

Final Terms dated 7 September 2007

Bayerische Hypo- und Vereinsbank AG

Issue of up to 100.000 Autocallable Twin Win Certificates linked to Shares

under the

Euro 50,000,000,000

**Debt Issuance Programme of
Bayerische Hypo- und Vereinsbank AG**

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions Certificates set forth in the Prospectus dated 25 June 2007 and the supplemental Prospectus dated 4 September 2007 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms relating to the issue of Certificates described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus as so supplemented.

Full information on the Issuer and the offer of the Certificates is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus and the supplemental Prospectus are available for viewing on the website www.tradinglab.it.

PART A - GENERAL INFORMATION

- | | |
|---|-------------------------------------|
| 2. Issuer: | Bayerische Hypo- und Vereinsbank AG |
| 3. (i) Series Number: | IT19 |
| (ii) Tranche Number: | 1 |
| 4. Form of Instruments: | |
| (i) Notes (other than Credit Linked Notes): | Not Applicable |
| Credit Linked Notes | Not Applicable |
| Mortgage Pfandbriefe (Hypothekenpfandbriefe) | Not Applicable |
| Public Sector Pfandbriefe (Öffentliche Pfandbriefe) | Not Applicable |
| (ii) Certificates | Applicable |
| (iii) Warrants | Not Applicable |

5. Governing Law: Italian law
6. Specified Currency: Euro "EUR"
7. Number of Certificates admitted to trading:
- (i) Series: 1
- (ii) Tranche: 1
8. Issue Price: EUR 100 per Certificate
9. Nominal Amount per Certificate : Not Applicable
10. Language of Terms and Conditions: English only
11. (i) Issue Date: 15 October 2007
- (ii) Interest Commencement Date: Not Applicable
12. Maturity Date: 15 October 2010
13. Interest Basis: Non-interest bearing.
14. (i) Redemption/Payment Basis: Redemption Amount determined by reference to the Reference Asset by way of cash settlement.
(further particulars specified below)
- Holder's right of waiver: Yes, The Waiver Notice is set out in Annex IV
- (ii) Reference Asset: Shares
15. Change of Interest or Redemption/Payment Basis: Not Applicable
16. Early Redemption at Issuer's Option: Automatic Early Redemption
17. Early Redemption at Instrument holder's Option: Not Applicable
18. Status of the Notes: Unsubordinated
19. Date approval for issuance of Instruments obtained: Not Applicable
20. Method of distribution: Non-syndicated
- Provisions relating to interest (if any) payable

21. **Fixed Rate Certificate Provisions** Not Applicable

22. **Floating Rate Certificate Provisions** Not Applicable

23. **Zero Coupon Note Provisions** Not Applicable

24. **Provisions to determine Additional Amount for the Certificates** Not Applicable

25. **Other Interest Provisions** Not Applicable

Provisions relating to redemption

26. **Early Redemption at Issuer's Option** Applicable

Provisions relating to Notes: Not Applicable

Provisions relating to Certificates: Applicable

Certificates with Automatic Early Redemption: Applicable

Observation Date(s):

The Observation Dates are:

- 15 April 2008 ("First Observation Date")
- 15 October 2008 ("Second Observation Date")
- 15 April 2009 ("Third Observation Date")
- 15 October 2009 ("Fourth Observation Date")
- 15 April 2010 („Fifth Observation Date“)

Redemption Threshold(s): Not Applicable

Early Maturity Date(s): Five Banking Days following each relevant Observation Date.

Early Redemption Amount: If on an Observation Date the following condition is fulfilled:

- the reference price of the Share as determined and published by the Relevant Exchange being equal or higher than the Strike on an Observation Date;

then the Certificate is redeemed and the Certificateholders will receive in relation to each Certificate an amount in EUR as follows:

- with respect to the First Observation Date, EUR 105.80;
- with respect to the Second Observation Date, EUR 111.60;

- with respect to the Third Observation Date, EUR 117.40 ;
- with respect to the Fourth Observation Date, EUR 123.20
- with respect to the Fifth Observation Date, EUR 129

Where:

“**Strike**” means 100% of the reference price of the Share on the Fixing Date.

Fixing Date means 11 October 2007

Certificates with Issuer’s Regular Call Right: Not Applicable

(i) Call Date: Not Applicable

(ii) Notice period prior to Call Date: Not Applicable

27. **Early Redemption at Instrumentholder's Option** Not Applicable

28. **Redemption Amount:** Redemption Amount linked to Reference Asset.

Automatic Exercise Applicable

The Waiver Date is:

- a. if an Early Redemption has never occurred on an Observation Date, the first Banking Day following the Valuation Date
- b. if an Early Redemption has occurred on an Observation Date, the first Banking Day following the respective Observation Date.

For the avoidance of doubt, any time implication within the Terms and Conditions of the Certificates is referring to Milan time.

Minimum Exercise Number is 1 certificates.

29. **Redemption Amount linked to Reference Assets:** Applicable

(i) Formula to determine the Redemption Amount and/or, as the case may be, quantity of Reference Assets to be delivered instead of Redemption Amount: Subject to the Terms and Conditions of the Certificates, these Final Terms and the Certificates not being redeemed early at an Early Maturity Date, the Issuer will pay the Redemption Amount to the Certificateholders on the fifth Banking Day following the Valuation Date.

In relation to each Series of Certificates, the Redemption Amount shall be determined by the Calculation Agent at the Valuation Date as follows:

1. if on the Valuation Date the Reference Price of the Reference Asset is higher than the Strike, the Certificateholders will receive in relation to each Certificate an amount in EUR calculated in accordance with the following formula:

$$\text{Redemption Amount} = [\text{Strike} + \text{Leverage Factor Up\%} \times (\text{Reference Price} - \text{Strike})] \times \text{Parity}$$

2. if a Barrier Event has never occurred during the Observation Period and, on the Valuation Date, the Reference Price of the Reference Asset is lower than or equal to the Strike, the Certificateholders will receive in relation to each Certificate an amount in EUR calculated in accordance with the following formula:

$$\text{Redemption Amount} = [\text{Strike} + \text{Leverage Factor Down\%} \times (\text{Strike} - \text{Reference Price})] \times \text{Parity}$$

3. If a Barrier Event has occurred during the Observation Period and, on the Valuation Date the Reference Price of the Share is lower than or equal to the Strike, the Redemption Amount will be calculated in accordance with the following formula:

$$\text{Redemption Amount} = \text{Reference Price} \times \text{Parity}$$

Where:

“**Barrier Event**” occurs when the reference price of the Share as determined and published by Borsa Italiana S.p.A. is lower than or equal to the Barrier.

“**Barrier**” means the 65% of the reference price of the Share on the Fixing Date.

“**Leverage Factor Up%**” means 100%

“**Leverage Factor Down%**” means 100%

“**Parity**” means the ratio between the Issue Price and the Strike and shall only be used in connection with the calculation of the Redemption Amount pursuant to this item 28.

Within the calculation of the Redemption Amount any amount determined will be rounded up or down to six decimal places, with 0.0000005 rounded up.

(ii) Valuation Date:

The Valuation Date, as determined by the Calculation Agent, is:

- a. in case an Early Redemption has never occurred on an

Observation Date: 14 October 2010

b. in case an Early Redemption occurs on an Observation Date, the Observation Date.

(iii) Calculation Date: The Calculation Date is, any day on which the Share is scheduled to be traded on the Relevant Exchange.

(iv) Observation Date(s): The Observation Period is the period from and including the Fixing Date to and including the Valuation Date.
If a Market Disruption occurs on a day of the Observation Period, such day shall be excluded from the Observation Period.

(v) Reference Price: The Reference Price, as determined by the Calculation Agent, is the reference price of the Share, as determined and published by Borsa Italiana S.p.A. on the Valuation Date and published on Reuters respectively at GASI.MI page;

(vi) Business Centres for Banking Day: Milan

(vii) Minimum Amount / Maximum Amount: Not Applicable

(viii) Market Disruption and Adjustment provisions (if different from [§3b and §3c] [§4 and §5]): Provisions §4(1), §4(2) and §4(3) (“Market Disruption”) shall not apply and shall be replaced by the following ones:

(1) If a Market Disruption occurs on the Valuation Date, and/or the Fixing Date, the Valuation Date and/or the Valuation Date will be postponed to the next following Banking Day on which the Market Disruption no longer exists. Any payment date relating to such Valuation Date shall be postponed accordingly if applicable.

(2) Should the Market Disruption continue for more than 1 (one) , with respect to the Fixing Date or 8 (eight) with respect to the Valuation Date, consecutive Banking Days, that first or eight Banking Day shall be deemed to be the Fixing Date or Valuation Date, notwithstanding the fact that on such day a Market Disruption occurs, and the Issuer, in its good faith and absolute discretion shall determine, or cause the Calculation Agent to determine, the Reference Price affected by the Market Disruption required for the determination of the Redemption Amount in accordance with prevailing market conditions around 10:00 a.m. (Milan local time) on this eighth day on the basis of the last such Reference Price immediately prior to the occurrence of the Market Disruption available to the Issuer or the Calculation Agent, taking into account the economic position of the Certificateholders

(3) If a Market Disruption occurs on an Observation Date, the relevant Observation Date will be postponed to the next following Banking Day on which the Market Disruption no longer exists. Any payment date relating to such Observation Date shall be

postponed accordingly if applicable.

(4) Should the Market Disruption continue for more than 8 consecutive Banking Days, that eighth Banking Day shall be deemed to be the Observation Date, notwithstanding the fact that on such day a Market Disruption occurs. Moreover, in order to determine if the condition for the payment of the Early Redemption Amount is fulfilled, the Issuer, in its good faith and absolute discretion shall determine, or cause the Calculation Agent to determine, the official reference price of the Shares affected by the Market Disruption in accordance with prevailing market conditions around 10:00 a.m. (Milan local time) on this eighth day on the basis of the last trading price immediately prior to the occurrence of the Market Disruption available to the Issuer or the Calculation Agent, taking into account the economic position of the Certificateholders.

However, if within these 8 Banking Days comparable Derivatives expire and are paid on the Determining Futures Exchange, the settlement price established by the Determining Futures Exchange for the comparable Derivatives will be taken into account in calculating the Redemption Amount. In that case, the expiration date for comparable Derivatives will be taken as the relevant Valuation Date and the provisions of § 3 (1) shall apply accordingly.

(5) “Market Disruption” means:

- (i) the suspension or restriction of trading in the Reference Asset on the Relevant Exchange or
- (ii) the suspension or restriction of trading in an options or futures contract relating to the Reference Asset on the Determining Futures Exchange.

Provisions §5 (“Adjustments. Early Redemption”) shall not apply and shall be replaced by the following ones:

(1) The Calculation Agent shall be authorised, in its reasonable discretion, to adjust the method for the determination of the Redemption Amount upon the occurrence of any of the following events:

- the company that has issued the Reference Asset or a third party takes a measure, which would – based on a change in the legal and economic situation, in particular a change in the company’s assets and capital – in the reasonable discretion of the Calculation Agent, affect the Reference Asset (e.g. capital increase against cash contribution, issuance of securities with options or conversion rights into shares, capital increase with company funds, distribution of special dividends, share splits, merger, liquidation, nationalization, tender offer) , or
- the Determining Futures Exchange performs an early termination of the respective Derivatives outstanding linked to the Reference Asset, or
- the Determining Futures Exchange performs an

adjustment to the respective Derivatives outstanding linked to the Reference Asset.

When determining the necessity of an adjustment, the Calculation Agent will take into account the adjustment of the respective Derivatives linked to the Reference Asset actually performed by the Determining Futures Exchange. The Calculation Agent will use reasonable endeavours as to ensure that the economic position of the Certificateholders remains unchanged to the largest extent possible. Any adjustment will be made by the Calculation Agent taking into account the time to maturity of the Certificates (if applicable) and the latest available price for the Reference Asset. If the Calculation Agent determines that, pursuant to the rules of the Determining Futures Exchange, no adjustments are made to the derivatives linked to the Reference Asset, the terms of the Certificates will regularly remain unchanged. The adjusted method to determine the Redemption Amount and the time of its initial application shall be published in due course in accordance with § 11.

(2) Should

- the quotation of the Reference Asset at the Relevant Exchange be finally discontinued and no Substitute Relevant Exchange or Substitute Futures Exchange could be determined
- the Calculation Agent come to the conclusion that no reasonable adjustment is possible to account for the relevant measure of the company that has issued the Reference Asset or the relevant third party,

the Issuer is entitled to terminate the Certificates early by giving notice pursuant to § 11 (which notice shall specify the Cancellation Amount). Such termination shall become effective at the time of the announcement pursuant to § 11.

If the Certificates are so cancelled the Issuer will pay an amount to each Certificateholder in respect of each Certificate held by him which amount shall be the reasonable market value of a Certificate (the "Cancellation Amount") on a day selected by the Issuer in its good faith and absolute discretion and taking into account the adjustment event, all as determined by the Calculation Agent in its good faith and absolute discretion. The Cancellation Amount will be paid within five Banking Days as of its determination to the Clearing System or to its order with the instruction for immediate forwarding to the Certificateholders.

30. Early Redemption Amount

Early Redemption Amount payable on redemption for taxation reasons or on Issuer Event of Default or on Early Redemption Event and/or the method of calculating the same (if required or if different from that set out in the Conditions):	Not Applicable
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Provisions relating to Reference Assets

31. Basket as Reference Asset / Underlying / Not Applicable

32. Shares as Reference Asset / Applicable

Description of Share(s): ASSICURAZIONI GENERALI ordinary share

Share Issuer/Issuers: ASSICURAZIONI GENERALI S.p.A.

ISIN (other security codes): IT0000062072

Relevant Exchange(s): Borsa Italiana S.p.A.

Determining Futures Exchange(s): IDEM

Bonds as Reference Asset / Basket Component: / Not Applicable

Certificates as Reference Asset / Basket Component: / Not Applicable

Fund shares as Reference Asset / Basket Component: / Not Applicable

Indices as Reference Asset / Basket Component / / Not Applicable

Interest rates as Reference Asset / Basket Component: / Not Applicable

Currency exchange rates as Reference Asset / Basket Components: / Not Applicable

Commodities as Reference Asset / Basket Components: / Not Applicable

Future Contracts as Reference Asset / Basket Components: / Not Applicable

General provisions applicable to the Instruments

33. Form of Instruments: Global Certificates

34. Additional Financial Center(s) or other special provisions relating to Payment Dates: Milan

35. Notices: If the Certificates are traded on the Italian regulated market of

Borsa Italiana s.p.A. and so long as the applicable rules so require, all notices to the Certificateholders shall be valid if published by Borsa Italiana S.p.A.. All notices to the Certificateholders shall also be published by the Calculation Agent on the website www.tradinglab.it. In the case the notices have been published both by Borsa Italiana S.p.A. and the Calculation Agent, such notices will be considered valid from the date of publication of Borsa Italiana S.p.A..

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| 36. Redenomination, renominalization and reconventioning provisions: | Not Applicable |
| 37. Consolidation provisions: | Not Applicable |
| 38. Trustee in case of appointment of a Substitute Debtor: | Not Applicable |
| 39. Calculation Agent: | Bayerische Hypo- und Vereinsbank AG |
| 40. Other terms or special conditions: | The Final Terms of these Certificates are written in the English language and provided with an Italian language translation. The English text shall be controlling and binding. The Italian language translation is provided for convenience only. |

The following paragraph shall be added to the Provision §10(1) (Substitution of Issuer) and numerated as (f):

The Issuer unconditionally and irrevocably guarantees the obligations of the New Obligor.

Distribution

- | | |
|---|---|
| 41. Method of distribution: | Non-syndicated |
| 42. If syndicated, names and addresses of Managers and underwriting commitments and details of any coordinator for the global offer or parts thereof: | Not Applicable |
| (i) Date of [Subscription] Agreement: | Not Applicable |
| (ii) Stabilizing Manager (if any): | Not Applicable |
| 43. If non-syndicated, name and address of Dealer: | UniCredit Private Banking S.p.A., with registered office at Via Arsenale 21, 10121 Torino, Italy. |
| 44. Total commission and concession: | The Issue Price comprises the following commissions: a structuring commission for the Issuer, Bayerische Hypo- und Vereinsbank AG, equal to 0.25 per cent. of the Issue Price, a placement commission for the Dealer, UniCredit Private Banking S.p.A., equal to 2.00 per cent. of the Issue Price, and other |

structuring charges for the Issuer equal to 0.25 per cent. of the Issue Price

Therefore, having an Issue Price of EUR 100 and an unchanged derivative component value up to the Issue Date, such Issue Price may be also illustrated as follows:

Derivative component	Structuring commission	Placement commission	Other charges	Issue Price
(A)	(B)	(C)	(D)	(E=A+B+C+D)
EUR 97.50	EUR 0.25	EUR 2.00	EUR 0.25	EUR 100

45. Additional selling restrictions: Not Applicable

46. Operational Information

- (i) ISIN: DE000HV5S7Y5
- (ii) Common Code: Not Applicable
- (iii) WKN: HV5S7Y
- (iv) Other relevant security codes: Not Applicable
- (v) New Global Note intended to be held in a manner which would allow Eurosystem eligibility: Not Applicable
- (vi) Clearing System(s): Clearstream Banking AG, Frankfurt am Main ("CBF")
- (vii) Delivery: Delivery free of payment
- (viii) Additional Paying Agent(s) (if any): Not Applicable
- (ix) Dealer's/Lead Manager's security account number: Monte Titoli account 7248 at Clearing System

PART B - OTHER INFORMATION

47. Listing

- (i) Listing: Application will be made for listing the Certificates on:
 - the official list of Borsa Italiana S.p.A. and admission to trading on SEDEX of Borsa Italiana S.p.A., or
 - the EuroTLX managed by TLX S.p.A.
- (ii) Admission to trading: Application will be made for the Certificates to be admitted to trading on the SeDeX market of Borsa Italiana S.p.A. or on the EuroTLX managed by TLX S.p.A..
The Issuer (the "**Market Maker**") undertakes to provide liquidity through bid and offer quotes in accordance with the market

making rules of Borsa Italiana S.p.A. or EuroTLX, where the Certificates of each Series are expected to be listed. The obligations of the Market Maker are regulated by the rules of the markets organized and managed by Borsa Italiana S.p.A. or by TLX S.p.A., and the relevant instructions to such rules.

- (iii) Estimate of total expenses related to admission to trading Not Applicable
48. Ratings The Instruments to be issued are not expected to be rated.
49. **Notification:** Applicable
- The Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) has provided the Commissione Nazionale per le Società e la Borsa (CONSOB) with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.
50. Interests of natural and legal persons involved in the offer Applicable
- The Issuer and the Dealer, UniCredit Private Banking S.p.A., have a conflict of interest with the holders of the Certificates, with regard to the offer of the Certificates, due to their respective roles in the issue and offer of the Certificates and as they both belong to the same UniCredit Banking Group. In particular, the Issuer is also the arranger and the Calculation Agent of the Certificates. Moreover, the Issuer shall also act as the “Responsabile del Collocamento” (as defined by article 93-bis of Legislative Decree 58/1998) of the Certificates. Lastly, the Dealer shall receive from the Issuer an implied placement commission comprised in the Issue Price.
- With regard to trading of the Certificates the Issuer has a conflict of interest being also the Market Maker on the regulated market “SeDeX” of Borsa Italiana S.p.A. or on the Multilateral Trading System EuroTLX, where the Certificates may be listed; moreover please note that the Multilateral Trading System EuroTLX is organized and managed by TLX S.p.A., a company in which UniCredit Banca Mobiliare S.p.A. - a member of UniCredito Italiano Banking Group as the Issuer - has a stake in.
51. **Reasons for the offer/Estimated net proceeds/Estimated total expenses** Applicable
- (i) Reasons for the offer See "General Information - Use of Proceeds and reasons for the offer" in the Prospectus.
- (ii) Estimated net proceeds: Not Applicable

- (iii) Estimated total expenses: Not Applicable
52. Fixed Rate Instruments only – Yield: Not Applicable
53. Performance of, and other information concerning the Reference Asset: As specified in Annex I to these Final Terms.
54. Specific Risk Factors relating to the calculation method for the Reference Asset-linked Redemption Amount or the applicable Reference Asset: As specified in Annex II to these Final Terms
55. Details relating to the performance of the Reference Asset and the explanation of the effect on the value of the Instruments: As specified in Annex III to these Final Terms
56. Restriction on the free transferability of the Instruments: None
56. Taxation: Taxation as specified in Annex V.
57. **Details relating to public offer**
- UniCredit Private Banking S.p.A., an authorized bank within UniCredit Group, is in charge of the placement of the Certificates. The Issuer is the “Responsabile del Collocamento”, as defined in article 93-bis of Legislative Decree 58/98 (as subsequently amended and supplemented).
- Subscription orders can be submitted to UniCredit Private Banking S.p.A. at its offices only. Subscription orders are irrevocable and will be accepted starting from 10 September 2007 to 10 October 2007 (the "**Offer Period**") – unless closed in advance and without previous notice – and will be satisfied within the limits of the maximum number of Certificates on offer.
- The Issuer reserves the right to withdraw from the offer until the Issue Date at unquestionable discretion whereby all subscription requests of the Certificates shall be considered void and without any effect and the issue of the Certificates shall no longer take place. The Issuer also reserves the right to early terminate the Offer Period, as defined below, (so that no further subscription requests shall be accepted following early termination of the Offer Period), regardless of whether all available Certificates have been subscribed or not, or to delay the Offer Period, at its unquestionable discretion.
- The number of Certificates on offer is up to a maximum of 100,000 Certificates.
- No specific allocation method is established. Subscription requests

shall be accepted by the Dealer at its offices and shall be satisfied by the relevant office in a chronological order and within the limits of the available amount.

The offer is for Italian residents only (including the “operatori qualificati”, as defined in article 25 and 31, comma 2, of Consob Regulation No. 11522 of 1 July 1998, as subsequently amended and supplemented) and is made in Italy exclusively.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. The information included in Annex I (Information about the Shares) has been extracted from the relevant Reuters page GASI.MI and is not necessarily the latest information available. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the Share Issuer, no facts have been omitted which would render the reproduced inaccurate or misleading.

Signed on behalf of the Issuer:

By:

Duly authorized

Annex I
Information about the Share

SHARE ISSUER	DESCRIPTION OF SHARE	ISIN	RELEVANT EXCHANGE	DETERMINING FUTURE EXCHANGE
ASSICURAZIONI GENERALI S.P.A.	ASSICURAZIONI GENERALI Ordinary Share	IT0000062072	Borsa Italiana S.p.A.	IDEM

The issuer of the Share is subject to disclosure requirements to both the competent local authorities and the investors. The price, historical trend and volatility are indicated in the following graphs (source: Reuters).



Annex II Additional Specific Risks

In addition to the risk factors set out on pages 38 to 49 of the Base Prospectus, investors should carefully consider the following additional risk information:

The Certificates are based on complex mathematical structures, which may not be readily intelligible to the investor. In addition, there is the possibility that the investor may underestimate the true risk associated with a purchase of Certificates. Potential investors should therefore ensure that they have gained a thorough understanding of the Certificates described herein.

Before purchasing the Certificates, potential investors should carefully review their financial situation to make sure that they can bear the risks of loss associated with the Certificates, also as the case may be, the risk of a total loss of their investment.

The *Twin Win Autocallable* Certificates described herein (the “**Certificates**”) are a particular type of *investment certificates*, which are linked to the Shares. The Certificates allow the holder to benefit from the performance of the share in terms of absolute variation, positive or negative, with respect to its value at the Fixing Date: the holders receive a positive return at the maturity also in case of negative performance of the underlying at maturity compared to its value at the Fixing Date.

The condition by which a negative performance can become a positive one, is that the value of the underlying never touches the Barrier throughout the life of the Certificates. If the Barrier is touched, and the underlying performance is negative, the value of the Redemption Amount shall be totally linked to such underlying performance.

Redemption of the amount initially paid at issue is not guaranteed at maturity.

At maturity:

1. in case of a positive underlying performance, the holder shall benefit entirely from such performance;
2. in case of a negative underlying performance at maturity, depending on (i) the Barrier not having been touched, or (ii) the Barrier having been touched, even for once, throughout the life of the Certificates, the following shall occur: in case (i) above, the negative performance shall become positive, whereas in case (ii) the cash amount paid shall be entirely linked to the underlying performance at maturity.

The Certificates may be, under certain conditions, early redeemed so as to allow the holder to benefit, prior to maturity, from an underlying positive performance. Such an early redemption shall be effective prior to maturity on fixed dates (each an “Observation Date”) if on such dates the underlying value is higher than its value at the Fixing Date.

Should the above early redemption occur, the Certificates shall be redeemed at a value higher than its Issue Price as stated in the Final Terms.

The amount to be paid on early redemption may vary at each Observation Date and is higher as the Observation Date is closer to the Maturity Date.

Additional specific risks associated with the Issuer are:

Issuer risk

The investment is subject to the Issuer risk, i.e. the possibility that the Issuer may not be able to meet its payment obligations with respect to the Certificates.

The Issuer’s assets guarantee the Certificate holders for payment of the Redemption Amount due at the Maturity Date without any priority with respect to other Issuer’s creditors in case of insolvency.

The protection afforded by the Italian Interbank Deposit Protection Fund (FITD) does not apply to the Certificates.

Risk of changes in underlying value

The value of the Certificates depends on trends in the performance of the share. There is no guarantee that the price of the Certificates will remain for its entire duration at least equal to the amount initially paid, as such price may fluctuate significantly depending on the value of the underlying assets; also, the Redemption Amount may vary, even negatively, depending on variations in the value of the underlying asset.

Liquidity Risk

This risk is represented by the difficulty for the Certificate holder in liquidating his/her investment prior to the Maturity Date (or to an Observation Date), or of not being able to recover the amount initially paid in case of disinvestment prior to the Maturity Date (or to an Observation Date).

Nevertheless, such risk appears to be mitigated (i) as the Issuer shall file an application for the Certificates to be traded on Borsa Italiana S.p.A or on the Multilateral Trading System EuroTLX; and (ii) as, prior to such admission, the Issuer shall quote bid prices for the Certificates.

Tax Regime Risk

The Tax regime of the Certificates may change throughout their duration, with the result of being different (even less favourable for the Certificate holder) from that which is specified in the Base Prospectus and in the Final Terms hereof.

Risk of variations in the Terms and Conditions

The Terms and Conditions which govern the issue of the Certificates, as set out in the Base Prospectus, provide that, without necessity of a prior consent from each Certificate holder, the Issuer may modify the same Terms and Conditions (i) to correct obvious typing or arithmetic errors or other obvious mistakes as well as (ii) to change and/or supplement contradictory or incomplete provisions, for which, in cases described in (ii), only such changes and/or additions are allowable as, in light of the Issuer's interests, are reasonable for the Certificate holders, i.e., which do not fundamentally impair the financial position of the Certificate holder.

Risk of autonomous determinations by the Issuer acting as Calculation Agent

The Terms and Conditions of the Certificates, as set out in the Base Prospectus, provide for the power of the Issuer, acting as Calculation Agent, in the event of market disruption which persists at the Maturity Date, of calculating the Reference Price of the Underlying at the Valuation Date and, consequently, the Redemption Amount. According to the Terms and Conditions, the calculations and valuations of the Calculation Agent shall be deemed to be fully binding towards the Certificate holders, save for cases of manifest errors.

Risk of Market Disruption Events and/or extraordinary events with respect to the Shares

The Terms and Conditions and the Final Terms hereof provide for the possibility of certain Market Disruption events and extraordinary events occurring with respect to the Shares.

Annex III
Performance of Certificates, explanation of effect on value of investment
and associated risks

1. Explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.

As of 04 September 2007, the values of the Share, the months to maturity and the volatilities are indicated in bold type.

Effect on the Certificates price of a variation of the Share

Variation %	Certificates price	Variation %
+5%	EUR 102.33	+2.33%
-	EUR 100	-
-5%	EUR 97.26	-2.74%

Effect on the Certificates price of a variation of the Share volatility

Variation %	Certificates price	Variation %
+5%	EUR 98.06	-1.94%
-	EUR 100	-
-5%	EUR 101.95	+1.95%

Effect on the Certificates price of the time decay

Months to Maturity Date	Certificates price	Variation %
37	EUR 100	-
35	EUR 101.60	+1.60%
33	EUR 104.58	+4.58%

2. Redemption Amount yield scenarios

At maturity various scenarios may be possible depending on the value of the Shares. Please see below a few examples of what the Redemption Amount would be, depending on the various scenarios at maturity.

The following scenarios assume, at the Fixing Date a Share value equal to EUR 30 and:

- Strike: EUR 30;
- Barrier: EUR 19.50;
- Leverage Factor Up%: 100%;
- Leverage Factor Down%: 100%;
- Parity: 3.333333.

Scenario 1

At the Valuation Date the Share value is higher than the Strike: for example EUR 32.
The Redemption Amount will be equal to:

$$\text{Redemption Amount} = [EUR 30 + 100\% \times (EUR 32 - EUR 30)] \times 3.333333 = EUR 106.67$$

Scenario 2

A Barrier Event has never occurred during the Observation Period and at the Valuation Date the Share value is lower than or equal to the Strike: for example EUR 25.

Redemption Amount will be equal to:

$$\text{Redemption Amount} = [EUR 30 + 100\% \times (EUR 30 - EUR 25)] \times 3.333333 = EUR 116.67$$

Scenario 3

A Barrier Event has occurred during the Observation Period and at the Valuation Date the Share value is lower than or equal to the Strike: for example EUR 25.

The Redemption Amount will be equal to:

$$\text{Redemption Amount} = EUR 25 \times 3.333333 = EUR 83.33$$

3. Backtesting simulation

Hypothetical characteristics of the Certificates:

- Fixing Date: 01 September 2004
- Share value at the Fixing Date: EUR 19.6
- Strike: EUR 19.6
- Barrier: EUR 12.74
- Leverage Factor Up%: 100%
- Leverage Factor Down%: 100%
- Parity: 5.102041
- Issue Price: EUR 100
- First Observation Date: 07 March 2005
- Second Observation Date: 06 September 2005
- Third Observation Date: 07 March 2006
- Fourth Observation Date: 06 September 2006
- Fifth Observation Date: 07 March 2007
- Maturity Date: 06 September 2007
- Valuation Date: 05 September 2007

At the First Observation Date the Share value was equal to EUR 23.30, higher than the Strike. The Certificates would be settled earlier and the holders would have received EUR 105.8 per certificates.

All above scenarios and simulations are for informative and illustrative purposes only, and do not purport either to be comprehensive or anticipate or guarantee future returns. All above hypothetical amounts have been calculated gross of any applicable withholding tax.

Annex IV
Form of Waiver Notice

DICHIARAZIONE DI RINUNCIA ALL'ESERCIZIO (FACSIMILE)
(da compilare su carta intestata)

A: **Bayerische Hypo- und Vereinsbank AG**
Fax 02/8862.2666
Tel 02/8862.2746 - 02/8862.2736

Certificates su scad. emessi da Bayerische Hypo- und Vereinsbank AG (i
"Certificates")

L'intermediario

che detiene in custodia i Certificates per conto della propria clientela, con la presente comunica, in nome proprio e per conto della suddetta propria clientela, la volontà di rinuncia all'esercizio dei diritti garantiti dal Certificates come da indicazione contenuta nei Terms & Conditions dei Certificates.

Codice ISIN dei Certificates per i quali rinuncia, per conto della propria clientela, all'esercizio dei Certificates a scadenza:

Numero di Certificates per i quali rinuncia, per conto della propria clientela, all'esercizio dei Certificates a scadenza:

Il sottoscritto è consapevole che la presente dichiarazione di rinuncia all'esercizio a scadenza non è valida qualora non siano rispettati i requisiti indicati nei Terms & Conditions dei Certificates. Questo vale anche qualora la dichiarazione non dovesse essere consegnata in tempo utile a Bayerische Hypo- und Vereinsbank AG.

Luogo Data

Firma (firme) del legale rappresentante dell'intermediario

Annex V

Tax Regime in the Republic of Italy

The following is a summary of current Italian law and practise relating to the taxation of the Certificates. Prospective purchasers of the Certificates are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Certificates.

The statements herein regarding taxation are based on the laws in force in Italy as at the date of these Final Terms and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Certificates and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

The following description does not address the applicable taxation in case of exercise by the relevant Issuer of its right of substitution as set out in Condition 9. Legislative Decree No. 344 of 12 December 2003 published in the Italian Official Gazette of 16 December 2003, No. 261 (Ordinary Supplement No. 190), effective as of 1 January 2004 introduced the reform of taxation of corporations and of certain financial income amending the Italian Income Taxes Consolidated Code.

In the near future, with the approval of the law proposal No. 1762 of 4 October 2006, currently under discussion in the Parliament, the Italian Government could be authorised to introduce a fixed withholding tax on any capital gains and financial incomes not exceeding 20 per cent, which may impact upon the tax regime of the Certificates.

Italian taxation of the Certificates

The information set out hereafter summarises tax treatment of the purchase, holding, sale and exercise of the Certificates by investors who are individuals resident in Italy, and do not run a commercial enterprise, in accordance with Italian tax legislation. Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, capital gains and other revenues not produced in the course of running commercial enterprises and received by individuals resident in Italy and by certain other subjects (entities, associations and simple non-commercial companies, including no profit entities) following the sale or the exercise of the Certificates are subject to a 12.5% substitute tax (*imposta sostitutiva*). The recipient may opt for three different taxation criteria:

- (1) the tax declaration regime (*regime della dichiarazione*): each capital gain or revenue earned during the year, net of any liabilities and *capital* losses of the same kind, is specified in the investor's tax return. The 12.5% substitute tax will therefore be chargeable on net capital gains realised during any given tax period and paid within the deadline established for paying income taxes. Any surplus of capital losses over capital gains may be offset against capital gains realised in any of the four succeeding tax periods. The tax declaration regime is compulsory in cases where the subject fails to choose one of the two systems referred to hereafter in points (2) and (3);
- (2) the non-discretionary investment portfolio regime (*regime del risparmio amministrato*): if the investor opts for this regime, the substitute tax is determined and paid at the time of each sale or exercise of the Certificates by the authorised intermediary resident in Italy, with whom the Certificates have been deposited for safekeeping or for administration, on behalf of the Security holder for each capital gain effectively produced. Where a capital loss results from a sale or an exercise of the Certificates, such loss may be deducted from capital gains of the same kind, realised in the same tax period or in the following tax periods up to the fourth. If the safekeeping or administration relationship comes to an end, any capital losses may be deducted - but not beyond the fourth tax period after that in which they occurred - from capital gains produced with respect to the relationship with another intermediary for managing of portfolio. Under non-discretionary investment portfolio regime, the Security holder is not required to declare the capital gains in the annual tax return.

- (3) the discretionary investment portfolio regime (*regime del risparmio gestito*): the prerequisite to adopting this system is that an assets management assignment has been conferred on an authorised intermediary resident in Italy. Under this regime the tax is applied by the authorised intermediary, on behalf of the Security holder, at the end of any given tax period on the increase in value of the managed assets, even if it has not been realised, net of certain financial incomes. Any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax periods. Under the discretionary investment portfolio regime, the Security holder is not required to declare the capital gains in the annual tax return.

Where an Italian resident Security holder is a company or similar commercial entity, or a permanent establishment in the Republic of Italy of foreign commercial entities to which the Certificates are effectively connected, capital gains and other revenues arising from the Certificates will not be subject to *imposta sostitutiva*, but must be included in the relevant Security holder's income tax return and are therefore subject to Italian corporate tax.

Capital gains realized by non-Italian resident Security holders are not subject to Italian taxation, provided that the Certificates are held outside of Italy.

Atypical securities

In accordance with a different interpretation of current tax law there is a remote possibility that the Certificates would be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Certificates may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident Security holder and to an Italian resident Security holder which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from 1st July, 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland) with effect from the same date.

Implementation in Italy of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 (Decree No. 84). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid starting from 1 July 2005 to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian paying agents (i.e. banks, società di intermediazione Mobiliare (SIM), fiduciary companies, società di gestione del risparmio (SGR) resident for tax purposes in Italy, Italian permanent establishments of non-Italian resident persons and any other Italian entity paying interest for professional or business reasons) shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

Declaration of receipt of this Final Terms dated 07 September 2007 by the investor in the Certificates
I hereby declare that I have received and read the Final Terms dated 07
September 2007 before purchasing the Certificates described therein.

_____ dated _____