

Dear customer

We wish to inform you of certain developments regarding the Euro Overnight Index Average (EONIA) rate in the context of the global benchmark reforms mandated by the Financial Stability Board.

As announced by the European Money Market Institute, it is envisaged that the EONIA rate will discontinue as of the beginning of 2022. Accordingly, arrangements providing for interest rates based on EONIA will have to be revisited by that time.

However a change in the methodology for the EONIA benchmark rate will be implemented as of 2 October 2019 already. The rate will be equal to the new Euro Short-Term Rate (€STR) increased by a fixed spread of 8.5 bp (0,085%) as published by the European Central Bank (ECB). The €STR reflects the wholesale euro unsecured overnight borrowing costs of euro area banks on the previous Target2 day (a Target2 day being a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 is open for business).

Also, as of 2 October 2019 EONIA will be published around 9.15 a.m. (CET) on the day of publication of the relevant €STR. Accordingly, where our credit agreement refers to EONIA as published around 7 p.m. on the relevant Target2 day, this should (from 2 October 2019 onwards) by necessity be read to refer to EONIA as published around 9.15 a.m. on the next following Target day (simply said: the applicable daily rate will be published only the next morning). For periods during which EONIA is not published, the applicable rate will be the arithmetic average between the two key rates fixed by the ECB - the marginal lending facility and the deposit facility.

Should the above raise any questions or concerns, please let us know.

With kind regards,

Commerzbank Aktiengesellschaft
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