

SUPPLEMENT NO. 1

dated 7th October, 2020

to the

DEBT ISSUANCE PROGRAMME PROSPECTUS

dated 7th May, 2020

of



Erste Abwicklungsanstalt

*(incorporated as a public law entity with partial legal capacity in the Federal Republic of Germany (**Germany**) and operating under the umbrella of the Federal Agency for Financial Market Stabilisation (Bundesanstalt für Finanzmarktstabilisierung; the **FMSA**))*

Euro 20,000,000,000 Debt Issuance Programme

This Supplement No. 1 (the **Supplement**) constitutes a supplement for the purposes of Article 23.1 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14th June, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC (the **Prospectus Regulation**) to the debt issuance programme prospectus of Erste Abwicklungsanstalt dated 7th May, 2020 (the **Prospectus**), which has been prepared in connection with the Euro 20,000,000,000 Debt Issuance Programme (the **Programme**) established by Erste Abwicklungsanstalt (**EAA** or the **Issuer**). Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read and construed in conjunction with, the Prospectus and all documents incorporated by reference in the Prospectus.

Copies of the Prospectus, all documents incorporated by reference in the Prospectus and this Supplement will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu/programme/Programme-ErsteAbwicklung/13741). For the avoidance of doubt, the content of the aforementioned website does not form part of this Supplement and has not been scrutinised or approved by the *Commission de Surveillance du Secteur Financier* (the **CSSF**).

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statements incorporated by reference in the Prospectus by this Supplement, and (b) any other statements in or incorporated by reference in the Prospectus, the statements in (a) above will prevail.

Erste Abwicklungsanstalt accepts sole responsibility for the information contained in this Supplement (including any information incorporated by reference in the Prospectus by this Supplement). Having taken all reasonable care to ensure that such is the case, Erste Abwicklungsanstalt confirms that the information contained in this Supplement (including any information incorporated by reference in the Prospectus by this Supplement) is, to the best of its knowledge and belief, in accordance with the facts and does not omit

anything likely to affect the import of such information.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus which is capable of affecting the assessment of any Notes to be issued under the Programme since the publication of the Prospectus.

A. Amendments to the section commencing on page 5 of the Prospectus which is entitled "*General Description of the Programme*"

The subsection commencing on page 9 of the Prospectus which is entitled "*Ratings*" shall be replaced in its entirety as follows:

Ratings:

The following short-term and long-term ratings have been assigned by Moody's Deutschland GmbH (**Moody's**), S&P Global Ratings Europe Limited (**Standard & Poor's**) and Fitch Ratings Ireland Limited (until 30th May, 2020: Fitch Deutschland GmbH) (**Fitch**):

	Short-term Ratings		Long-term Ratings	
	of the Notes	of the Issuer	of the Notes	of the Issuer
Moody's	P-1	P-1	Aa1	Aa1 (stable outlook)
Standard & Poor's	Not Applicable	A-1+	Not Applicable	AA (stable outlook)
Fitch	F1+	F1+	AAA	AAA (stable outlook)

Each of Moody's, Standard & Poor's and Fitch has been established in the European Union, has been registered with the relevant competent authority under Regulation (EC) No. 1060/2009, as amended (the **CRA Regulation**) and is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (www.esma.europa.eu) in accordance with the CRA Regulation.

For further details in relation to these ratings (including descriptions thereof) see the subsection entitled "*Description of the Issuer – Ratings*".

Notes to be issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings set out above.

A security rating is not a recommendation to buy, hold or sell any Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

B. Amendments to the section commencing on page 12 of the Prospectus which is entitled "*Risk Factors*"

1. Amendments to the subsection commencing on page 14 of the Prospectus which is entitled "*2. Risks Relating to the Issuer's Financial Condition and Specific Situation*"

a. In the subsection commencing on page 14 of the Prospectus which is entitled "*Risk of Changes in the Issuer's Credit Ratings and Actual or Anticipated Changes in its Financial Condition and Results of Operations*" the first paragraph shall be replaced in its entirety as follows:

Several rating agencies assess whether the Issuer will be able to fulfil its obligations in future and rate its creditworthiness. As a public law entity with partial legal capacity (*teilrechtsfähige Anstalt des öffentlichen Rechts*), the ratings applicable to debt securities issued by the Issuer directly depend on the ratings of the State of North Rhine-Westphalia which the latter has received from Moody's Deutschland GmbH and Fitch Ratings Ireland Limited (until 30th May, 2020: Fitch Deutschland GmbH).

b. The subsection commencing on page 14 of the Prospectus which is entitled "*Dependency on Portigon, Erste Financial Services GmbH (formerly Portigon Financial Services GmbH) and other Parties as Service Providers*" shall be replaced in its entirety as follows:

Dependency on Portigon, Erste Financial Services GmbH (formerly Portigon Financial Services GmbH) and other Parties as Service Providers

Due to the limited resources of the Issuer it is subject to the risk that service providers, advisers and other contractual partners do not meet their obligations to the Issuer. To the extent assets are not effectively transferred from Portigon to the Issuer but the Issuer has assumed the risks thereof, Portigon remains the relevant debtors' primary contact even if it is acting in EAA's name and/or on its account pursuant to the contractual agreements accompanying the transfer of the § 8 Portfolio, the Main Portfolio and the Follow-Up Portfolio from Portigon to the Issuer. Thus, the Issuer depends on Portigon, Erste Financial Services GmbH (formerly Portigon Financial Services GmbH) and other parties as service providers.

Portigon transferred its main servicing relationship with the Issuer with effect as of 1st February, 2014 to Portigon Financial Services GmbH, Düsseldorf (**PFS**). PFS was originally wholly owned by Portigon. The Issuer acquired PFS from Portigon in early 2016. The European Commission consented to the acquisition that supports the operational stability in the ongoing winding-up process undertaken by the Issuer and that fulfils the requirements concerning the sale or dissolution as set out in the European Commission's ruling of 20th December, 2011, obliging Portigon (formerly WestLB) to transfer the servicing relationship with the Issuer to a subsidiary which, according to the ruling, was to be successfully sold by the end of 2016 or, failing such successful sale, was to be dissolved by the end of 2017. Subsequently, PFS changed its name to Erste Financial Services GmbH (**EFS**) and became a wholly owned subsidiary of the Issuer. EFS (formerly: PFS) is a service provider for the servicing of financial portfolios and held a license for rendering financial services until late 2018. Within the scope of a cooperation agreement between the Issuer and EFS, EFS sub-outsourced a large part of the service provision to IBM Deutschland GmbH (**IBM**) with effect from 1st December, 2017. This transaction ensured that the Issuer will continue to have at its disposal all of the services it needs to continue with the wind-up of the assets transferred from the former WestLB. For the time being, EFS remains a subsidiary of the Issuer and will concentrate on service provider management. This function is currently being integrated in the Issuer. On the basis of the outsourcing agreement with EFS, IBM will provide the Issuer with both IT and operational services for loan, securities and derivatives portfolios.

In addition to the above, the EAA Portfolio Advisers GmbH (**EPA**) (now Mount Street Portfolio Advisers GmbH (**MSPA**)) renders advisory services to the Issuer pursuant to a servicing agreement. EPA (now MSPA) was originally established as a wholly owned subsidiary of the Issuer. In line with the Winding-up Plan (as defined below) for the Issuer, EPA (now MSPA) was sold to Mount Street Group in 2017 and EPA

subsequently changed its name to Mount Street Portfolio Advisers GmbH. MSPA will continue to provide services to the Issuer.

The Issuer depends on these parties and the services provided by them and there is no guarantee that a substitute for any service provider or contractual partner can be found at all or in the near future that would be willing and able to fulfil the Issuer's needs on economically reasonable terms and in an adequate manner. Further, a substitute servicer may be less effective in this role than any existing servicer.

Moreover, in its strategic vision to optimise and focus its operating model, the Issuer foresees to reduce internal and external service provision requirements to the necessary level, to rebuild the Issuer to essential functions and to obtain the remaining services from specialised service providers. In this regard, the Issuer is currently examining external procurement of various services (including portfolio services and shared services such as finance data and compliance services). These procurement processes may result in replacing one or more of the current service providers of the Issuer by substitute service providers from 2023 onwards. There is no guarantee that a substitute for any of the Issuer's current service providers or contractual partners for the services so to be obtained can be found that would be willing and able to fulfil the Issuer's needs on economically reasonable terms and in an adequate manner. Further, a substitute servicer may be less effective in this role than any existing servicer.

As the Issuer has to rely on services provided due to its limited resources, this could lead to the Issuer suffering unforeseeable disruptions in its efforts to continue with the wind-up of the assets in line with the Winding-up Plan (see the subsection entitled "*The Winding-up Plan*") and may lead to unforeseeable losses.

If any of the risks described above were to materialise, this could have a material adverse effect on the Issuer's business, results of operations and financial condition.

- c. In the subsection on page 15 of the Prospectus which is entitled "*The Assets Transferred to the Issuer May be Subject to Risks and Certain Assets Have Been Transferred only Economically*" the second paragraph shall be replaced in its entirety as follows:**

The assets transferred to the Issuer are and may be subject to general risks, including additional taxes or regulatory restrictions that are difficult to foresee or detect or have not yet been foreseen or detected. In the financial year 2019, a provision of Euro 2.7 million was established for legal risks. As per 30th June, 2020, Euro 0.2 million of such provision was utilized while the remaining provision of Euro 2.5 million has been increased by Euro 2.5 million up to Euro 5.0 million. Furthermore, other risks (e.g. economic, financial or legal) may only be detected in future. If any of these risks were to materialise, this could have a negative impact on the value of the assets transferred and, thus, could have a material adverse effect on the Issuer's business, results of operations and financial condition.

- 2. The subsection commencing on page 15 of the Prospectus which is entitled "*3. Legal, Regulatory and Tax Risks and Other Risks – Legal Risks*" shall be replaced in its entirety as follows:**

Legal Risks

The Issuer is subject to various legal risks in connection with its business. For example, following the transfer of the Follow-up Portfolio the Issuer also assumed contingent liabilities related to potential legal disputes which have been brought or will be brought against Portigon (formerly WestLB) and its affiliated companies.

In addition, against the background of investigations by the public prosecution authorities into dividend arbitrage transactions, Portigon set aside provisions for capital gains tax and interest that may have been unjustifiably credited in previous years as described in its annual financial statements for its financial year 2019. Portigon has also contacted the Issuer requesting reimbursement of such potential expenses as it believes that, on the basis of the transfer contracts concluded in 2012 by the liable parties within the scope of the transfer of the Follow-up Portfolio, the Issuer would assume the risk in this respect. Should Portigon be

held liable to refund any such capital gains tax (and interest) which may have been unjustifiably credited and should the Issuer in turn be held liable to reimburse Portigon accordingly, this may have a material adverse effect on the Issuer's financial situation.

Furthermore, since April 2010, the authorities in the US and in the EU (particularly BaFin) have investigated possible misconduct in the trading departments of several banks with respect to their interest rate quotations. These investigations have not produced any evidence of wrongdoing of the former WestLB; in particular the investigations by BaFin and the US supervisory authorities have found their formal end and none of the investigations has led to any measures being undertaken against Portigon. Nevertheless a large number of investment banks active in the US, including Portigon, were sued in the US in various class action lawsuits due to alleged manipulative actions with regard to their interest rate quotations. Certain aspects of these class actions were repeatedly rejected in the courts of first instance. Some of the plaintiffs launched an appeal against these rulings, the outcome of which led in part to a referral back to the courts of first instance with uncertain outcome, while some of the appeals are still pending at the relevant court of appeal.

Should any of the aforementioned legal risks materialise, this may have a material adverse effect on the Issuer's business, results of operations and financial condition and may eventually lead to a situation in which the Issuer has to rely on the Indemnifying Persons to cover its losses and, consequently, its timely payments under the Notes could be adversely affected.

C. Amendments to the section commencing on page 79 of the Prospectus which is entitled "*Description of the Issuer*"

1. In the subsection commencing on page 79 of the Prospectus which is entitled "*Introduction*" the fourth paragraph shall be replaced in its entirety as follows:

On 23rd December, 2009, the first portfolio of structured securities (also referred to as the **§ 8 Portfolio**) was spun off with retroactive effect, for accounting purposes, as of 1st January, 2009. The transaction was effected by way of a spin-off for acquisition (*Abspaltung zur Aufnahme*) pursuant to section 123 (2) no. 1 of the German Reorganisation Act (*Umwandlungsgesetz*) in conjunction with section 8a (8) of the German Financial Market and Economic Stabilisation Fund Act – Stabilisation Fund Act (*Stabilisierungsfondsgesetz*; the **StFG** (until 17th July, 2020 abbreviated as **FMSStFG**)).

2. The subsection commencing on page 79 of the Prospectus which is entitled "*Legal Form*" shall be replaced in its entirety as follows:

Legal Form

EAA is a structurally and financially independent public law entity with partial legal capacity (*teilrechtsfähige Anstalt des öffentlichen Rechts*) operating under the umbrella of the Federal Agency for Financial Market Stabilisation (*Bundesanstalt für Finanzmarktstabilisierung*; the **FMSA**). The EAA is a federal winding-up agency (*Abwicklungsanstalt*) within the meaning of section 8a (1) sentence 1 of the StFG.

The FMSA was acting in the name and on behalf of the German Financial Market Stabilisation Fund (*Sonderfonds für Finanzmarktstabilisierung*; the **Fund**) from the time it was set up by the Federal Republic of Germany until effectiveness of the transfer of its public ownership (*Trägerschaft*) to the Federal Republic of Germany – Finance Agency GmbH (*Bundesrepublik Deutschland – Finanzagentur GmbH* (**Finanzagentur**) (as described below)). The purpose of the Fund is to stabilise the German financial sector. The Fund does not have legal capacity. Decisions on stabilisation measures by the Fund and the administration of the Fund were originally delegated by decree (*Finanzmarktstabilisierungsfonds-Verordnung*) to the FMSA. Pursuant to the law relating to the reorganisation of the tasks of the Federal Agency for Financial Market Stabilisation (*Gesetz zur Neuordnung der Aufgaben der Bundesanstalt für Finanzmarktstabilisierung*; the **FMSANeuOG**) dated 23rd December, 2016, the public ownership

(*Trägerschaft*) of the FMSA was transferred to the Finanzagentur with effect as of 1st January, 2018. The Finanzagentur will support the FMSA in fulfilling the tasks assigned to it pursuant to section 8a of the StFG.

As early as 2008, the German Federal Government adopted a comprehensive package of measures to support the financial markets by passing the StFG, thereby creating the Fund. The FMSA started out as a legally dependent public-law association. In 2009, it was transformed into a federal public-law agency with legal personality which reports to the German Federal Ministry of Finance. The FMSA was established in order to manage the Fund and to implement and monitor the Fund's stabilisation measures. The Fund itself does not have legal capacity. Decisions on stabilisation measures by the Fund and the administration of the Fund were delegated by decree (*Finanzmarktstabilisierungsfonds-Verordnung*) to the FMSA. It was acting in the name and on behalf of the Fund. Its goal is and remains the restoration of mutual confidence among banks and the confidence of society at large and business in the financial sector. The Fund has stood ready not only for directly rescuing financial institutions but also for long-term stabilisation by increasing banking institutions' resilience. Banking institutions have been restructured and their business models redefined and reoriented. The founding of winding-up agencies (*Abwicklungsanstalten*) was one of the instruments at the Fund's disposal. The FMSA founded two such winding-up agencies, one of them being EAA.

The assets and liabilities of EAA are kept separate from the assets of other winding-up agencies established by the FMSA and from other assets of the FMSA and the Finanzagentur, respectively.

3. In the subsection commencing on page 80 of the Prospectus which is entitled "*Applicable Legal Framework*" the third paragraph shall be replaced in its entirety as follows:

Nonetheless, pursuant to its Charter and pursuant to section 8a (5) sentence 2 of the StFG, EAA is subject to certain provisions of the KWG and the WpHG. In particular, EAA is subject to the banking supervision by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*; the **BaFin**) and it must comply with the organisational obligations and restrictions on certain activities imposed by the KWG applicable to banks and financial institutions. EAA is, however, exempted from the regulatory capital and liquidity requirements and the banking licence requirement under the KWG. EAA is also deemed to be an "obliged entity" (*Verpflichteter*) for the purposes of section 2 (1) of the German Money Laundering Act (*Geldwäschegesetz*; the **GwG**).

4. In the subsection on page 81 of the Prospectus which is entitled "*EAA's Role in the EAA Group*" the second paragraph shall be replaced in its entirety as follows:

Such subsidiaries and participations are not consolidated in accordance with section 13 (3) of the Charter and section 8a (1a) of the StFG. EAA is not dependent upon other entities within the EAA Group.

5. The subsection on page 81 of the Prospectus which is entitled "*Managing Board*" shall be replaced in its entirety as follows:

Managing Board

The Managing Board manages the business of the Issuer. The members of the Managing Board and their principal activities performed outside the Issuer, if any, are:

Christian Doppstadt

Horst Küpker

Member of the supervisory board of EDD AG

Member of the supervisory board of Westdeutsche Spielbanken GmbH

Other than that, the members of the Managing Board do not perform any principle activities outside the Issuer which are significant with respect to the Issuer.

There are no conflicts or potential conflicts of interest between the duties of any member of the Managing Board to the Issuer and such member's private interests or other duties.

6. The fourth paragraph of the subsection on page 81 of the Prospectus entitled "*Supervisory Board*" and the table commencing on page 81 of the Prospectus relating to the members of the Supervisory Board shall be replaced in their entirety as follows:

The following is a list of the members of the Supervisory Board:

1. Chairman: Dr. Patrick Opdenhövel, State Secretary in the Ministry of Finance of North Rhine-Westphalia, Düsseldorf
2. Vice Chairman: Joachim Stapf, Senior Assistant Secretary (*Leitender Ministerialrat*) in the Ministry of Finance of North Rhine-Westphalia, Düsseldorf
3. Michael Breuer, President of the Rheinischer Sparkassen- und Giroverband;
4. Hans Buschmann, former Deputy Association Director of the Rheinischer Sparkassen- und Giroverband;
5. Rolf Einmahl, Lawyer, Member of the Landschaftsversammlung of the Landschaftsverband Rheinland;
6. Henning Giesecke, Managing Director of GSW Capital Management GmbH and former Chief Risk Officer of HypoVereinsbank AG and UniCredit Group;
7. Wilfried Groos, Chairman of the Managing Board of Sparkasse Siegen;
8. Frank Hellwig, former Member of the Managing Board of FMS Wertmanagement AöR
9. Dr. Achim Kopf, Head of Risk Control of the Bundesrepublik Deutschland - Finanzagentur GmbH;
10. Matthias Löb, Director of the Landschaftsverband Westfalen-Lippe;
11. Michael Stölting, Member of the Managing Board of NRW.BANK (until 30th September, 2020);
12. Jürgen Wannhoff, Vice President and Member of the Managing Board of the Sparkassenverband Westfalen-Lippe.

7. In the subsection commencing on page 82 of the Prospectus which is entitled "*Regulatory Supervision of the Issuer*" the third and fourth paragraphs shall be replaced in their entirety as follows:

The FMSA is a public law agency with full legal capacity which is directly under governmental control of the Federal Ministry of Finance. FMSA's supervision of EAA ensures, in particular, that EAA, including its governing bodies and the stakeholders, complies with the relevant statutory requirements and its Charter. In order to perform its supervisory function, the FMSA has certain information rights, control rights, auditing rights and rights of instruction set forth in EAA's Charter. The FMSA monitors and checks compliance with EAA's accounting and disclosure duties. In addition, the FMSA may reserve the right to carry out special audits, particularly audits to assess compliance with the requirements applicable to EAA's operations and implementation of the Winding-up Plan. The FMSA may give instructions to EAA's Managing Board, Supervisory Board and Stakeholders' Meeting as well as to individual stakeholders in order to ensure that

EAA's activities remain in compliance with the law and EAA's Charter. While the public ownership (*Trägerschaft*) of the FMSA was transferred to the Finanzagentur with effect as of 1st January, 2018 pursuant to the FMSANeuOG, EAA continues to be supervised by the FMSA (control of legality; *Rechtsaufsicht*). The Finanzagentur will support the FMSA in fulfilling the tasks assigned to it pursuant to section 8a of the StFG.

The purpose of BaFin's supervision is to ensure that EAA complies with such statutory provisions of the KWG, WpHG and GwG which are applicable to it pursuant to EAA's Charter and pursuant to section 8a (5) sentence 2 of the StFG, particularly that it establishes a proper business structure and that it does not conduct any transactions which it is not entitled to conduct pursuant to its Charter. BaFin has rights to obtain information and to conduct audits. It is authorised to give instructions to EAA and the Managing Board and its members that are appropriate and necessary to avoid or eliminate irregularities or shortcomings and to prevent infringements of the provisions of the KWG, the WpHG and the GwG applicable to EAA. In particular, the BaFin may require the dismissal of members of the Managing Board in the case of negligent and continuous infringements.

8. In the subsection commencing on page 83 of the Prospectus which is entitled "*Duty of the Fund and EAA's Stakeholders to Offset Losses (Verlustausgleichspflicht)*" the sixth paragraph shall be replaced in its entirety as follows:

In the fourth tier, NRW assumes 50 per cent. of any excess amounts while the remaining 50 per cent. will be shared between NRW and the Fund (internal allocation to be agreed based on the StFG).

9. In the subsection commencing on page 84 of the Prospectus which is entitled "*Principal Activities and Winding-up Plan*" the third and fourth paragraphs shall be replaced in their entirety as follows:

In 2014, 70 employees of the Portfolio Exit Group were transferred from Portigon to EAA. Having provided services to the winding-up agency since 2010, on 1st July, 2014, they begun work for EAA Portfolio Advisers GmbH (**EPA**) (now Mount Street Portfolio Advisers GmbH (**MSPA**)), which is headquartered in Düsseldorf and also operates in London and New York and originally was a specially formed EAA subsidiary. In line with its Winding-up Plan, EAA sold EPA (now MSPA) to Mount Street Group in 2017 and EPA subsequently changed its name to Mount Street Portfolio Advisers GmbH. MSPA continues to render advisory services to the Issuer pursuant to a servicing agreement.

Portigon had transferred its rights and obligations under the cooperation agreement with effect as of 1st February, 2014 to Portigon Financial Services GmbH, Düsseldorf (**PFS**) (now Erste Financial Service GmbH (**EFS**)). EFS is a service provider for the servicing of financial portfolios, which held a license for rendering financial services until late 2018. In 2015, PFS (now EFS) was wholly owned by Portigon. In early 2016, the Issuer acquired PFS (now EFS) from Portigon. Within the scope of a cooperation agreement between the Issuer and EFS, EFS sub-outsourced a large part of the service provision to IBM Deutschland GmbH (**IBM**) with effect from 1st December, 2017. This transaction ensured that the Issuer will continue to have at its disposal all of the services it needs to continue with the wind-up of the assets transferred from the former WestLB (now: Portigon). For the time being, EFS remains a subsidiary of the Issuer and will concentrate on service provider management. This function is currently being integrated in the Issuer. On the basis of the outsourcing agreement with EFS, IBM provides the Issuer with both IT and operational services for loan, securities and derivatives portfolios.

10. The subsection on page 85 of the Prospectus which is entitled "*Ratings*" shall be replaced in its entirety as follows:

Ratings

The following short-term and long-term ratings have been assigned by Moody's Deutschland GmbH (**Moody's**), S&P Global Ratings Europe Limited (**Standard & Poor's**) and Fitch Ratings Ireland Limited (until 30th May, 2020: Fitch Deutschland GmbH) (**Fitch**):

	Short-Term Ratings		Long-Term Ratings	
	of the Notes	of the Issuer	of the Notes	of the Issuer
Moody's	P-1	P-1	Aa1	Aa1 (stable outlook)
Standard & Poor's	Not Applicable	A-1+	Not Applicable	AA (stable outlook)
Fitch	F1+	F1+	AAA	AAA (stable outlook)

Short-term issues are obligations with an original maturity of less than 365 days. Short-term issuer ratings are opinions of an issuer's capacity to meet short-term financial obligations. Long-term issues are obligations with an original maturity of one year or more. Long-term issuer ratings are opinions of the ability of entities to meet long-term senior unsecured financial obligations and contracts.

Each of Moody's, Standard & Poor's and Fitch has been established in the European Union, has been registered with the relevant competent authority under Regulation (EC) No. 1060/2009, as amended (the **CRA Regulation**) and is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (www.esma.europa.eu) in accordance with the CRA Regulation.

The ratings of the Notes address the ability of the Issuer to make payments due in respect of Notes in the event that an event of default occurs. They do not address the probability of an event of default actually occurring.

Notes to be issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating set out above.

A security rating is not a recommendation to buy, hold or sell securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

11. The subsection on page 86 of the Prospectus which is entitled "*Employees*" shall be replaced in its entirety as follows:

Employees

As of 30th June, 2020, the number of employees of EAA was 144.

12. In the subsection on page 86 of the Prospectus which is entitled "*Legal and Arbitration Proceedings*" the third and fourth paragraphs shall be replaced in their entirety as follows:

Against the background of investigations by the public prosecution authorities into dividend arbitrage transactions, Portigon set aside provisions for capital gains tax and interest that may have been unjustifiably credited in previous years as described in its annual financial statements for its financial year 2019. Portigon

has also contacted the Issuer requesting reimbursement of such potential expenses as it believes that, on the basis of the transfer contracts concluded in 2012 by the liable parties within the scope of the transfer of the Follow-up Portfolio, the Issuer would assume the risk in this respect. Following a detailed assessment of the asserted claim on the basis of the information available to the Issuer and with the assistance of external legal advisors, the Issuer considers this claim to be unfounded, and has rejected its payment.

Since April 2010, the authorities in the US and in the EU (particularly BaFin) have investigated possible misconduct in the trading departments of several banks with respect to their interest rate quotations. The investigations have not produced any evidence of wrongdoing of the former WestLB (now: Portigon); in particular the investigations by BaFin and the US supervisory authorities have found their formal end and none of the investigations has led to any measures being undertaken against Portigon. Nevertheless a large number of investment banks active in the US, including Portigon, were sued in the US in various class action lawsuits due to alleged manipulative actions with regard to their interest rate quotations. Certain aspects of these class actions were repeatedly rejected in the courts of first instance. Some of the plaintiffs launched an appeal against these rulings, the outcome of which led in part to a referral back to the courts of first instance with uncertain outcome, while some of the appeals are still pending at the relevant court of appeal.

13. The subsection on page 86 of the Prospectus which is entitled "*No Significant or Material Adverse Change*" shall be replaced in its entirety as follows:

No Significant or Material Adverse Change

There has been no significant change in the financial position or in the financial performance of the EAA Group since 30th June, 2020, the date of EAA's last published interim financial statements and there has been no material adverse change in the prospects of EAA since 31st December, 2019, the date of EAA's last published audited financial statements.

14. The subsection commencing on page 86 of the Prospectus which is entitled "*Material Contracts*" shall be replaced in its entirety as follows:

Material Contracts

EAA has entered into the following material contracts which could have an impact on the Issuer's ability to meet its obligations to Holders in respect of the Notes to be issued by EAA pursuant to the Programme:

EAA has entered into a total of six spin-off agreements pursuant to which it has acquired risk assets and non-strategic businesses/assets from Portigon and certain of Portigon's subsidiaries. The first spin-off agreement was entered into by EAA and WestLB (now: Portigon) in December 2009 with regard to the § 8 Portfolio. In connection with the transfer of the Main Portfolio, EAA and WestLB (now: Portigon) entered into two additional spin-off agreements. The fourth spin-off agreement was made between EAA and Westdeutsche ImmobilienBank AG (**WIB**), one of WestLB's subsidiaries, pursuant to which WIB transferred loans and other liabilities to EAA. The fifth and sixth spin-off agreements were made between EAA and Portigon in 2012 in respect of the Follow-up Portfolio. Under each of the six spin-off agreements entered into in connection with the transfer of the § 8 Portfolio, the Main Portfolio and the Follow-up Portfolio, EAA is obliged to make a compensation payment (*Ausgleichszahlung*) to the relevant transferor.

In connection with the transfer of the Main Portfolio and the Follow-up Portfolio and due to legal implications in certain foreign jurisdictions which impose restrictions on the transfer of assets by way of spin-off, EAA also entered into five sub-participation agreements with WestLB (now: Portigon), WIB and WestLB Europa Holding GmbH (**WEH**). Under such sub-participation agreements, EAA, in return for a certain consideration payment, acquired the economic but not the legal title to certain assets belonging to the Main Portfolio as well as the Follow-up Portfolio. Portigon, WIB and WEH remain the holders of title to all rights and obligations in connection with the assets which are the subject of such sub-participation agreements but will hold the assets on trust for EAA. Pursuant to section 8a (9) of the StFG, sections 16 to

19 of the German Economic Stabilisation Acceleration Act (*Wirtschaftsstabilisierungsbeschleunigungsgesetz*; the **WStBG**) apply to such transfer. EAA bears the economic risk of such assets.

Pursuant to a transfer agreement entered into by EAA and WestLB International SA, EAA also acquired assets of the Main Portfolio from WestLB International SA by way of an asset deal for a certain purchase price.

In connection with the transfer of the Follow-up Portfolio and due to legal implications in certain foreign jurisdictions which impose restrictions on the transfer of assets by way of spin-off, EAA also entered into two risk transfer agreements with Portigon. Under the risk transfer agreements, EAA assumes the economic benefits and risks but legal title remains with Portigon in respect of two derivatives portfolios. One derivative portfolio consists of exchange traded derivatives and the other comprises over-the-counter (OTC) derivatives. Portigon remains the holder of title of all rights and obligations in connection with the derivatives which are the subject of the risk transfer agreements but will hold such rights and obligations in trust for EAA. Pursuant to section 8a (9) of the StFG, sections 16 to 19 of the WStBG apply to such transfer. EAA bears the economic risk of such assets.

In relation to those assets of the Main Portfolio and the Follow-up Portfolio for which neither a transfer by way of spin-off nor by way of sub-participation nor by way of a risk transfer was possible or opportune, EAA granted various guarantees in favour of Portigon. Under such guarantees, EAA is obliged to compensate Portigon for any losses incurred in connection with the underlying assets. In return, EAA is entitled to receive guarantee fees under such guarantee agreements.

15. The subsection on page 87 of the Prospectus which is entitled "*Recent Developments and Outlook*" shall be replaced in its entirety as follows:

Recent Developments and Outlook

The Issuer's earnings situation in the 2019 financial year was marked by net interest income of Euro 74.1 million, a net fee and commission expenditure of Euro 17.7 million and a net trading result of Euro 6.5 million. General and administrative expenses were Euro 135.7 million. In total, EAA reported a net loss for the 2019 financial year of Euro 2.7 million. The Issuer is sticking with its strategy of winding up in a value-preserving manner. Further losses cannot be ruled out in the next few fiscal years because of the now substantial reduction of the portfolio and the associated decline in income from ongoing operations. This possibility is taken into account in the Issuer's wind-up planning.

In 2020, EAA aims to wind-up around 12 per cent. of the nominal value of the banking book portfolio, which gives a target of about Euro 13 billion as at 31st December, 2020 (including exposures held by subsidiaries). In 2020, EAA expects a reduction of the nominal value of the trading portfolio of more than 30 per cent. compared to 2019, which gives a target of below Euro 100 billion as at 31st December, 2020.

EAA had concluded the sales process for EAA Covered Bond Bank plc (**EAA CBB**) at the beginning of 2017. The Supervisory Board of EAA approved the sale to the investor that submitted the most financially advantageous offer for EAA in a non-discriminatory bidding process. On this basis, a share purchase agreement for EAA CBB was signed. The completion of the sale was subject to approval of the competent supervisory authorities. The investor has informed EAA that the competent supervisory authorities would only approve the transfer subject to additional conditions. In view of the changed circumstances, the parties have terminated the share purchase agreement on 27th March, 2020 and discontinued the sale of EAA CBB. EAA will continue to manage the orderly wind-down of the balance sheet of EAA CBB in order to greatly limit any negative financial consequences for the Winding-up Plan that may occur to a certain extent due to the discontinuation of the sale of EAA CBB. After the sales process could not be successfully completed, preparatory steps were taken to accelerate the winding-up of EAA CBB.

EAA focuses on the parameters and targets of its Winding-up Plan and continues to consider options and alternative scenarios for an efficient winding-up of its portfolios. The Issuer fundamentally pursues an

opportunistic approach by conducting regular analyses of market conditions and exit opportunities in order to assess early and profitable wind-up opportunities for all positions of the portfolio. The Issuer is currently in the process of examining whether the targets of the Winding-up Plan may be achieved earlier than initially expected. In line with the options envisaged by the FMSANeuOG, federal winding-up agencies within the meaning of section 8a (1) sentence 1 of the StFG may act as a transferor in future spin-off or split-off scenarios, subject to further conditions as set out in section 8a (8a) and section 8a (8b) of the StFG (as amended by the FMSANeuOG). EAA has amended its Charter with a view to the aforementioned conditions and in particular the requirements set out in section 8a (8a) sentence 1 no. 4 of the StFG. While it cannot be ruled out that certain assets of EAA may be subject to such spin-off or split-off scenarios, it should be noted that section 8a (8a) of the StFG explicitly exempts refinancing liabilities from such scenarios.

In its strategic vision to optimise and focus its operating model, EAA foresees to reduce internal and external service provision requirements to the necessary level, to rebuild EAA to essential functions and to obtain the remaining services from specialised service providers. In this regard, EAA is currently examining external procurement of various services (including portfolio services and shared services such as finance data and compliance services). These procurement processes may result in replacing one or more of the current service providers of EAA by new service providers from 2023 onwards.

D. Amendments to the section commencing on page 89 of the Prospectus which is entitled "*Documents Incorporated by Reference*"

On 11th August, 2020, EAA published its "*Zwischenbericht 30. Juni 2020*", containing, *inter alia*, the binding German language version of its unaudited but reviewed interim financial statements as of and for the six months period ended 30th June, 2020. On 2nd October, 2020, EAA published a non-binding English language translation of the "*Zwischenbericht 30. Juni 2020*" entitled "*Interim Report 30 June 2020*" (the **Interim Report 30 June 2020**). A copy of the Interim Report 30 June 2020 has been filed with the CSSF.

By virtue of this Supplement, the Interim Report 30 June 2020 shall be incorporated by reference in the Prospectus to the extent set out below, provided that any information not specifically set out in the "*Table of Documents Incorporated by Reference*", but included in the Interim Report 30 June 2020 is either not relevant for an investor or is covered elsewhere in the Prospectus and shall not form part of the Prospectus. In this context, the following amendments shall be made to the section commencing on page 89 of the Prospectus which is entitled "*Documents Incorporated by Reference*".

The subsections C. to I. of the table which is entitled "*Table of Documents Incorporated by Reference*" and the three paragraphs immediately following the table on pages 90 to 91 of the Prospectus shall be replaced in their entirety as follows:

Table of Documents Incorporated by Reference

Document	Section Incorporated
C. The following sections of the Interim Report 30 June 2020 of Erste Abwicklungsanstalt (containing, <i>inter alia</i> , its unaudited but reviewed interim non-consolidated financial statements prepared in accordance with the GCC):	
- Balance sheet	Pages 40 – 43
- Income statement	Pages 44 – 45
- Cash flow statement	Page 46
- Statement of changes in equity	Page 47

Document	Section Incorporated
- Condensed notes	Pages 48 – 68
- Review report	Pages 70 – 71
D. The following sections of the Debt Issuance Programme Prospectus of the Issuer dated 15th May, 2013 ¹ :	
- Terms and Conditions of the Notes	Pages 36 – 63
- Form of the Final Terms: Part A – Contractual Terms	Pages 23 – 31
E. The following sections of the Debt Issuance Programme Prospectus of the Issuer dated 15th May, 2014 ² :	
- Terms and Conditions of the Notes	Pages 41 – 69
- Form of the Final Terms: Part A – Contractual Terms	Pages 28 – 36
F. The following sections of the Debt Issuance Programme Prospectus of the Issuer dated 13th May, 2015 ³ :	
- Terms and Conditions of the Notes	Pages 42 – 70
- Form of the Final Terms: Part A – Contractual Terms	Pages 28 – 37
G. The following sections of the Debt Issuance Programme Prospectus of the Issuer dated 12th May, 2016 ⁴ :	
- Terms and Conditions of the Notes	Pages 42 – 71
- Form of the Final Terms: Part A – Contractual Terms	Pages 28 – 37

¹ The Terms and Conditions of the Notes contained in the Debt Issuance Programme Prospectus 2013 are incorporated by reference into this Prospectus to allow for the increase of notes originally issued under the Debt Issuance Programme Prospectus 2013 under this Prospectus.

² The Terms and Conditions of the Notes contained in the Debt Issuance Programme Prospectus 2014 are incorporated by reference into this Prospectus to allow for the increase of notes originally issued under the Debt Issuance Programme Prospectus 2014 under this Prospectus.

³ The Terms and Conditions of the Notes contained in the Debt Issuance Programme Prospectus 2015 are incorporated by reference into this Prospectus to allow for the increase of notes originally issued under the Debt Issuance Programme Prospectus 2015 under this Prospectus.

⁴ The Terms and Conditions of the Notes contained in the Debt Issuance Programme Prospectus 2016 are incorporated by reference into this Prospectus to allow for the increase of notes originally issued under the Debt Issuance Programme Prospectus 2016 under this Prospectus.

Document	Section Incorporated
H. The following sections of the Debt Issuance Programme Prospectus of the Issuer dated 26th April, 2017 ¹	
- Terms and Conditions of the Notes	Pages 42 – 71
- Form of the Final Terms: Part A – Contractual Terms	Pages 28 – 37
I. The following sections of the Debt Issuance Programme Prospectus of the Issuer dated 4th May, 2018 ²	
- Terms and Conditions of the Notes	Pages 44 – 73
- Form of the Final Terms: Part A – Contractual Terms	Pages 29 – 38
J. The following sections of the Debt Issuance Programme Prospectus of the Issuer dated 14th May, 2019 ³	
- Terms and Conditions of the Notes	Pages 42 – 71
- Form of the Final Terms: Part A – Contractual Terms	Pages 28 – 36

The documents set out in A., B. and C. in the table above and the information contained in such documents and incorporated by reference in this Prospectus are English language translations of their respective binding German language counterparts.

The documents set out in the table above and the information contained in such documents and incorporated by reference in this Prospectus will be viewable on, and obtainable from of charge from, the website of the Luxembourg Stock Exchange as follows:

- the Annual Report 2018 of Erste Abwicklungsanstalt:
<http://dl.bourse.lu/dlp/1008da4bc16c8e4fc8bb6cfdfaa13bf73f>
- the Annual Report 2019 of Erste Abwicklungsanstalt:
<http://dl.bourse.lu/dlp/1024ce07b6213d406d8996d41616769fcb>
- the Interim Report 30 June 2020 of Erste Abwicklungsanstalt:
<http://dl.bourse.lu/dlp/10d9b60b91a9074392a9e27f802789508c>
- the Debt Issuance Programme Prospectus of Erste Abwicklungsanstalt dated 15th May, 2013:
<http://dl.bourse.lu/dlp/104e7a6b062f0e461ba9920f221ba3c998>
- the Debt Issuance Programme Prospectus of Erste Abwicklungsanstalt dated 15th May, 2014:
<http://dl.bourse.lu/dlp/101921b453f9464ab4b3fe82bb9d5b172f>
- the Debt Issuance Programme Prospectus of Erste Abwicklungsanstalt dated 13th May, 2015:
<http://dl.bourse.lu/dlp/10ddcc0752ef214380a3bb011b25fe69c2>

¹ The Terms and Conditions of the Notes contained in the Debt Issuance Programme Prospectus 2017 are incorporated by reference into this Prospectus to allow for the increase of notes originally issued under the Debt Issuance Programme Prospectus 2017 under this Prospectus.

² The Terms and Conditions of the Notes contained in the Debt Issuance Programme Prospectus 2018 are incorporated by reference into this Prospectus to allow for the increase of notes originally issued under the Debt Issuance Programme Prospectus 2018 under this Prospectus.

³ The Terms and Conditions of the Notes contained in the Debt Issuance Programme Prospectus 2019 are incorporated by reference into this Prospectus to allow for the increase of notes originally issued under the Debt Issuance Programme Prospectus 2019 under this Prospectus.

- the Debt Issuance Programme Prospectus of Erste Abwicklungsanstalt dated 12th May, 2016: <http://dl.bourse.lu/dlp/104d05b66e439348b297ab69fcae6164d2>
- the Debt Issuance Programme Prospectus of Erste Abwicklungsanstalt dated 26th April, 2017: <http://dl.bourse.lu/dlp/1068a1a2213202466291f3362d7b537631>
- the Debt Issuance Programme Prospectus of Erste Abwicklungsanstalt dated 4th May, 2018: <http://dl.bourse.lu/dlp/1088e423503ddf4a1187660fcfaac43141>
- the Debt Issuance Programme Prospectus of Erste Abwicklungsanstalt dated 14th May, 2019: <http://dl.bourse.lu/dlp/101204061821ec4dce93453fe5104ca8e7>.

For the avoidance of doubt, any information contained in the aforementioned websites (other than the information incorporated by reference in this Prospectus (as described above)), does not form part of this Prospectus and has not been scrutinised or approved by the CSSF.

E. Amendments to the section commencing on page 97 of the Prospectus which is entitled "*General Information*"

The second bullet point of the subsection on page 97 of the Prospectus which is entitled "*Documents Available for Inspection*" shall be replaced in its entirety as follows:

- (ii) the audited financial statements (with an English language translation thereof) of the Issuer in respect of each of the financial years ended 31st December, 2018 and 31st December, 2019, in each case together with the independent auditors' report (with an English language translation thereof) issued thereon and the unaudited but reviewed interim financial statements as of and for the six months period ended 30th June, 2020 (with an English language translation thereof) together with the auditors' review report (with an English language translation thereof) issued thereon;