

Luxembourg, 28 January 2020

NORD/LB Luxembourg S.A. Covered Bond Bank – Termination of Self-commitment for exercising mortgage banking activities as of 31 May 2015

NORD/LB Luxembourg S.A. Covered Bond Bank (hereinafter referred to as the "Bank") is a mortgage bank (*banque d'émission de lettres de gage*) within the meaning of the Luxembourg law of 5 April 1993 on the financial sector, as amended (hereinafter referred to as the "Financial Sector Law"). As a mortgage bond bank based in the Grand Duchy of Luxembourg, the Bank is subject to the statutory requirements of the Luxembourg covered bond law, in particular Articles 12-1 et seq. of the Financial Sector Law.

In the interest of the highest possible transparency and the best possible protection to its mortgage bond holders, the Bank had made a self-commitment to engage in mortgage activities with effect from 31 May 2015 (hereinafter referred to as "self-commitment").

This self-commitment is outdated and partially redundant due to the positive rating change, the fact that the regulation on 180-day liquidity has since been anchored in Art. 12-5 (4bis) of the Financial Sector Act and the transparency requirements now specified in Art. 12-6 (2) of the Financial Sector Act and in CSSF Circular 18/706.

The safeguarding of the mortgage bond holders' claims is guaranteed at all times by the bank's voluntary overcollateralization, even without a self-commitment. Based on the detailed transparency requirements in CSSF Circular 18/706, the Bank publishes a quarterly cover pool report on its website www.nordlb.lu which complies with European standards. The reporting provides information on many details of the cover pool, such as the amount of voluntary overcollateralization and enables mortgage bond holders to quantify the amount of the institution's quota on a regular basis.

All four points of the self-commitment to engage in mortgage banking activities dated 31 May 2015 will therefore be terminated.

This amendment will be published today on the bank's website www.nordlb.lu and will come into force on 1 March 2020.

With kind regards


Thorsten Schmidt
Member of the Board of Management


Manfred Borchardt
Member of the Board of Management