting has also the power, with the consent of the Issuer, to decide on an additional deadline for the fulfilment of the Issuer's obligations under the Notes or in relation to the Notes.

The Meeting decides on the submitted proposals by way of resolutions. For the adoption of a resolution, an absolute majority of the votes of the present Persons Entitled to Attend the Meeting is sufficient.

Any matter submitted to the Meeting shall be decided in the following manner: after the Chairman of the Meeting has announced the wording of the proposed resolution, each of the Persons Entitled to Attend the Meeting declares, upon the request of the Chairman of the Meeting, whether it (i) is for the adoption of the proposed resolution, (ii) is against the adoption of the proposed resolution, or (iii) abstains from voting; each such statement is recorded by the attending notary. After the end of the vote of all Persons Entitled to Attend the Meeting as described above and after the evaluation of the results, the Chairman of the Meeting, upon agreement with the attending notary, shall announce to the Persons Entitled to Attend the Meeting whether the proposed resolution has been adopted or rejected by the necessary number of the Persons Entitled to Attend the Meeting, such announcement together with the record of the attending notary on the result of the vote shall be irreversible and conclusive evidence of the result of the vote.

Any duly adopted resolution is binding on the Issuer and all Holders, regardless of whether they attended the Meeting and voted for or did not vote for the resolution at the Meeting.

In cases specified in the Bonds Act, a Person Entitled to Attend the Meeting who, according to the minutes of the Meeting, voted against the proposed resolution at the Meeting or did not attend the Meeting, may request that the rights and obligations of the Issuer and the Holder under the original Terms and Conditions continue to exist or request early redemption of the Notes.

(d) Adjourning the Meeting

The Chairman of the Meeting shall dissolve the Meeting if a duly convened Meeting does not have a quorum in accordance with the provisions of (a) above after the lapse of 60 minutes after the time specified for the beginning of the Meeting. In such case, the Issuer is obliged to convene a replacement Meeting so that it takes place no sooner than two weeks and no later than three weeks from the date on which the original Meeting was convened. The replacement Meeting shall be announced in the manner set out in clause 13.3. The new Meeting shall resolve and decide under the same terms and in the same manner as the dissolved Meeting.

(e) Minutes of the Meeting

The course of every Meeting (including, but not limited to) (i) the agenda of the Meeting (ii) the individual resolutions adopted by the Meeting and (iii) the results of the votes at the Meeting on individual resolutions) will be recorded in a notarial deed prepared at the Meeting; one copy will be prepared by the attending notary for the Issuer and one for the Administrator, if appointed. Minutes that are duly deposited with the Issuer and the Administrator are considered evidence of the facts contained in such minutes and, unless proven otherwise, are considered proof that the Meeting recorded has been duly convened and/or held, and that all resolutions of such Meeting were adopted subject to all conditions and requirements for their adoption in accordance with the Common Terms. The Issuer shall publish the adopted decisions within 14 days of the date of preparation of the minutes of the Meeting and the complete minutes shall be available to the Holders for inspection during the ordinary business hours in the Specified Office.

(f) Attendance and voting at the Meeting through electronic means of distance communication

If, in the convening notice of the Meeting, the Issuer set out the organisational and technical terms and conditions for participation of the Holders in the Meeting through electronic means of distance communication, the Person Entitled to Attend the Meeting may participate in and vote at it through electronic means of distance communication under the following conditions:

- (i) The Person Entitled to Attend the Meeting shall respect the organisational and technical conditions and instructions of the Issuer (in particular the hardware and software requirements) and will maintain video and audio contact with the Meeting from the start of the Meeting; any later registrations of the Person Entitled to Attend the Meeting will not be taken into account;
- (ii) The Person Entitled to Attend the Meeting may, if attending the Meeting through electronic means of distance communication, not be represented by an attorney, except if the Person Entitled to Attend the Meeting notified the Issuer of this fact in writing at least two Business Days before the Meeting and at the same time delivered to the Issuer the original of a power of attorney with an officially certified signature of the Person Entitled to Attend the Meeting or its statutory body, in the case of a legal entity, together with an original or a copy of a valid extract from the commercial register or other similar register in which the Person Entitled to Attend the Meeting is registered (possibly also the attorney itself, if legal entity); this power of attorney is, except for manifest deficiencies, an irrefutable proof of the attorney's right to participate and vote at the Meeting on behalf of the represented Person Entitled to Attend the Meeting.
- (iii) the two-way communication between the Meeting and the Holder and the transmission of video and audio will not be interrupted, delayed and will be sufficient and of sufficient quality, which in particular allows the Chairman of the Meeting to verify the identity of the Person Entitled to Attend the Meeting and the Person Entitled to Attend the Meeting to participate in the discussions and vote on the items on the agenda as well as to view, receive and submit documents (in electronic form, if necessary);
- (iv) in the event of failure to comply with the condition under (iii) above, the Chairman of the Meeting shall be entitled to terminate the participation of the relevant person in the Meeting by interrupting the connection, in which case the relevant Person Entitled to Attend the Meeting shall be deemed absent from the Meeting;
- (v) in the event of any technical failure or other event giving rise to the termination of the video and/or audio connection between the Meeting and the Person Entitled to Attend the Meeting, such person shall be deemed to be absent from such moment;
- (vi) no Person Entitled to Attend the Meeting whose participation in the Meeting has been terminated under (iv) or (v) above shall have the right to resume his/her participation in that Meeting by re-connecting to the Meeting through electronic means of distance communication; the above shall not apply if the relevant connection was interrupted solely for reasons on the part of the Issuer; in such a case, the Issuer shall allow the relevant Person Entitled to Attend the Meeting to re-establish video and audio contact with the Meeting;
- (vii) while the video or audio contact with the Meeting is interrupted, the relevant Person Entitled to Attend the Meeting will be deemed to be absent; however, the Issuer is not obliged to suspend the course of the Meeting for this reason;
- (viii) the Person Entitled to Attend the Meeting shall provide the necessary assistance to the extent that the Chairman of the Meeting is able to identify and verify the identity of the Person Entitled to Attend the Meeting;

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- (ix) the Chairman of the Meeting can control how the Meeting proceeds, and determine and announce the results of voting;

The Person Entitled to Attend the Meeting attending the Meeting through electronic means of distance communication under the above terms will be deemed to be present at such Meeting.

14. Notices

- 14.1 Any notice, publication or communication by the Issuer addressed to the Holders and any facts material for exercising the rights of the Holders will be published at the Issuer's website or in a nationwide newspaper in the Slovak Republic, in each case according to the decision of the Issuer subject to mandatory requirements of applicable law.
- 14.2 If the legal regulations require that a notice is also published in another manner, such notice shall be deemed to be validly published when it is published in such required manner. If any notice is published by several manners, the date of its first publication shall be deemed the date of such notice. The publication date shall also be deemed the date of delivery of the notice to the Holders.
- 14.3 The Issuer is obliged to make notices and publications in relation to the Notes in English or Slovak language or bilingually in English and Slovak language if the Notes were offered on the territory of other Member States of the European Union. If it is permitted by the legal regulations, taking into account the nature of a notice or publication, the Issuer may decide to make such notice or publication relating to the Notes in Slovak language only.
- 14.4 Any notice to the Issuer in respect of the Notes must be delivered in writing to the following address:

Tatra banka, a.s.

Oddelenie Treasury
Hodžovo námestie 3
811 06 Bratislava 1
Slovak Republic

or to such other address notified to the Holders in a manner described in this Article.

15. Governing law and dispute resolution, language

- 15.1 Any and all rights and obligations arising from the Notes shall be governed and construed in accordance with Slovak law.
- 15.2 Any and all disputes between the Issuer and the Holders arising under or in relation to the Notes shall be finally resolved by the relevant Slovak court.
- 15.3 The Slovak language version of these Terms and Conditions is legally binding and if the Terms and Conditions are translated into another language, the Slovak language version of the Terms and Conditions shall prevail in the case of any interpretation discrepancies between the Terms and Conditions in Slovak language and the Terms and Conditions translated into another language.

PART B: TRADING, CONDITIONS OF OFFER AND OTHER INFORMATION

16. Admission to trading

[**Admission to trading** – [The Issuer will submit an application to Burza cenných papierov v Bratislave, a.s., with its registered seat at Vysoká 17, 811 06 Bratislava, IČO: 00 604 054, for the admission of the Notes to trading on its regulated market: [BSSE Market].] or [The Issuer will submit an application for the admission of the Notes to trading on [●].] or [The Issuer will not submit an application for the admission of the Notes to trading on a regulated market.]] [**Estimated admission costs** – [The Issuer estimates the costs associated with the request and admission of the Notes to trading at [●] or [Not applicable.]]]

17. Conditions of the Offer

The Notes will be offered [**Type of Offer** – [in a public offering in the Slovak Republic] or [in an offer which is not subject to the statutory obligation to publish the Prospectus within and outside the Slovak Republic]] through [**Form of Offer**]. [**Offer is addressed to** – [individuals] and/or [legal entities] and/or [eligible counterparties] and/or [qualified investors] and/or [limited group of persons, i.e. less than 150 individuals or legal entities in the relevant Member State other than qualified investors]].

[**Distribution method** – [No arrangements have been agreed on as regards the subscription of the issue of the Notes with any entities on the basis of a firm commitment, placement without firm commitment or “best efforts” arrangement and the distribution of the Notes is arranged by the Issuer.] or [[The Issuer] [and] [**Financial Intermediaries**] will distribute the Notes in the Slovak Republic [and also outside the Slovak Republic] in one or several manners to which the obligation to publish a prospectus does not apply.]]

The Issuer has not entered into any firm agreement with any entities to act as intermediaries in the secondary trading of the Notes. The issue of the Notes shall be deemed successfully subscribed after the expiration of the relevant Settlement Date even in the event that the Aggregate Amount of the Issue has not been fully subscribed by the investors.

The following information and provisions of this Article 17 shall apply and shall be stated in the Final Terms only for Notes issued on the basis of a public offer:

The offer will last from [**Offer Start Date**] until [**Offer End Date**].

[Description of the Application Procedure]

After the termination of the Offer, investors will be obliged to pay an amount derived from the fixed Issue Price for the subscribed Notes no later than [**Settlement Date(s)**] (the **Settlement Date**). The estimated period for the issue and the registration of Notes subscribed as of the Settlement Date to the Relevant Accounts is one week from the Settlement Date. [**Minimum and maximum amount of the Order**]

[**Costs charged to investors** – [Not applicable. No fees will be charged to investors with regard to the subscription of the Notes.] or [**Costs charged to Investors**]]

Investors in the Notes shall be satisfied [**Manner of Satisfying Orders**]. The manner of notification of the number of the subscribed Notes will be contained in the relevant agreement and/or order. Trading with the Notes cannot be commenced prior to the notification of the number of the subscribed Notes. The results of the issue of the Notes will be published at the Issuer’s registered seat on the day following the end of the period for the issue of the Notes.

18. Additional information

- (a) Interest of individuals and legal entities involved in the issue.

[Not applicable. As of the date of the Prospectus, the Issuer is not aware of any interest of any individual or legal entity participating in the Programme that would be material to the Programme/offer.]

[**Stabilisation Manager** – [Not applicable. No Stabilisation Manager has been appointed in connection with the issue of the Notes.] *or* [**Stabilisation Manager**]]

[**Description of other interests**]

- (b) [**Third Party Information**]

- (c) **Credit Rating of the Issuer and Notes.** Rating assigned to the Issuer: by Moody's Investors Service: long-term deposit rating: A3, short-term deposit rating: Prime-2, long-term Issuer rating: Baa1, outlook: positive; [**Credit rating assigned to the Notes** – [The Notes are not rated.] *or* [It is expected that the Covered Notes will be rated [●] by Moody's Investors Service.]] *or* [**Other information about the credit rating assigned to the Notes**].] Moody's Investors Service is a credit rating agency established in the European Union and registered under the CRA Regulation.

- (d) **Advisors.** The Issuer has used Allen & Overy Bratislava, s.r.o., with its registered seat at Eurovea Central 1, Pribinova 4, 811 09 Bratislava, as its legal advisor.

- (e) **Financial Intermediaries.** The Issuer has not given any consent to any financial intermediaries to use the Prospectus for the subsequent resale or final placement of the Notes.

The Issuer may use financial intermediaries for the placement of the Notes in the Slovak Republic as well as in other Member States of the European Union, but always only in one or several manners defined in the relevant national legislation which transposes Article 3(2) of the Prospectus Directive and which are exempt from the obligation to publish a prospectus.

- (f) **Stabilisation.** If the Stabilisation Manager has been appointed with regards to the issuance of Notes, this person or persons acting on his behalf may take stabilisation transactions (purchases or sales) related to Notes with a view to support the market prices of Notes at the level higher than would otherwise prevail without taking such actions. **However, there is no assurance that the Stabilisation Manager or any other person will take stabilisation transactions.** Stabilisation transactions may be performed from the date of reasonable disclosure of the terms concerning the Note issuance and ends 30 calendar days from the date of issuance and settlement of the Note issuance at the latest or (i.e. when the Issuer gains the proceeds) 60 calendar days from the date of the Note allocation to individual investors in accordance with their orders, whichever is the earlier. Any potential stabilisation transactions shall be performed only in accordance with applicable legislation requirements.

8. FORM OF FINAL TERMS

The Form of Final Terms which will be prepared for each issue of the Notes to be issued on the basis of the Prospectus under the Programme is set out below. These Final Terms will contain the relevant information for each particular issue of the Notes. The Final Terms will be prepared and published for each individual issue of the Notes issued under the Programme prior to the commencement of the issue of the Notes.

If certain information from the form of the Final Terms below is of no relevance in relation to a particular issue, it will state "Not applicable". This symbol "[●]" is used to designate those parts of the Final Terms which will be filled in.

If, with regard to the concerned information item, it is stated "(selection of option from the Common Terms)" it means that such information is included in the Common Terms in the relevant information block with several options and only the option that is relevant for the given issue will be included in the Final Terms

Information regarding the supplement to the Prospectus (if any) stated below in square brackets will be provided in the Final Terms only if one or more supplements to the Prospectus are made.

[The form of the Final Terms is provided on the next page.]

FINAL TERMS (in Slovak: *konečné podmienky*)

[Date]



Tatra banka, a.s.

Name of the Bonds: [●]

issued under the debt securities issuance programme

with a maximum principal amount of up to EUR 3 000 000 000 under the base prospectus dated 30 May 2019

Total issue amount: [●]

ISIN: SK[●]

These Final Terms were prepared for the purposes of Section 121(10) of the Securities Act and Article 5(4) of the Prospectus Directive and in order to obtain comprehensive information, they must be read, considered and interpreted in conjunction with the base prospectus (the **Prospectus**) to the debt securities issuance programme issued from time to time or repeatedly by Tatra Banka, a.s. (the **Issuer**).

The Prospectus and its supplements (if any) are available in electronic form at the Issuer's website www.tatrabanka.sk. They are also available for inspection in writing at the Issuer's registered seat at Hodžovo námestie 3, 811 06 Bratislava 1, Slovak Republic. The information regarding the Issuer, the Notes and their offer is only complete in combination of these Final Terms and the Prospectus and its supplements (if any). A Summary of the Issue (if applicable) is attached to these Final Terms.

The Prospectus was approved by the National Bank of Slovakia by its decision [●] dated [●]. [The Prospectus Supplement No.: [●] was approved by the National Bank of Slovakia by its decision [●] dated [●]].

This part of the Final Terms, including the used defined terms, must be read in conjunction with the Common Terms contained in the Prospectus.

The risk factors related to the Issuer and the Notes are listed in clause 2 of the Prospectus, *Risk Factors*.

If there are any discrepancies between the Final Terms in Slovak and the Final Terms translated into any other language, the Slovak language version of the Final Terms shall prevail.

MiFID II monitoring of the creation and distribution of a financial instrument: The Issuer, as a manufacturer of a financial instrument, has evaluated solely for the purposes of the approval process of a financial instrument under the Securities Act that the determined (i) target market for the Notes is [non-professional clients [who have sufficient knowledge of and experience in investing in notes]] [,][and] [professional clients] [,][and] [eligible counterparties], and (ii) the distribution channels for the Notes are [all distribution channels for professional clients and eligible counterparties] [,] [personal sale at the Issuer's branches] [,] [telephone sale using the Dialog^{TB} service] [,] [personal or telephone sale through the Issuer's private banking department] [,][and] [sale through technical facilities through the Capital Markets department of the Issuer] [, with the sale being performed as [sale without advice] [,][and] [sale with provision of investment advice]]. Any person subsequently offering, selling or recommending the Notes (each a **Distributor**) must take into account the evaluation of the nature of the financial instrument, investment service and

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target market by the manufacturer of the product, and the Distributor is responsible for taking appropriate measures so that the Notes are distributed through appropriate distribution channels in accordance with the characteristics, objectives and needs of the target market identified by the Issuer. The Distributor of financial instruments is required to provide the Issuer with information on the distribution of financial instruments. **[The Notes are not for distribution to non-professional clients.]**

PART A: PROVISIONS SUPPLEMENTING TERMS AND CONDITIONS OF THE NOTES

This part of the Final Terms together with Part A (Information about securities) of the Common Terms shall constitute the terms and conditions of the relevant issue of the Notes.

Article 1: Basic information, form and manner of issue of the Notes

Type of Notes (1.1):	<input type="checkbox"/> (selection of option from the Common Terms) [Unsubordinated and unsecured notes (the Senior Notes)] or [Covered Notes] or [Subordinated Notes] or [Senior Non-preferred Notes]
ISIN (1.1):	<input type="checkbox"/>
FISN (1.1)	<input type="checkbox"/> / Not applicable.
Common Code (1.1)	<input type="checkbox"/> / Not applicable.
Depository (1.2):	<input type="checkbox"/>
Principal amount (1.3):	<input type="checkbox"/>
Number of securities in the issue (1.3):	<input type="checkbox"/>
Currency (1.4):	<input type="checkbox"/>
Name (1.5):	<input type="checkbox"/>
Aggregate Amount of the Issue (1.6):	<input type="checkbox"/>
Estimated Net Proceeds from the Issue (1.6):	<input type="checkbox"/>
Issue Price in % (1.8):	<input type="checkbox"/>
Information about the accrued interest (1.8):	<input type="checkbox"/> / Not applicable.
Issue Date (1.9):	<input type="checkbox"/>

Article 4: Status of obligations

Status of obligations:	<input type="checkbox"/> (selection of option from the Common Terms) <i>in the case of Senior Notes, it shall be stated:</i> [Obligations from the Senior Notes constitute direct, general, unsecured, unconditional and unsubordinated obligations of the Issuer which rank <i>pari passu</i> among themselves and always rank at least <i>pari passu</i> with any other direct, general, unsecured, unconditional and unsubordinated obligations of the Issuer, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law. Each Holder acknowledges and explicitly agrees that if the Issuer gets into a crisis situation under Act No. 371/2014 Coll. on the resolution of crisis
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situations on the financial market, as amended, including related regulations, the obligations of the Issuer from the Senior Notes may be subject to measures for resolution of the crisis situation of the Issuer or its group, mainly to the capitalisation measure, as a result of which the obligations from the Senior Notes may be modified or terminated, or converted into registered capital of the Issuer. This can result in the Holders losing a part or their whole investment in the Senior Notes.]

or in the case of Covered Notes, it shall be stated:

[Obligations from the Covered Notes constitute direct, general, secured (covered), unconditional and unsubordinated obligations of the Issuer which rank *pari passu* among themselves and always rank at least *pari passu* with any other direct, general, similarly secured (covered), unconditional and unsubordinated obligations of the Issuer, present and future, save for those obligations of the Issuer which may be stipulated by mandatory provisions of law.]

or in the case of Subordinated Notes, it shall be stated:

[Obligations from the Subordinated Notes constitute direct, general, unsecured, unconditional and subordinated obligations of the Issuer which rank *pari passu* among themselves and always rank at least *pari passu* with any other direct, general, unsecured, unconditional and subordinated obligations of the Issuer, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law. The Subordinated Notes are subordinated notes under Section 20a of the Bonds Act, and they are subject to all limitations under Section 408a of Act No. 513/1991 Coll. Commercial Code, as amended (the **Commercial Code**). By subscribing, purchasing or otherwise acquiring any Subordinated Notes, each Holder agrees with this subordination undertaking and related limitations. In the event of bankruptcy or liquidation of the Issuer, the Issuer's payment obligations under the Subordinated Notes shall, regarding the right to payment, rank after the claims of unsubordinated creditors of the Issuer and before the claims of shareholders, holders of (other) instruments of common equity Tier 1 capital under Article 28 of the CRR, as well as before the claims of holders of instruments of additional Tier 1 capital under Article 52 of the CRR of the Issuer and claims under any other subordinated obligations of the Issuer ranking under their terms and conditions after the Subordinated Notes. The subordination undertaking relating to all obligations under the Subordinated Notes cannot be altered or terminated in any way. All obligations under the Subordinate Notes are unsecured and no provisions or guarantees increasing the seniority of the Subordinated Obligations from Notes apply to them, whether from the side of the Issuer, its related parties or any other person under Article 63 of the CRR. Each Holder acknowledges and explicitly agrees that if the Issuer gets into a crisis situation under Act No. 371/2014 Coll. on the resolution of crisis situations on the financial market, as amended, including related regulations, the obligations of the Issuer from the Subordinated Notes may be subject to measures for resolution of the crisis situation of the Issuer or its group, mainly to the capitalisation measure, as a result of which the obligations from the Subordinated Notes may be modified or terminated,

or converted into registered capital of the Issuer. This can result in the Holders losing a part or their whole investment in the Subordinated Notes. The Holders do not have the right to set-off their claims under the Subordinated Notes against the Issuer and at the same time the Issuer does not have the right to set-off its claims against the claims of the Holders under the Subordinated Notes. In accordance with Section 408a (6) of the Commercial Code, no contractual or statutory set-off is permitted.]

or in the case of Senior Non-preferred Notes, it shall be stated:

[The purpose of the issuance of the Notes is to set them off against “the minimum requirements for own funds and eligible liabilities” (the MREL) under Section 31 et seq. of Act No. 371/2014 Coll. on Resolution on the Financial Market, as amended, and related regulations. Obligations from the Senior Non-preferred Notes constitute direct, general, unsecured and unconditional obligations of the Issuer with a lower ranking in bankruptcy in accordance with Section 180a(2) of Act No. 7/2005 Coll. on Bankruptcy and Restructuring, as amended that rank *pari passu* among themselves and always rank at least *pari passu* with any other direct, general, unsecured, unconditional obligations of the Issuer with the same ranking in bankruptcy of the Issuer, present and future, save for those obligations of the Issuer as may be stipulated by mandatory provisions of law. The claims from the Senior Non-preferred Notes are subordinated to other unsecured and unsubordinated obligations of the Issuer, but under any circumstances are superior to the Tier 2 instruments under Article 63 of the CRR. Each Holder acknowledges and explicitly agrees that if the Issuer finds itself in a crisis situation under Act No. 371/2014 Coll. on the resolution of crisis situations on the financial market, as amended, including related regulations, the obligations of the Issuer from the Senior Non-preferred Notes may be subject to measures for resolution of the crisis situation of the Issuer or its group, mainly to the capitalisation measure, as a result of which the obligations from the Senior Non-preferred Notes may be modified or terminated, or converted into the registered capital of the Issuer. This can result in the Holders losing a part or their whole investment in the Senior Non-preferred Notes. The Holders do not have the right to set-off their claims under the Senior Non-preferred Notes against the Issuer and at the same time the Issuer does not have the right to set-off its claims against the Holders under the Senior Non-preferred Notes.]]

Article 6: Interest

Determination of interest (6.1):

[● (selection of option from the Common Terms)

(a) *for the Notes with a fixed interest rate without changing it to the Principal Amount Maturity Date or to the Early Maturity Date, it must be stated:*

[The Notes bear a fixed interest rate throughout their life, in the amount of [**Rate**]% p. a. (the **Interest Rate**).]

(b) *for the Notes without payment of interest income (zero coupon), it must be stated:*

[The Notes have no interest rate and their interest is determined as the difference between the Principal Amount of the Notes and their Issue Price. The provisions of clauses 6.2 to 6.6 and any reference to interest or its payment shall in this case not be applicable to the Notes.]

- (c) *for the Notes with a fixed interest rate that is to be changed repeatedly to a different fixed interest rate, it must be stated:*

[The Notes bear a fixed Interest Rate the value of which over time is changing, as follows **[Rate – add appropriate dates or periods and add individual Interest Rates in % p. a. in the format “from [Date] (including) to [Date] (excluding) with interest income [amount of adjusted interest income]% p. a.”**, with the text in this format being specified for each relevant period in which the fixed Interest Rate is to be increased/decreased.

The term **Interest Rate** refers to the interest income in % p. a. applicable over the relevant period and the current Interest Rate shall be notified by the Issuer to the Holders immediately.]

- (d) *for the Notes with a fixed interest rate that is to be changed one time to a different fixed interest rate, it must be stated:*

[The Notes bear fixed interest rate of **[First Rate]**% p. a. until **[Interest Rate Change Date]** (the **Interest Rate Change Date**) (the **First Interest Rate**) during each Interest Period. The Interest Rate Change Date may only be one of the Payment Dates determined in accordance with clause 6.2. From the Interest Rate Change Date until the Principal Amount Maturity Date or the Early Maturity Date, the Notes will during each Interest Period bear interest at a fixed interest rate determined as the **[[sum]/[difference]]** of the Reference Rate and the Margin of **[Reference Rate and Margin]**% p. a. *[and if the interest rate so determined is still to be multiplied by the factor, include the following text: “and the result of this difference will still be multiplied by the factor **[Factor Numerical Value]**”]* (the **Second Interest Rate**).

The term **Interest Rate** refers to the First Interest Rate and/or the Second Interest Rate in % p. a. applicable over the relevant period and the Second Interest Rate shall be notified by the Issuer to the Holders immediately.

The Reference Rate will be set only once at **[Reference Rate Setting Deadline]** before the Interest Rate Change Date and will be applicable during the following Interest Periods (as defined below) (the **Reference Rate Setting Date**).

- (e) *for the Notes with a fixed interest rate that will be changed to a floating interest rate, as well as for the Notes with target*

redemption with a fixed interest rate that will be changed to a floating interest rate, it must be stated:

[The Notes bear fixed interest rate of **[First Rate]**% p. a. until **[Interest Rate Change Date]** (the **Interest Rate Change Date**) (the **First Interest Rate**) during each Interest Period. The Interest Rate Change Date may only be one of the Payment Dates.

From the Interest Rate Change Date until the Principal Amount Maturity Date or the Early Maturity Date, the Notes will during each Interest Period bear interest at an interest rate determined as the $[[\text{sum}]/[\text{difference}]]$ of the Reference Rate and the Margin of **[Reference Rate and Margin]**% p. a. *[and if the interest rate so determined is still to be multiplied by the factor, include the following text: “and the result of this difference will still be multiplied by the factor **[Factor Numerical Value]**”]* (the **Second Interest Rate**).

The term **Interest Rate** refers to the First Interest Rate and/or the Second Interest Rate in % p. a. applicable over the relevant period and the Second Interest Rate for the relevant Interest Period shall be notified by the Issuer to the Holders immediately. The Reference Rate will be set for the first time **[Reference Rate Setting Deadline]** before the Interest Rate Change Date and subsequently set **[Reference Rate Setting Deadline]** before the applicable Payment Date for the following Interest Period (as defined below) (the **Reference Rate Setting Date**).

and further for the Notes under this paragraph (e):

- *in case of the Notes where, in case of the Second Interest Rate, the amount of the Margin may vary, it must be stated:*

[The Margin is set as follows: **[Margin – add relevant dates or periods and add individual Margins in % p. a. in the format “from [Date] (including) to [Date] (excluding) the amount of Margin of [amount of Margin]% p. a.”**, with the text in this format being specified for each relevant period in which the amount of Margin is to be changed]. The term **Margin** refers to the margin in % p. a. applicable during the relevant period.]

- *in the case of the Notes for which the Second Interest Rate is to be set using the minimum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is less than **[Floor Rate]**% p. a., the Notes will bear interest of **[Floor Rate]**% p. a. (the **Floor Interest Rate**) for the given Interest Period. If the Floor Interest Rate is applied in accordance with the

previous sentence, the term **Interest Rate** will be interpreted as the Floor Interest Rate for the purposes of the Terms and Conditions for the given Interest Period and not as an interest rate determined in the manner above.]

- *in the case of the Notes for which the Second Interest Rate is to be set using the maximum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is higher than [**Cap Rate**]% p. a., the Notes will bear interest of [**Cap Rate**]% p. a. (the **Cap Interest Rate**) for the given Interest Period. If the Cap Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** will be interpreted as the Cap Interest Rate for the purposes of the Terms and Conditions for the given Interest Period and not as an interest rate determined in the manner above.]

- *for the Notes with target redemption, it must be stated:*

[in the case of the unguaranteed Target Interest Amount, it must be stated: The Target Interest Amount for the whole period until the Principal Amount Maturity Date is neither specified nor guaranteed.] *or [in the case of the guaranteed Target Interest Amount, it must be stated:* The minimum amount of interest on each Note due for the whole period from the Interest Rate Change Date to the Principal Amount Maturity Date or to the Early Maturity Date is equal to the difference of (a) [**Target Interest Amount**] and (b) the sum of all interest payments paid on one Note for all previous Interest Periods.]

and [in the case of the Total Interest Ceiling, it must be stated: The maximum amount of interest on each Note is equal to the difference of (a) [**Target Interest Amount**]; and (b) the sum of all interest paid for all previous Interest Periods (the **Total Interest Ceiling**). The Issuer is for the last variable Interest Period under no obligation to pay any further interest exceeding the Total Interest Ceiling.] *or, [if Total Interest Ceiling is not stated, it must be stated:* The variable amount of interest for the last variable Interest Period is also payable in full if the sum of all interest paid for all previous Interest Periods exceeds the Target Interest Amount.]]

- (f) *for the Notes with a fixed interest rate that is to be changed to a reversed floating interest rate, it must be stated:*

[The Notes bear fixed interest rate of [**First Rate**]% p. a. until [**Interest Rate Change Date**] (the **Interest Rate Change Date**)

(the **First Interest Rate**) during each Interest Period. The Interest Rate Change Date may only be one of the Payment Dates.

From the Interest Rate Change Date until the Principal Amount Maturity Date or the Early Maturity Date, the Notes will during each Interest Period bear interest at an interest rate determined as the difference between (i) [**Second Rate**] in % p. a. and (ii) the Reference rate [**Reference rate**]% p. a. [*and if the interest rate so determined is still to be multiplied by the factor, include the following text: “and the result of this difference will still be multiplied by the factor [**Factor Numerical Value**]”*] (the **Second Interest Rate**).

The term **Interest Rate** refers to the First Interest Rate and/or the Second Interest Rate in % p. a. applicable over the relevant period and the current Second Interest Rate for the relevant Interest Period shall be notified by the Issuer to the Holders immediately.

The Reference Rate will be set for the first time [**Reference Rate Setting Deadline**] before the Interest Rate Change Date and subsequently set [**Reference Rate Setting Deadline**] before the applicable Payment Date for the following Interest Period (as defined below) (the **Reference Rate Setting Date**).

and further for the Notes under this paragraph (f):

- *in the case of the Notes for which the Second Interest Rate is to be set using the minimum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is less than [**Floor Rate**]% p. a., the Notes will bear interest for that Interest Period of [**Floor Rate**]% p. a. (the **Floor Interest Rate**). If the Floor Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** will be interpreted as the Floor Interest Rate for the purposes of the Terms and Conditions and not as an interest rate determined in the manner above.]

- *in the case of the Notes for which the Second Interest Rate is to be set using the maximum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is higher than [**Cap Rate**]% p. a., the Notes will bear interest of [**Cap Rate**]% p. a. (the **Cap Interest Rate**) for the given Interest Period. If the Cap Interest Rate is applied in accordance with the

previous sentence, the term **Interest Rate** will be interpreted as the Cap Interest Rate for the purposes of the Terms and Conditions for the given Interest Period and not as an interest rate determined in the manner above.]]

- (g) *for the Notes with a fixed interest rate that is to be changed to a spread floating interest rate, as well as for the Notes with target redemption with a fixed interest rate that is to be changed to a spread floating interest rate, it must be stated:*

[The Notes bear fixed interest rate of [**First Rate**]% p. a. until [**Interest Rate Change Date**] (the **Interest Rate Change Date**) (the **First Interest Rate**) during each Interest Period. The Interest Rate Change Date may only be one of the Payment Dates.

From the Interest Rate Change Date until the Principal Amount Maturity Date or the Early Maturity Date, the Notes will during each Interest Period bear interest at an interest rate determined as the difference between (i) Floating Interest Rate 1 (as defined below) and (ii) Floating Interest Rate 2 (as defined below) [*and if the interest rate so determined is still to be multiplied by the factor, include the following text: “and the result of this difference will still be multiplied by the factor [**Factor Numerical Value**]”*] (the **Second Interest Rate**).

The term **Interest Rate** refers to the First Interest Rate and/or the Second Interest Rate in % p. a. applicable over the relevant period and the current Second Interest Rate for the relevant Interest Period shall be notified by the Issuer to the Holders immediately.

The term **Floating Interest Rate 1** means: [**Reference Rate 1**]% p. a.

The term **Floating Interest Rate 2** means: [**Reference Rate 2**]% p. a.

Reference Rate 1 and Reference Rate 2 will be set for the first time [**Reference Rate Setting Deadline**] before the Interest Rate Change Date and subsequently set [**Reference Rate Setting Deadline**] before the applicable Payment Date for the following Interest Period (as defined below) (the **Reference Rate Setting Date**).

and further for the Notes under this paragraph (g):

- *for the Notes for which the Second Interest Rate is to be set using the minimum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is less than [**Floor**

Rate]% p. a., the Notes will bear interest of [**Floor Rate**]% p. a. for the given Interest Period (the **Floor Interest Rate**). If the Floor Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** will be interpreted as the Floor Interest Rate for the purposes of the Terms and Conditions and not as an interest rate determined in the manner above.]

- *for the Notes for which the Second Interest Rate is to be set using the maximum interest rate, it must be stated:*

[If, for any Interest Period following the Interest Rate Change Date, the Second Interest Rate determined in accordance with the preceding provisions is higher than [**Cap Rate**]% p. a., the Notes will bear interest of [**Cap Rate**]% p. a. (the **Cap Interest Rate**) for the given Interest Period. If the Cap Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** is to be interpreted as the Cap Interest Rate for the purposes of the Terms and Conditions and not as an interest rate determined in the manner above.]

- *for the Notes with target redemption, it must be stated:*

[in the case of the unguaranteed Target Interest Amount, it must be stated: The Target Interest Amount for the whole period until the Principal Amount Maturity Date is neither specified nor guaranteed.] *or [in the case of the guaranteed Target Interest Amount, it must be stated:* The minimum amount of interest on each Note due for the whole period from the Interest Rate Change Date to the Principal Amount Maturity Date or to the Early Maturity Date is equal to the difference of (a) [**Target Interest Amount**] and (b) the sum of all interest payments paid on one Note for all previous Interest Periods.]

and [in the case of the Total Interest Ceiling, it must be stated: The maximum amount of interest on each Note is equal to the difference of (a) [**Target Interest Amount**]; and (b) the sum of all interest paid for all previous Interest Periods (the **Total Interest Ceiling**). The Issuer is for the last variable Interest Period under no obligation to pay any further interest exceeding the Total Interest Ceiling.] *or, [if Total Interest Ceiling is not stated, it must be stated:* The variable amount of interest for the last variable Interest Period is also payable in full if the sum of all interest paid for all previous Interest Periods exceeds the Target Interest Amount.]];

- (h) *for the Notes with a floating interest rate, it must be stated:*

[The Notes bear interest at the floating rate set as the sum of the

Reference Rate and the Margin of [**Reference Rate and Margin**]% p. a. (the **Interest Rate**).

The Reference Rate will be set for the first time [**Reference Rate Setting Deadline**] before the Issue Date and subsequently set [**Reference Rate Setting Deadline**] before the applicable Payment Date for the following Interest Period (as defined below) (the **Reference Rate Setting Date**).

The current floating Interest Rate for the relevant Interest Period shall be notified by the Issuer to the Holders promptly.]

and further for the Notes under this paragraph (h):

- *for the Notes where the amount of Margin may vary, it must be stated:*

[The Margin is set as follows: [**Margin** – add relevant dates or periods and add individual Margins in % p. a. in the format “from [**Date**] (including) to [**Date**] (excluding) the amount of Margin of [**amount of Margin**]% p. a.”, with the text in this format being specified for each relevant period in which the amount of Margin is to be changed]. The term **Margin** refers to the margin in % p. a. applicable during the relevant period.]

- *for the Notes using the minimum interest rate, it must be stated:*

[If, for any Interest Period, the floating Interest Rate determined in accordance with the preceding provisions is less than [**Floor Rate**]% p. a., the Notes will bear interest of [**Floor Rate**]% p. a. (the **Floor Interest Rate**) for the given Interest Period. If the Floor Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** will be interpreted as the Floor Interest Rate for the purposes of the Terms and Conditions and not as an interest rate determined in the manner above.]

- *for the Notes using the Memory interest rate, it must be stated:*

[If, for any Interest Period, the floating Interest Rate determined in accordance with the preceding provisions is less than the interest rate determined for the immediately preceding period (the **Memory Interest Rate**), the Notes will bear interest at the Memory Interest Rate for the given Interest Period. If the Memory Interest Rate is applied in accordance with the previous sentence, the term **Interest Rate** will be interpreted as the Memory Interest Rate for the purposes of the Terms and Conditions and not as an interest rate determined in the manner above.]

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	<ul style="list-style-type: none"> • <i>for the Notes using the maximum interest rate, it must be stated:</i> <p>[If, for any Interest Period, the floating Interest Rate determined in accordance with the preceding provisions is higher than [Cap Rate]% p. a., the Notes will bear interest of [Cap Rate]% p. a. (the Cap Interest Rate) for the given Interest Period. If the Cap Interest Rate is applied in accordance with the previous sentence, the term Interest Rate will be interpreted as the Cap Interest Rate for the purposes of the Terms and Conditions and not as an interest rate determined in the manner above.].]</p>
Yield to Maturity (6.2):	[●] / Not applicable.
Interest Payment Frequency (6.2):	[●] / Not applicable.
Interest Payment Date(s) (6.2):	[●] / Not applicable.
First Interest Payment Date (6.2):	[●] / Not applicable.
Convention (6.2):	[●] / Not applicable.
Screen page (6.5):	[●] / Not applicable.
Relevant value (6.5):	<p>[● (<i>selection of option from the Common Terms</i>)</p> <p>[the value of the fixing of the interest rates for sale on the interbank market for deposits for the relevant currency for the relevant period] or [the value of mid-swap interest rate (the average of bid and offer swap rate) for the fixed part of swap transaction, where the fixed rate is changed into a floating rate in the relevant currency for the relevant period] <i>or</i> [Not applicable.]]</p>

Article 7: Maturity of the Notes

Method of Redemption (7.1):	[●]
Maturity Date (7.1):	[●]
Repurchase (7.2):	<p>[● (<i>selection of option from the Common Terms</i>)</p> <p>[The Issuer has the right to purchase any of the Notes on the secondary market at any market price any time prior to the Principal Amount Maturity Date.]</p> <p><i>or [only in the case of Subordinated Notes included in Tier 2 capital of the Issuer: The Issuer may buy back all or only some of the Notes only if the conditions under Articles 63, 77, 78 and related provisions of the CRR have been satisfied, and the authorisation of the competent supervisory authority has been obtained.]</i></p> <p><i>or [only in the case of Senior Non-preferred Notes: The Issuer may buy back all or only some of the Notes only if the conditions under the requirements of the CRR applicable and effective at that time applicable to the eligible liabilities and their buy-back are satisfied, and the authorisation of the competent supervisory authority has been obtained.]</i></p>

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	<p>[The Issuer may also buy back all or some of the Notes with the remaining maturity of less than one year, unless they are already included in the minimum requirement for eligible liabilities due to this shorter maturity.].]</p> <p>The Notes purchased by the Issuer will not cease to exist and the Issuer may keep and resell them. However, the Issuer may at any time after the repurchase of the Notes until the Principal Amount Maturity Date decide to terminate the Notes, in which case the Notes repurchased by the Issuer shall cease to exist.]</p>
<p>Early redemption of the Notes decided by the Issuer (7.3):</p>	<p>● <i>(selection of option from the Common Terms)</i></p> <p>[The Issuer is, on the basis of its decision, entitled to early redeem all (not only some) Notes issued and outstanding as of [Early Redemption Date(s)] (the Early Maturity Date). The Issuer is obliged to announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date.]</p> <p><i>or [only in the case of Subordinated Notes included in Tier 2 capital of the Issuer:</i> If there is a change in the regulatory classification of the Notes or in the applicable tax terms in respect of the Notes, in each case referred to in Article 78(4) of the CRR, the Issuer may, by a written notice addressed to the Holders, determine that all (and not only some) Notes may become early redeemable as of [Early Redemption Date(s)] (the Early Maturity Date). The Issuer is obliged to announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date. The Issuer may exercise this right only if the conditions under Articles 63, 77, 78 and related provisions of the CRR are satisfied, and the authorisation of the competent supervisory authority has been obtained.</p> <p><i>or [only in the case of Senior Non-preferred Notes:</i> If there is a change in the regulatory classification of the Notes or in the applicable tax terms in respect of the Notes, in each case as will be provided in the relevant provisions of the CRR applicable and effective at that time, the Issuer may, by a written notice addressed to the Holders, determine that all (and not only some) Notes may become early redeemable as of [Early Redemption Date(s)] (the Early Maturity Date). [The Issuer may also, by a written notice addressed to the Holders, determine that all (and not only some) Notes may become early redeemable as of [Early Redemption Date(s)] in the case of the Notes with the remaining maturity of less than one year, unless they are already included in the minimum requirement for eligible liabilities due to this shorter maturity.].] The Issuer is obliged to announce such decision to the Holders no sooner than 60 days and no later than 30 days prior to the relevant Early Maturity Date. The Issuer may exercise this right only if the conditions under the relevant provisions of the CRR applicable and effective at that time are satisfied, and the authorisation of the competent supervisory authority has been obtained.]]</p> <p>The Issuer's notification of the early redemption of the Notes and of the Early Maturity Date is irrevocable and obliges the Issuer to early redeem the entire issue in respect of which the notification was made.</p> <p>As at the Early Maturity Date, the Issuer shall pay to each Holder [(i)</p>

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	<p>100.00% of the Principal Amount of the Notes; and (ii) the extraordinary interest of [Extraordinary Interest Amount in %] of the Principal Amount of the Notes] <i>or</i> [Other Determination of the Early Redemption Amount]]. The provisions of Article 8 shall apply accordingly to the early redemption of the issue.]</p> <p><i>or</i> [Not applicable. The Issuer may not, on the basis of its decision, redeem the Notes early.]]</p>
<p>Early redemption of the Notes with target redemption upon reaching the Target Interest Amount (7.4):</p>	<p>[● (<i>selection of option from the Common Terms</i>)</p> <p>[The Notes become early redeemable as of the Payment Date when the sum of all interest payments paid on one Note for all previous Interest Periods (including the most recent one) reaches or exceeds [Target Interest Amount]. This Payment Date will be considered the Early Maturity Date.] <i>or</i> [Not applicable. The Notes do not have a target redemption upon reaching a certain amount of interest.]]</p>

Article 8: Payment Terms and Conditions

<p>Financial Centre (8.8):</p>	<p>[●]</p>
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Article 10: Taxation

<p>Gross-up:</p>	<p>[● (<i>selection of option from the Common Terms</i>)</p> <p>[The Issuer will not be obliged to pay any additional sums to the recipients for the reimbursement of these withholdings, taxes, levies or charges.]</p> <p><i>or</i> [If such withholding or deduction is required by the laws of the Slovak Republic, the Issuer will pay such additional amounts to the Holder as will be necessary so that the net amount of the principal or interest received by the Holders after such withholding or deduction will be equal to the respective amounts which would otherwise have been received in respect of the Notes in the absence of such withholding or deduction (the Additional Amounts). However, no such Additional Amounts will be payable on account of any withheld or deducted tax which:</p> <p>(a) is payable by any person (including the Issuer) acting as custodian bank or collecting agent on behalf of a Holder, or by the Issuer if no custodian bank or collecting agent is appointed or otherwise in any manner which does not constitute a payment of tax by way of withholding or deduction by the Issuer as tax payer;</p> <p>(b) is payable by reason of the Holder having, or having had, any personal or business connection with the Slovak Republic;</p> <p>(c) is withheld or deducted pursuant to: (i) any European Union directive or other legal instrument of the Union law concerning the taxation of distributions income; or (ii) any international treaty relating to such taxation and to which the Slovak Republic or the European Union is a party; or (iii) any provision of law implementing, or complying with, such directive, legal instrument or treaty;</p> <p>(d) is payable by reason of a change in law that becomes effective</p>
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	<p>more than 30 days after the relevant payment in respect of the Notes becomes due; or</p> <p>(e) would not be payable if the Holder would provide a certificate of residence, certificate of exemption or any other similar documents required according to the respective applicable regulations.]]</p>
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PART B:

PROVISIONS SUPPLEMENTING TRADING, CONDITIONS OF THE OFFER AND OTHER INFORMATION

Clause 16: Admission to trading

Admission to trading:	<p>[● (selection of option from the Common Terms)]</p> <p>[The Issuer will submit an application to Burza cenných papierov v Bratislave, a.s., with its registered seat at Vysoká 17, 811 06 Bratislava, IČO: 00 604 054, for the admission of the Notes to trading on its regulated market: [BSSE Market].] or [The Issuer will submit an application for the admission of the Notes to trading on [●].] or [The Issuer will not submit an application for the admission of the Notes to trading on a regulated market.]]</p>
Estimated costs of the admission to trading	<p>[● (selection of an option from the Common Terms)]</p> <p>[The Issuer estimates the costs associated with the request and admission of the Notes to trading at [●] or [Not applicable.]]</p>

Article 17: Conditions of the Offer

Type of Offer:	<p>[● (selection of option from the Common Terms)]</p> <p>[in a public offering in the Slovak Republic] or [in an offer which is not subject to the statutory obligation to publish the Prospectus within and outside the Slovak Republic]]</p>
Form of Offer:	[●]
Offer is addressed to:	<p>[● (selection of option from the Common Terms)]</p> <p>[individuals] and/or [legal entities] and/or [eligible counterparties] and/or [qualified investors] and/or [limited group of persons, i.e. less than 150 individuals or legal entities in the relevant Member State other than qualified investors]]</p>
Distribution method:	<p>[● (selection of option from the Common Terms)]</p> <p>[No arrangements have been agreed on as regards the subscription of the issue of the Notes with any entities on the basis of a firm commitment, placement without firm commitment or “best efforts” arrangement and the distribution of the Notes is arranged by the Issuer.] or [[The Issuer] [, and [Financial Intermediaries] will distribute the Notes in the Slovak Republic [and also outside the Slovak Republic] in one or several manners to which the obligation to publish a prospectus does not apply.]]</p>

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<i>The following information will be provided only if the Notes are issued on the basis of a public offer:</i>	
Offer Commencement Date:	[●]
Offer Termination Date:	[●]
Description of the Application Procedure:	[●]
Settlement Date(s):	[●]
Minimum and Maximum Amount of the Order:	[●] / Not applicable.
Costs Charged to Investors:	[●] (<i>selection of option from the Common Terms</i>) [Not applicable. No fees will be charged to investors with regard to the subscription of the Notes.] <i>or</i> [Costs charged to Investors]]
Manner of Satisfying Orders:	[●]

Article 18: Additional Information

Stabilisation Manager:	[●] (<i>selection of option from the Common Terms</i>) [Not applicable. No Stabilisation Manager has been appointed in connection with the issue of the Notes.] <i>or</i> [Stabilisation Manager]]
Description of other interests:	[●] / Not applicable.
Third Party Information:	[●] / Not applicable.
Credit rating assigned to the Notes:	[●] (<i>selection of option from the Common Terms</i>) [The Notes are not rated.] <i>or</i> [It is expected that the Covered Notes will be rated [●] by Moody's Investors Service.] <i>or</i> [Other information about the credit rating assigned to the Notes].

In Bratislava on [●].

Name: [Name and surname]

Title: [●]

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Name: [Name and surname]

Title: [●]

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9. DISTRIBUTION AND SELLING RESTRICTIONS

9.1 Restrictions in the distribution of the Prospectus and offering of the Notes

The distribution of the Prospectus and the offering, sale and purchase of the Notes in certain jurisdictions is restricted by law. The Notes have not been and will not be registered, permitted or approved by any administrative or other authority of any jurisdiction other than the approval of the Prospectus by the NBS. The Issuer may, at any time after the Prospectus has been approved, request the NBS to notify the approval of the Prospectus to the competent authority of another Member State of the European Economic Area, but only for the purposes of admission of the Programme or Notes for trading on a regulated market in that other Member State.

Therefore, the Notes may only be offered in a jurisdiction other than the Slovak Republic if the legal regulations of this other jurisdiction do not require the approval or notification of the Prospectus and also subject to the compliance with any and all requirements pursuant to the legal regulations of such other jurisdiction.

In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933 and consequently they may not be offered, sold or delivered within the United States or to US residents, except pursuant to an exemption from or in a transaction not subject to such registration requirements pursuant to the above-mentioned law.

Persons who obtain possession of the Prospectus are required to become acquainted with and observe any restrictions that may be relevant to them.

The Prospectus itself does not constitute an offer to sell, or the solicitation of an offer to buy the Notes in any jurisdiction. Each person acquiring the Notes shall be deemed to declare and agree that (i) such person has understood any and all relevant restrictions related to the offer and sale of the Notes which apply to him/her/it and to the relevant form of offer or sale; (ii) that such person will neither offer for sale nor further sell the Notes without complying with any and all relevant restrictions which apply to such person and the relevant form of offer and sale; and (iii) prior to further offering or selling the Notes, such person will inform the buyers of the fact that further offers or sales of the Notes may be subject to statutory restrictions in different jurisdictions which must be observed.

In addition to above, all acquirers of the Notes are required by the Issuer to comply with the provisions of all applicable legal regulations (including Slovak legal regulations), where they will distribute, make available or otherwise circulate the Prospectus, including any Prospectus Supplements, individual Final Terms or other offering or promotional materials or information related to the Notes, always at their own expense and regardless of whether the Prospectus or Prospectus Supplements, individual Final Terms or other offering or promotional materials or information related to the Notes are in written, electronic or any other form.

The Prospectus has been prepared on the assumption that any offer of the Notes in other Member States of the European Union will only be made in compliance with their relevant national legislation which has transposed the Prospectus Directive, in one or several manners defined in their relevant national legislation which has transposed Article 3(2) of the Prospectus Directive, **which are exempt from the requirement to publish a prospectus.**

9.2 Specific restrictions concerning MiFID II and PRIIPs

The Final Terms will provide basic data on the analysis of the target market for the Notes and the suitability of the distribution of the Notes. Any person who subsequently sells or recommends the Notes (the **Distributor**) should take into account this target market analysis. However, any Distributor subject to the rules of Directive 2014/65/EU on markets in financial instruments, as amended, including all its statutory instruments and implementations into relevant national law (**MiFID II**), is responsible for carrying out its own analysis of the target market in respect of the Notes (either by adopting or improving the target market assessment) and

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identifying their own appropriate distribution channels. The Issuer will only be responsible as the manufacturer of the product in relation to the offering of the Notes that it itself carries out.

The Final Terms may indicate that the Notes are not for distribution to non-professional clients. In such a case, the Notes should not be offered, sold or otherwise made available to any non-professional client (investor) in any Member State of the European Economic Area (the **EEA**). A non-professional client means any person other than a professional client (investor) or an eligible counterparty under the relevant MiFID II implementation. For these Notes, no document shall be made containing the key information required by Regulation (EU) 1286/2014 (the **PRIIPs Regulation**), and therefore the offer or sale of the Notes or otherwise making them available to any non-professional client (investor) anywhere in the EEA may be unlawful under the PRIIPs Regulation.

10. GENERAL DESCRIPTION OF TAXATION IN THE SLOVAK REPUBLIC

The following summary includes general information regarding current tax and payment matters of the Slovak legal regulations relating to the acquisition, ownership and disposal of the Notes applicable in the Slovak Republic as at the date of this Prospectus and does not purport to be a comprehensive description of all of its aspects. The information provided is subject to any changes in the applicable legal regulations that may become effective after the date of this Prospectus. This summary does not describe tax and payment matters under the laws of any other country than the Slovak Republic.

The Holders are recommended to consult the provisions of the applicable legal regulations with their own advisors, in particular as regards tax and foreign exchange regulations and regulations regarding social and health insurance applicable in the Slovak Republic and in the countries of their residence, as well as in countries in which the income from the holding and sale of the Notes may be subject to tax, and implications of their application. The Holders are encouraged to keep themselves informed of any laws and other legal regulations which in particular regulate the holding of the Notes and economic rights to the Notes and the sale and purchase of the Notes on ongoing basis and to comply with these laws and other legal regulations.

The income on the Notes will be taxed pursuant to the law applicable at the time of its payment. Currently, such income is pursuant to Act No. 595/2003 Coll. on Income Tax, as amended (the **Income Tax Act**), taxed as follows:

- income on the Notes realised by a tax non-resident (the **Tax Non-Resident**) not engaged in business through a permanent establishment in Slovakia is not subject to income tax in the Slovak Republic;
- income on the Notes realised by a tax resident (the **Tax Resident**) that is an individual, a taxpayer not incorporated or established for business purposes or the NBS is subject to a 19% income withholding tax;
- income on the Notes realised by a Tax Resident that is a legal entity, forms part of the tax base of such taxpayer and is subject to a 21% income tax;
- income on the Notes realised by a Tax Non-Resident engaged in business through a permanent establishment in Slovakia may be subject to a tax rate of 35%, as applicable; the tax guarantee shall be made by a taxpayer that makes, remits or credits the payments to the given taxpayer.

The Issuer is liable for the withholding of tax unless the Notes are, as part of custodianship services, held in a custody account of the securities trader; in such a case, the securities trader is liable for withholding the tax. In individual cases, a yield on the Notes may arise to an individual – Tax Resident without the tax from it being subject to tax withholding and the yield is included in the tax base of the individual (e.g. a note sold on the secondary market, under special terms or a yield arising on the maturity of a security calculated from the difference between the principal amount of the security and the issue price on its issue date). The taxpayer not incorporated or established for business purposes or the NBS is liable for the withholding of tax in respect of the income on the Notes realised by this taxpayer not incorporated or established for business purposes or the NBS.

Pursuant to Council Directive 2011/16/EU on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC on automatic exchange of information (DAC2) and pursuant to the agreement entered into between the Slovak Republic and the United States of America to improve compliance with international tax legislation, which were implemented to the Act No. 359/2015 Coll. on automatic exchange of financial account information for purposes of tax administration, Tatra banka, a.s. provides the local tax administrator with selected information about clients from EU Member States and clients from other selected countries, including the USA, for the previous year, annually by 30 June of the relevant year.

Income from sale of the Notes realised by a legal entity being a Slovak Tax Resident or a permanent establishment of a Tax Non-Resident is included in the tax base and is subject to a 21% tax rate. In general, losses from the sale of the Notes calculated on a cumulative basis for all Notes sold in an individual tax period

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are not recognisable for tax purposes, except for specific cases stipulated by law (e.g., loss from the sale of the Notes is recognisable for tax purposes if it is not higher than the yield on the Notes included in the tax base until its sale or maturity).

Income from sale of securities, including the Notes, realised by an individual being a Slovak Tax Resident or a permanent establishment of a Tax Non-Resident is included in the personal income tax base. Any losses from the sale of securities, including the Notes, cannot be treated as recognisable for tax purposes. If an individual has owned Notes admitted to trading on a regulated market for more than one year, income from their sale shall be exempt from income tax, except for income from the sale of the Notes which were the business property of the individual.

Generally, income from the sale of the Notes realised by a Slovak Tax Non-Resident coming from a Slovak Tax Resident or a permanent establishment of the Slovak Tax Non-Resident is subject to the applicable income tax rate, unless the international double taxation treaty entered into by the Slovak Republic provides otherwise.

The income on the Notes for individuals who must have a statutory health insurance in the Slovak Republic is generally not subject to health insurance payments; in special cases, however, yield on the Notes may arise that will be subject to health insurance payments. Each Holder of the Notes must assess its own potential obligations in this area pursuant to the relevant legislation, including the applicable transitional provisions.

11. IMPORTANT NOTICE AND FURTHER INFORMATION

- 11.1 Completeness of the Prospectus.** The Prospectus is to be read together with any supplements to the Prospectus as well as documents and information incorporated herein by reference. Comprehensive information regarding the Issuer and the Notes may only be obtained from the combination of the Prospectus (including supplements to the Prospectus and documents and information incorporated by reference) and the relevant Final Terms and Summaries of Issues (if prepared).
- 11.2 Approval of information and Prospectus updates.** The provision of representations or information relating to the Issuer or the Notes other than those contained herein has not been approved by the Issuer. No other information or representation may be relied upon as having been approved by the Issuer. The submission of the Prospectus at any time does not mean that information contained herein is accurate at any time after the date of this Prospectus. Unless provided otherwise, any and all information contained herein is provided as at the date of this Prospectus. The Prospectus may be updated pursuant to Section 125c of the Securities Act in the form of a Prospectus supplement. Pursuant to the applicable Slovak legal regulations, any Prospectus supplement must be approved by the NBS and subsequently published.
- 11.3 Reference rate administrators.** Amounts payable on the Notes with a floating interest rate will be calculated with reference to the Reference rates, for example EURIBOR, as specified in more detail in the relevant Final Terms. At the date of this Prospectus, used Reference Rate administrators are registered in the ESMA register of administrators under Article 36 of Regulation (EU) No 2016/1011.
- 11.4 No investment recommendation.** Neither the Prospectus nor any financial information provided in respect of the Programme or the issue of the Notes is intended to provide the basis for any credit or other evaluation of the Issuer or the Notes and may not be considered as a recommendation by the Issuer that any recipient of the Prospectus or any financial information regarding the Issuer should buy the Notes. Each potential purchaser of the Notes should evaluate for itself the relevance of the information contained in the Prospectus or any financial information regarding the Issuer, and its purchase of the Notes should be based on any such review as it deems necessary.
- 11.5 Credit rating of the Covered Notes.** The Covered Notes are expected to be rated, and such rating, as well as the credit rating agency which has assigned it, will be specified in the Final Terms. The rating cannot be considered a recommendation to purchase, sell or hold the securities and may be subject to suspension, downgrade or withdrawal at any time by the assigning credit rating agency. Whether or not the rating applied for in relation to the relevant issue of the Covered Notes will be assigned by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the **CRA Regulation**) is disclosed in the Final Terms. ESMA is obliged to publish on its website (www.esma.europa.eu) a list of credit rating agencies registered and certified in compliance with the CRA Regulation. The ESMA website is neither incorporated by a reference in nor does form part of the Prospectus. For the sake of completeness, the credit rating assigned to the Covered Notes does not extend to mortgage bonds issued by the Issuer before 1 January 2018, which are deemed to be covered notes under the legislation effective from 1 January 2018.
- 11.6 Credit rating of other Notes.** At the time of the Prospectus, no credit rating is expected to be assigned to the Senior Notes, Subordinated Notes and Senior Non-preferred Notes. The Issuer may decide to obtain a credit rating for some types or individual issues of the Notes from one or more credit rating agencies established in the European Union and registered under the CRA Regulation. The rating obtained will be set out in the Final Terms. If a credit rating is assigned to any issue of the Senior Notes, Subordinated Notes or Senior Non-preferred Notes in the future, it cannot be considered to constitute a recommendation to purchase, sell or hold the securities and may be subject to suspension, downgrade or withdrawal at any time by the assigning credit rating agency.
- 11.7 Yield to Maturity.** The yield to maturity specified in the relevant Final Terms of the relevant issue of the Notes with a fixed interest rate shall be calculated as the internal rate of return of the relevant Notes as at the Issue Date. The internal rate of return is defined as the discount rate in which the current value of all future

cash flows from the Notes is equal to the initial investments in them. As set out above, the yield to maturity is calculated as at the Issue Date on the basis of the Issue Price. Such calculation of the yield cannot be deemed as the indication of the actual future yield on the Notes.

- 11.8 Approval of the Programme by the Issuer's bodies.** The establishment of the Programme was approved by the Issuer's Board of Directors on 4 February 2019 and the Issuer's Supervisory Board on 19 February 2019.
- 11.9 International Central Securities Depositories.** The Notes may also be settled and held through international central depositories such as Euroclear or Clearstream, which have direct or indirect links with the Slovak Central Depository. Indirect link is usually maintained through a manager holding the Notes for Euroclear or Clearstream on the holding (custody) account held with the Slovak Central Depository. Persons holding any Notes in their Euroclear and/or Clearstream accounts may only exercise their rights against the Issuer through Euroclear and/or Clearstream or through the relevant manager holding these Notes for Euroclear and/or Clearstream. In any event, the exercise of these rights will be subject to the Euroclear or Clearstream operating rules and the applicable governing law.
- 11.10 Presentation of financial information and rounding.** Unless provided otherwise, any and all financial information of the Issuer is based on the International Financial Reporting Standards IFRS or IAS 34 (in the case of interim financial data). Certain values included in the Prospectus have been subject to rounding adjustments. Accordingly, the values given for the same information item presented in different tables may slightly vary and the values given as totals in certain tables may not represent the arithmetic sum of these values.
- 11.11 Information from third parties and expert opinions.** No third party information is used in the Prospectus. Except for the information extracted from the audited financial statements of the Issuer, the Prospectus does not contain any audited information and no auditor's report has been prepared thereon. The Prospectus does not contain any statement or report attributed to a person acting as an expert.
- 11.12 Language of the Prospectus.** The Prospectus has been prepared and will be approved by the NBS in the Slovak language. If the Prospectus is translated into another language, e.g. for notification purposes, the Slovak language version of the Prospectus shall prevail in the case of any interpretation discrepancies between the Prospectus in Slovak and the Prospectus translated into another language.
- 11.13 Enforcement of private claims against the Issuer.** Slovak courts shall have jurisdiction for the purposes of enforcement of any private claims against the Issuer related to the purchase or holding of the Notes. Any and all rights and obligations of the Issuer against the Holders shall be governed by Slovak law. As a result, there is only a limited possibility of claiming rights against the Issuer in proceedings before foreign courts or pursuant to a foreign law. Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters (recast) (the Brussels I Recast), is directly applicable in the Slovak Republic. Pursuant to the Brussels I Recast, save for certain exceptions stated therein, judicial decisions issued by judicial bodies in the EU Member States in civil and commercial matters are enforceable in the Slovak Republic, and vice versa, the judicial decisions issued by judicial bodies in the Slovak Republic in civil and commercial matters are enforceable in the EU Member States. If, for the purposes of the recognition and enforcement of a foreign decision the application of the Brussels I Recast is excluded, but the Slovak Republic entered into an international treaty on the recognition and enforcement of court decisions with a certain country, the enforcement of a judicial decision of such country is ensured in accordance with the provisions of the given treaty. If such treaty does not exist, the decisions of foreign courts may be recognised and enforced in the Slovak Republic subject to the terms and conditions set out in Act No. 97/1963 Coll. on Private and Procedural International Law, as amended. Pursuant to this Act, decisions of judicial bodies of foreign states in matters set out in the provisions of Section 1 of the Act on Private and Procedural International Law, foreign reconciliations and foreign notarial deeds (for the purposes of this paragraph jointly the foreign decisions), cannot be recognised and enforced if (a) the subject matter of the decision falls within the exclusive jurisdiction of the bodies of the Slovak Republic or the body of a foreign state would not have jurisdiction to

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decide over the case if the provisions of Slovak law applied to the assessment of its jurisdiction; or (b) they are not valid and effective or enforceable in the state in which they have been issued; (c) they are not decisions on the merits of the case; or (d) a party to the proceeding against whom a decision is to be recognised was deprived of the option to appear before such authority, mainly if it was not served with a summons for a hearing or a statement of claim; the court does not assess whether this condition has been met if a foreign decision has been duly served to such party to the proceeding and the party has not filed an appeal against it or if such a party has declared that it does not insist on the review of such requirement; or if (e) the Slovak court has already decided the case by a valid and effective decision or there is an earlier foreign decision in the same case which has been recognised or meets the requirements for its recognition; or (f) the recognition would be in conflict with the Slovak public order.

This summary contains only general information to describe the legal situation. The relevant legislation is subject to change. The summary does not take into account the individual status of any Holder. Investors should not rely on this information and are recommended to assess the issues regarding the enforcement of private claims against the Issuer with their legal advisors.

12. LIST OF CROSS-REFERENCES TO THE DOCUMENTS INCORPORATED IN THE PROSPECTUS

In the Prospectus, specifically in its part 4.14 headed *Financial information concerning assets and liabilities, financial situation and profits and losses of the Issuer*, the information from the following documents is incorporated by reference:

- (a) The audited consolidated financial statements of the Issuer for the year ending 31 December 2017 prepared in compliance with the IFRS, which form part of the Issuer's annual report for 2017 compiled pursuant to the applicable legal regulations (the **2017 Annual Report**). The Prospectus must be read in conjunction with the above-mentioned part of the 2017 Annual Report which is deemed to be part of the Prospectus. Other parts of the 2017 Annual Report not incorporated in the Prospectus by reference are of no relevance for the investors.
- (b) The audited consolidated financial statements of the Issuer for the year ending 31 December 2018 prepared in compliance with the IFRS, which form part of the Issuer's annual report for 2018 compiled pursuant to the applicable legal regulations (the **2018 Annual Report**). The Prospectus must be read in conjunction with the above-mentioned part of the 2018 Annual Report which is deemed to be part of the Prospectus. Other parts of the 2018 Annual Report not incorporated in the Prospectus by reference are of no relevance for the investors. The part of this document incorporated by reference is also an addendum to the independent auditor's report on the annual report as of 31 December 2018.
- (c) The Issuer's individual unaudited financial statements for the three months ending 31 March 2019 in accordance with IAS 34.

All the above documents were submitted to the NBS through the Central Register of Regulated Information www.ceri.nbs.sk and are also available on the Issuer's website www.tatrabanka.sk.

13. DOCUMENTS ON DISPLAY

The following documents are available free of charge in electronic form on the Issuer's website www.tatrabanka.sk until the maturity of the relevant issue of the Notes:

- (a) the Prospectus and any updates thereof in the form of any supplement(s) to the Prospectus;
- (b) the Final Terms prepared for the relevant issue of the Notes;
- (c) the Summary of the Issue, if any, for the relevant issue of the Notes;
- (d) notices to the Holders of the relevant issue of the Notes; and
- (e) for the term of validity of the Prospectus, all documents from which information is incorporated in the Prospectus by reference.

All the above documents will also be available for inspection in written form at a prior request during normal business hours from 9.00 a.m. to 4.00 p.m. in the Issuer's registered seat at Hodžovo námestie 3, 811 06 Bratislava. Moreover, minutes of the Meetings and a copy of the consolidated wording of the Issuer's current articles of association will be made available in writing and accessible in this way and at this place.

14. LIST OF ABBREVIATIONS AND DEFINITIONS

For ease of reference, we list the main abbreviations and definitions used in the Prospectus:

2017 Annual Report means the annual financial statements of the Issuer for the year 2017 compiled pursuant to the applicable legal regulations and which contains the audited consolidated financial statements of the Issuer for the year ending 31 December 2017 prepared in compliance with the IFRS.

2018 Annual Report means the annual financial statements of the Issuer for the year 2018 compiled pursuant to the applicable legal regulations and which contains the audited consolidated financial statements of the Issuer for the year ending 31 December 2018 prepared in compliance with the IFRS.

Act on Banks means Act No. 483/2001 Coll. on Banks, Amending and Supplementing Certain Acts, as amended.

Additional Amounts means the payments to the Holders so that the principal or interest income actually received by the Holders is in such an amount as if no withholding or deduction has been made.

Administration Agreement means the agreement (if any) entered into between the Issuer and the Administrator on the performance of its office.

Administrator means the person with whom the Issuer enters into the agreement on payment, calculation or other administrative functions in relation to the Notes. If no such person has been appointed, the Issuer shall perform all administrative functions in relation to the Notes.

AML means all applicable legal regulations regulating anti-money laundering and anti-terrorism financing.

AoB Amendment means the amendment to Act No. 279/2017 on Banks effective from 1 January 2018.

Authorised Person has the meaning given in clause 8.3 of the Terms and Conditions.

Bankruptcy Act means Act No. 7/2005 Coll. on Bankruptcy and Restructuring, Amending and Supplementing Certain Acts, as amended.

Benchmarks means interest on the Notes with a floating interest rate calculated by reference to one or several specific benchmark indices or swap rates; the reference rate is provided by the relevant administrator. The EURIBOR (the interbank interest reference rate in EUR), the LIBOR (the London interbank interest reference rate) and other interest rate indices which are deemed to be benchmarks are the subject of regulatory supervision and recent national and international regulatory recommendations and proposals for reform.

Bonds Act means Act No. 530/1990 Coll. on Bonds, as amended.

BRRD means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended.

Brussels I Regulation means Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast), as amended.

Commercial Code means Act No. 513/1991 Coll., the Commercial Code, as amended.

Common Terms mean the Common Terms as set forth in part 7 of this Prospectus.

Covered Notes means covered notes under the Act on Banks.

CRA Regulation means Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended.

Currency means the currency in which the Notes will be issued.

Date of Record for Attending the Meeting means the seventh day before the relevant Meeting.

Deposit Protection Act means Act No. 118/1996 Coll. on Protection of Deposits, as amended.

Distributor means any person who subsequently sells or recommends the Notes.

Notes mean the Senior Notes, Covered Notes, Subordinated Notes and Senior Non-preferred Notes.

FTT means the financial transaction tax.

EEA means the European Economic Area.

ECB means the European Central Bank.

ESMA means the European Securities and Markets Authority.

EUR or **euro** means the legal currency of the Slovak Republic.

FATCA means the U.S. Foreign Account Tax Compliance Act.

Final Terms mean the final terms prepared by the Issuer for an issue of the Notes issued under the Programme.

GDP means gross domestic product.

Holder has the meaning given in clause 3.1 of the Terms and Conditions.

Chairman of the Meeting means the Issuer or a person designated by the Issuer who chairs the Meeting, until it has been decided at the Meeting that another person is to become the Chairman of the Meeting.

IAS 34 means International Accounting Standards for Interim Financial Reporting.

IFRS means the International Financial Reporting Standards as adopted in the European Union.

Income Tax Act means the Act No. 595/2003 Coll. on Income Tax, as amended.

Issue Date means the date of issue of the Notes.

Issuer means Tatra banka, a.s., with its registered seat at Hodžovo námestie 3, 811 06 Bratislava 1, Slovak Republic, Identification No.: 00 686 930, registered in the Commercial Register of the District Court Bratislava I, section: Sa, insert No.: 71/B.

Issuer's Group or **Tatra banka Group** means the consolidated group of companies in which the Issuer itself has an interest.

Market Interest Rate means the current interest rate on the capital market.

Meeting means a meeting of the Holders of the Notes in relation to an Issue.

MiFID II means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended, including all its statutory instruments and implementations into the relevant national law.

Moody's means Moody's Investors Service.

MREL means the regulatory concept of minimum requirements for eligible liabilities.

MREL Delegated Regulation means the Delegated Regulation of the European Commission supplementing the BRRD, which specifies the current criteria for setting MREL.

Participating Member States means ten Member States of the European Union, namely Austria, Belgium, France, Germany, Greece, Portugal, Slovakia, Slovenia, Spain and Italy.

Payment Venue means the registered seat of the Issuer and/or Administrator (if appointed) of the issue of the Notes.

Person Entitled to Attend the Meeting means any Holder who has been registered as the Holder of the Notes pursuant to clause 3.1, except for the Issuer itself and any person controlled by the Issuer.

PRIIPs Regulation means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs), as amended.

Principal Amount means the principal amount of each of the Notes.

Proceedings means any governmental, judicial or arbitration proceedings.

Programme means the debt securities issuance programme of up to EUR 3 000 000 000 under this Prospectus.

Prospectus means this base prospectus dated 30 May 2019.

Prospectus Directive means Directive 2003/71/EC of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as amended.

Prospectus Regulation means annexes to Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended.

Qualified investor in any grammatical form shall have the meaning in the Prospectus assigned to it (i) in Section 120(6) of the Securities Act for the purposes of the offering in the Slovak Republic; and (ii) in the applicable national legislation of other Member States of the European Union which have transposed Article 2(1)(e) of the Prospectus Directive for the purposes of the offering in another Member State of the European Union.

RBI Group means Raiffeisen Bank International Group.

Related Party means *inter alia* the Issuer's shareholders with at least 5% direct or indirect interest, subsidiaries in which the Issuer holds at least 5% direct or indirect interest and affiliates associated with the Issuer through at least 5% direct or indirect interest.

Related Receivable is any receivable vis-à-vis the Issuer whose creditor is or at any time during its existence was a person which is or was a related party to the Issuer under Section 9 of the Bankruptcy Act.

Relevant Account means the owner's account (in Slovak: *účet majiteľa*) maintained by the Central Depository or by a member of Central Depository; or in the internal records of a person for which Central Depository maintains a custody account (in Slovak: *držiteľský účet*) or similar account.

Resolution Act means Act No. 371/2014 Coll. on the resolution of crisis situations on the financial market, as amended, implementing BRRD in the Slovak Republic.

Rules mean the applicable law and the RBI Group's Code of Conduct.

Securities Act means Act No. 566/2001 Coll. on Securities and Investment Services, Amending and Supplementing Certain Acts.

Senior Non-preferred Notes means senior non-preferred notes having lower ranking of satisfaction in bankruptcy under the Bankruptcy Act.

Senior Notes means unsubordinated and unsecured notes.

Special Levy Act means Act No. 384/2011 Coll. on Special Levy of Selected Financial Institutions, Amending and Supplementing Certain Acts, as amended.

Stock Exchange means Burza cenných papierov v Bratislave, a.s.

Subordinated Notes means subordinated notes to which the subordination obligation is attached.

Tax Non-Resident means a taxpayer with limited tax liability.

Tax Resident means a taxpayer with unlimited tax liability.

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Terms and Conditions include Part A (Information about securities) of the Common Terms together with Part A of the Final Terms that together constitute the terms and conditions of the respective issue of the Notes.

TLAC means the regulatory concept of total loss absorption capacity.

Trustee means, in the event of bankruptcy or involuntary administration of the Issuer, the bankruptcy trustee or the receiver.

ISSUER

Tatra banka, a.s.
Hodžovo námestie 3
811 06 Bratislava 1, Slovak Republic

ADMINISTRATOR

Tatra banka, a.s.
Hodžovo námestie 3
811 06 Bratislava 1, Slovak Republic

AUDITOR OF THE ISSUER

KPMG Slovensko spol. s r.o.
Dvořákovo nábřežie 10
811 021 Bratislava, Slovak Republic

LEGAL ADVISOR TO THE ISSUER

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