



Norddeutsche Landesbank Girozentrale (AöR)

U.S. Resolution Plan Public Section

December 28, 2018

1. Introduction

Norddeutsche Landesbank Girozentrale AöR (“**NORD/LB**”) is pleased to present the public section of its plan for the rapid and orderly resolution of its U.S. operations (the “**Resolution Plan**”). Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“**Dodd-Frank**”) and its implementing rules require, among other things, any company covered by section 165(d) to produce a resolution plan (such plan for NORD/LB being this Resolution Plan). The implementing rules (collectively, the “**Rule**”) were jointly issued by the Board of Governors of the Federal Reserve System (the “**Board**”), codified at 12 C.F.R. Part 243, and the Federal Deposit Insurance Corporation (the “**FDIC**”), codified at 12 C.F.R. Part 381 (together, the “**Agencies**”), on November 1, 2011. NORD/LB is considered a “**Covered company**” under the Rule and must file a Resolution Plan with the Agencies. References to the Rule contained herein are to 12 C.F.R. Part 243 promulgated by the Board.

Under the Rule, Covered companies are required to assess their U.S. banking operations for the presence of Material entities, Critical operations, and Core business lines. NORD/LB performed this assessment and determined that it has no “Critical operations”, “Core business lines” or U.S “Material entities” as defined under the Rule. Therefore, the focus of this Resolution Plan is the orderly resolution of NORD/LB’s New York State licensed branch (the “**New York Branch**”), as the U.S. operations of the Covered company, driven by the requirements of the New York State receivership procedures for the orderly liquidation of a banking entity in resolution.

NORD/LB is a registered public institution (AöR) in Germany, with registered offices in Hannover, Braunschweig and Magdeburg. NORD/LB’s head office is in Hannover, Germany (the “**Head Office**”). At December 31, 2017, NORD/LB had total assets of approximately 165.98 billion USD and total revenue of approximately 2.1 billion USD. At December 31, 2017, NORD/LB had 5,120 employees located primarily in Germany.

In the United States, NORD/LB maintains the New York Branch which was established in 1991. In the United States, NORD/LB is regulated, through its New York Branch, by the Federal Reserve Bank of New York and the New York State Department of Financial Services (the “**NYDFS**”) as a foreign banking organization. The New York Branch’s offices are located at 1114 Avenue of the Americas, New York, NY 10036. At December 31, 2017, the New York Branch had 75 employees.

NORD/LB also has multiple branches in Germany as well as in London, Shanghai and Singapore. The owners of NORD/LB are the German federal states of Lower Saxony and Saxony-Anhalt, the Association of the Savings Banks of Lower Saxony (Sparkassenverband Niedersachsen) in Hannover, the Holding Association of the Savings Banks of Saxony-Anhalt and the Special Purpose Holding Association of the Savings Banks of Mecklenburg-Western Pomerania.

NORD/LB operates in the following business segments:

- Private and Commercial Customers
- Corporate Customers
- Markets
- Energy and Infrastructure Customers
- Ship Customers
- Aircraft Customers
- Real Estate Banking Customers

NORD/LB is the parent company of a group of banks which also includes NORD/LB Luxembourg S.A. Covered Bond Bank and Deutsche Hypothekenbank (Actien-Gesellschaft).

2. Consolidated or segment financial information regarding assets, liabilities, capital and major funding sources

An overview of NORD/LB's (AöR only, not group) key financial information, as of December 31, 2017, is set forth below¹:

In USD Million	2017
Net interest income	1,812
Net commission income	121
Net income from trading portfolio	145
Administrative expenses	1238
Other operating profit / loss	-77
Operating result before loan loss provisions and valuation	716
Result of evaluation of receivables, securities and investments	-934
Assumption of investment losses	47
Allocation to funds for general banking risks	-
Operating result after loan loss provisions and valuation	-265
Extraordinary result	380
Partial profit transfer	29
Taxes	-16
Profit for the year before appropriation of earnings	102

¹ Norddeutsche Landesbank Girozentrale, AöR Annual Report 2017 pp. 10-15. All figures converted into USD with YE 2017 rate of 1.1993

An overview of NORD/LB's (AöR only, not group) key balance sheet figures, as of December 31, 2017, is set forth below:

In USD Million	2017
Total assets	165,981
Liabilities to customers	59,602
Loans and advances to customers	79,017
Equity	7,205

NORD/LB has institute-specific liquidity control policies which define the basic strategic guidelines for ensuring a sufficient supply of liquidity. Liquidity management measures in cases of emergency and in crisis situations are specified in contingency and recovery plans. Risk concentrations on the liabilities side are prevented by a diversified investor base and product range. The focus is on institutional and municipal investors, which is in line with the risk-based orientation of NORD/LB. The diversification of refinancing sources is also strengthened by covered bond issuances and retail deposits.

The New York Branch manages its local funding and liquidity needs as part of NORD/LB's overall funding and liquidity risk management process.

3. A description of derivative activities and hedging activities

The New York Branch engages in derivative activities primarily to hedge interest rate risk associated with its banking book.

4. A list of memberships in material payment, clearing and settlement systems

The New York Branch is not a member of any material payment, clearing or settlement system.

5. A description of foreign operations

The New York Branch has no foreign operations (other than the Head Office) material to its resolution.

6. The identities of material supervisory/resolution authorities

The New York Branch is supervised by the following authorities:

USA

- (1) New York State Department of Financial Services; and
- (2) Federal Reserve Bank of New York.

Germany

- (1) European Central Bank (ECB) and the National Competent Authorities
- (2) Deutsche Bundesbank; and the
- (3) Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin).
- (4) Single Resolution Board (SRB)
- (5) Bundesanstalt für Finanzmarktstabilisierung/Federal Agency for Financial Market Stabilisation (FMSA)

7. The identities of the principal officers

The principal officers of the New York Branch are set forth below.

- Raimund Ferley, General Manager
- Mathias Pulster, Deputy General Manager

8. A description of the corporate governance structure and processes related to resolution planning

Resolution Planning for NORD/LB's U.S. operations is integrated into NORD/LB's general governance for recovery and resolution planning. As such, NORD/LB's Management Board in Head Office (the "Management Board") is the ultimate responsible body within the governance framework. In order to plan for an orderly resolution of NORD/LB's U.S. operations, the U.S. Resolution Planning Executive Steering Committee (the "Steering Committee") was established.

The Steering Committee serves as the principal advisory committee to the Management Board. The Steering Committee determines the scope of the Resolution Planning initiative and ensures that the timeline for implementation is appropriate and respective milestones are met. Additionally, the Steering Committee ensures that the Resolution Plan meets the required standards provided by the Rule. The Steering Committee will report its activities, as deemed necessary, to the Management Board.

9. A description of material management information systems

The New York Branch utilizes a number of management information systems ("MIS") that support internal management, risk, accounting, financial and regulatory reporting. The New York Branch's MIS consist primarily of third party systems and applications, including several systems managed globally by the Head Office. The New York Branch's MIS have extensive reporting capabilities that allow for the generation and distribution of key internal reports used by senior management to monitor the financial health, risks and operations of the New York Branch. The New York Branch's material MIS include systems for general ledger, deal capture and settlement, P&L

calculation, regulatory reporting, liquidity risk monitoring and market risk monitoring. The New York Branch's MIS provide sufficient capability to collect, maintain and timely report the information and data underlying this Resolution Plan to NORD/LB's management and to the Management Board.

10. A description, at a high level, of the covered company's resolution strategy, covering such items as the range of potential purchasers of the covered company, its Material entities and Core business lines.

In a resolution scenario, it is assumed that the New York Branch would be liquidated under New York State Banking Law. Pursuant to New York law, the Superintendent of the NYDFS administers substantial resolution policies and procedures to which the New York Branch would be subject. This Resolution Plan assumes that the New York Branch's assets could be sold to peers/similar institutions to satisfy creditor obligations as part of an orderly resolution process.