



TCM Security Agreement

between

Neue Helvetische Bank AG, Zürich (CH.116'589)

as Collateral Provider

and each

Collateral Taker

(as defined herein) being from time to time a holder of Structured Products (as defined herein), being represented for all purpose of this Security Agreement by the Collateral Agent (acting as direct representative (*direkter Stellvertreter*) of the Collateral Takers)

and

SIX Repo AG, Selnaustrasse 30, 8001 Zurich, Switzerland

as Collateral Agent

acting for and on behalf of all Collateral Takers as direct representative (*direkter Stellvertreter*)

and

SIX SIS AG, Baslerstrasse 100, 4600 Olten, Switzerland

as SIX SIS

acting as depository (*Verwahrstelle*) and triparty collateral manager in relation to the TCM Accounts (as defined herein)

regarding the security created over intermediated securities in accordance with article 25 of the Swiss Federal Intermediated Securities Act and the pledge of bank account claims in accordance with article 899 et seq. of the Swiss Federal Civil Code for purposes of securing claims of holders of structured produces issued under certain programs

dated _____

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WHEREAS

- (A) The Collateral Provider (including, for the avoidance of doubt, the Collateral Provider acting through any of its current or future branches in Switzerland or abroad) issues Structured Products, through an issue account in the name of the Collateral Provider held with SIX SIS.
- (B) In order to reduce the counterparty risk of each Collateral Taker in relation to any Specific Structured Product and the Relevant Structured Product Secured Obligations held by it, the Collateral Provider wishes to set up a structure and an agreement under which it will secure the Relevant Structured Product Secured Obligations by providing collateral as further described herein; it is contemplated that the Collateral Provider will secure Specific Structured Products issued by itself.
- (C) It is contemplated that the collateral provided to secure the Specific Structured Products and the Relevant Structured Product Secured Obligations shall consist of Eligible Securities and Eligible Book Money (i.e. securities and book money that meet certain criteria) all as further described herein.
- (D) The collateral to be provided hereunder shall be deposited in accounts held by and in the name of the Collateral Provider with SIX SIS and for purposes of perfecting the Security Interest over the collateral, SIX SIS will be irrevocably instructed and authorized by the Collateral Provider to execute the instructions of the Collateral Agent, acting on behalf of the Collateral Takers, all as further described herein.
- (E) With its TCM (Triparty Collateral Management) service, SIX SIS, as a neutral service provider and central securities depository, will take responsibility for the management of the Eligible Assets held in the Ordinary/Pool Accounts and the Earmarked Collateral and, more specifically, will select the relevant Eligible Assets from a larger pool of potential collateral held in the Ordinary/Pool Accounts and for purposes of transferring such Eligible Assets into the relevant TCM Accounts in order to become Earmarked Collateral (as further described herein) the Collateral Provider wishes to mandate SIX SIS under this Agreement to act as its agent; the key tasks of SIX SIS are (i) to select Eligible Assets from a larger pool of potential collateral held in the Ordinary/Pool Accounts, (ii) to transfer such Eligible Assets to the TCM Securities Account and the TCM Book Money Accounts and (iii) to earmark such Eligible Assets in order to ensure that such Eligible Assets will become Specific Earmarked Securities and Specific Earmarked Book Money and the Security Interest granted over that Specific Earmarked Collateral will only secure the relevant Specific Structured Product and the pertaining Relevant Structured Product Secured Obligations respectively.
- (F) Regarding the risks in connection with the cross-border liquidation of (intermediated) securities reference is made to Art. 10 (2) FISA and Art. 25 seq. of the General Terms and Conditions of SIX SIS (GTC; as defined below).

Now therefore, the parties hereto agree as follows:

1. Defined terms and interpretation

1.1. Defined terms

Capitalised terms and expressions used herein (including when used on the cover page and in the "Whereas" section above) shall have the meaning assigned to them below or in any other Clause of this Agreement:

"Agreement" means this security agreement, as amended, restated, novated, supplemented, extended or replaced from time to time.

"**BA**" means the Swiss Federal Banking Act of 8 November 1934 as amended, restated, novated, supplemented, extended or replaced from time to time.

"**Business Day**" means a day (other than Saturday and Sunday) on which banks are open for general business during the entire day in the city of Zurich.

"**Collateral Schedule**" means the collateral schedule attached as Schedule 1 (*Collateral Schedule*) hereto by which the CP determines on the basis of the SIX SIS given form „Bilateral Agreement/Collateral Schedule“ according to the SERVICEGUIDE which types of intermediated securities (and their quality) as well as which currencies of book money qualify as ELIGIBLE ASSETS and thereby as possible collateral (it being understood that the Collateral Provider shall not make any choice that would have (overall) a substantial negative impact on the rights and interests of the Collateral Takers).

"**Collateral Value**" has the meaning ascribed to that term in paragraph (a) of Clause 6.1 (*Coverage Requirements*).

"**Collateral Taker**" means the holder of a Structured Product.

"**Coverage Requirement**" has the meaning ascribed to that term in paragraph (a) of Clause 6.1 (*Coverage Requirements*).

"**Current Value**" means in relation to a Specific Structured Product its current value published on the previous trading day by SIX FI or, if on that day no bid price has been published, to the last bid price previously published by SIX FI, which is calculated exclusively by the Collateral Provider (without recalculation or control by the Collateral Agent, SIX SIS or SIX FI) and communicated by the Collateral Provider to SIX FI in accordance with paragraph (a) of Clause 8 (*Additional obligations of the Collateral Provider*).

"**DEBA**" means the Swiss Federal Debt Enforcement and Bankruptcy Act of 11 April 1889 as amended, restated, novated, supplemented, extended or replaced from time to time.

"**Earmarked Book Money**" means all sums of Specific Earmarked Book Money standing to the credit of the TCM Book Money Accounts.

"**Earmarked Book Money Account Claims**" has the meaning ascribed to that term in Clause 4.1 (*Pledge of Specific Earmarked Book Money (i.e. the Earmarked Book Money Account Claims)*).

"**Earmarked Collateral**" means Earmarked Book Money and/or Earmarked Securities.

"Earmarked Securities" means all Specific Earmarked Securities booked in the TCM Securities Account.

"Eligible Assets" means Eligible Book Money and/or Eligible Securities.

"Eligible Book Money" means book money in a currency as specified in the collateral schedule attached hereto as Schedule 1 (*Collateral Schedule*).

"Eligible Securities" means Securities, that either:

- (a) meet the requirements as set out in the collateral schedule attached hereto as Schedule 1 (*Collateral Schedule*); and/or
- (b) in relation to a specific Structured Product, consist of Securities that are direct or indirect underlyings of that specific Structured Product as described in the relevant Terms and Conditions,

except Securities (i) issued by companies (other than collective investment schemes (such as Swiss SICAVs, Swiss SICAFs, Swiss Limited Partnership for Collective Investments (KGKs) or any similar Swiss or non-Swiss collective investment form)) in which the Collateral Provider directly or indirectly holds at least 20% of the share capital or voting rights, (ii) issued by companies which have an equivalent holding in the Collateral Provider, (iii) issued by the Collateral Provider (own shares) and (iv) that are issues in which the Collateral Provider is the debtor.

"FISA" means the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) of 3 October 2008 as amended, restated, novated, supplemented, extended or replaced from time to time.

"General Realization Event" has the meaning ascribed to that term in paragraph (a) of Clause 11.2 (*Realization of Earmarked Collateral generally*).

"GTC" means the "General Terms and Conditions of SIX SIS Ltd", version January 2013, as handed over by SIX SIS to the Collateral Provider and the Collateral Agent upon signing of this Agreement, as amended and supplemented from time to time by SIX SIS in accordance with paragraph (b) of Clause 17.9 (*Entire Agreement, GTC and Service Guide*).

"Insolvency Event" means, each of the following events:

- (a) the ordering of restructuring proceedings pursuant to article 28 to et seq. BA;
- (b) the ordering of liquidation proceedings pursuant to article 33 et seq. BA;

- (c) the ordering of protective measures pursuant to article 26 al. 1 section (f) and/or section (h) BA;
- (d) the recognition of non-Swiss bankruptcy decrees and liquidation and restructuring measures (*Anerkennung ausländischer Konkursdekrete und Massnahmen*) pursuant to article 37g BA.

"Issuance Stop Date" has the meaning ascribed to that term in paragraph (b) of Clause 16 (*Termination*).

"Liquidation Value" has the meaning ascribed to that term in paragraph (a) of Clause 11.6 (*Application and payment to Participants (for Collateral Takers) and the Collateral Agent*).

"Ordinary/Pool Accounts" means the securities and book money accounts held by the Collateral Provider in its own name with SIX SIS, which are not subject to the Security Interest created hereunder; the Eligible Assets in these Ordinary/Pool Accounts shall serve as pool of Eligible Assets to be transferred by SIX SIS to the TCM Accounts in accordance with the terms and conditions of this Agreement.

"Overcollateralization" has the meaning ascribed to that term in paragraph (a) of Clause 6.3 (*Overcollateralization*).

"Participant" means, from time to time, any SIX SIS participant as defined in the GTC.

"Realization Costs" means internal and external costs of the Collateral Agent (including the costs of SIX SIS, taxes and duties as well as fees of external advisers) that are incurred in connection with the realization of Earmarked Collateral under this Agreement and the application and payment of proceeds to the relevant Participants (for the Collateral Takers).

"Realization Event" means a Specific Realization Event or a General Realization Event.

"Relevant Structured Product Secured Obligations" means in relation to a Specific Structured Product all monies and liabilities (present and future, actual or contingent) now or hereafter due, arising, incurred or payable or expressed to be due, owing incurred or payable by the Collateral Provider to any Collateral Taker under, pursuant to or in connection with that Specific Structured Product.

"Secured Obligations" means

- (a) the sum of all Relevant Structured Product Secured Obligations; and

(b) the Realization Costs.

"**Securities**" means intermediated securities (*Bucheffekten*) as defined and described in the FISA.

"**Securities Related Rights**" has the meaning ascribed to that term in paragraph (a) of Clause 10 (*Voting rights, dividend rights and other rights in relation to Earmarked Securities*).

"**Security Interest**" means a guarantee, mortgage, charge, pledge, surety, assignment, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect and shall include, for the avoidance of any doubt, a security interest created under and in accordance with article 25 of the FISA.

"**Service Guide**" means a part of the binding regulations within the meaning of article 10 GTC that sets out (in its currently applicable form) in detail the services provided by SIX SIS, as handed over by SIX SIS to the Collateral Provider and the Collateral Agent upon signing of this Agreement, as amended and supplemented from time to time by SIX SIS in accordance with paragraph (b) of Clause 17.9 (*Entire Agreement, GTC and Service Guide*).

"**SIX FI**" means SIX Financial Information AG, Hardturmstrasse 201, 8005 Zurich, Switzerland.

"**SIX SIS**" means SIX SIS AG, Baslerstrasse 100, 4600 Olten, Switzerland, a depository (*Verwahrstelle*) pursuant to the FISA and triparty collateral manager.

"**Specific Earmarked Book Money**" means, in relation to a Specific Structured Product, the amount of Eligible Book Money standing to the credit of the TCM Book Money Accounts that is designated by the Collateral Provider (or SIX SIS acting as its agent hereunder) to secure that Specific Structured Product and the pertaining Relevant Structured Product Secured Obligations arising thereunder.

"**Specific Earmarked Book Money Account Claims**" has the meaning ascribed to that term in Clause 4.1 (*Pledge of Specific Earmarked Book Money (i.e. the Earmarked Book Money Account Claims)*).

"**Specific Earmarked Collateral**" means in relation to a Specific Structured Product, the Specific Earmarked Book Money and/or the Specific Earmarked Securities.

"**Specific Earmarked Securities**" means, in relation to a Specific Structured Product, Eligible Securities booked in the TCM Securities Account that are designated by the

Collateral Provider (or SIX SIS acting as its agent hereunder) to secure that Specific Structured Product and the pertaining Relevant Structured Product Secured Obligations arising thereunder, including all dividend rights, interest rights and other pecuniary rights related to such Eligible Securities and all shares, bonds, rights, products or other interests whatsoever which may substitute such Eligible Securities whether by operation of law or otherwise now or hereafter.

"Specific Realization Event" has the meaning ascribed to that term in paragraph (a) of Clause 11.1 (*Realization of Specific Earmarked Collateral in relation to a Specific Structured Product*).

"Specific Structured Product" means a structured product issued in the form of Securities with the same ISIN by the Collateral Provider, which:

- (a) are by its Terms and Conditions designated and determined to be structured products becoming secured in accordance with this Agreement;
- (b) have a term of not more than five years or can be terminated by the Collateral Provider with a notice period of not more than five years;
- (c) are issued through an account held by the Collateral Provider with SIX SIS; and
- (d) are not listed on any exchange market authorised, regulated and organised under public law and being supervised by public bodies.

"Structured Products" means all Specific Structured Products taken together.

"TCM Accounts" means the TCM Book Money Accounts and the TCM Securities Account.

"TCM Book Money Accounts" means the Book Money accounts opened or to be opened on or around the date hereof, held in the name of the Collateral Provider with SIX SIS and designated by SIX SIS and the Collateral Provider to become the TCM Book Money accounts under this Agreement (the account numbers and details to be provided by the Collateral Provider to the Collateral Agent upon signing of this Agreement or as soon as available thereafter).

"TCM Securities Account" means the securities account opened or to be opened on or around the date hereof, held in the name of the Collateral Provider with SIX SIS and designated by SIX SIS and the Collateral Provider to become the TCM Securities account under this Agreement, including any subaccount, sub-ledgers or other subdivision thereof (the account number and details to be provided by the Collateral Provider to the Collateral Agent upon signing of this Agreement or as soon as



available thereafter).

"Termination Effective Date" has the meaning ascribed to that term in paragraph (c) of Clause 16 (*Termination*).

"Termination Notice Date" has the meaning ascribed to that term in paragraph (a) of Clause 16 (*Termination*).

"Terms and Conditions" means the terms and conditions applying to a Specific Structured Product contained in the documents mentioned in the section "Product Documentation" of the term sheet relating to such Specific Structured Product.

"Undercollateralized Status" has the meaning ascribed to that term in paragraph (a) of Clause 7.3 (*Information obligations of SIX SIS*).

"Undercollateralization" has the meaning ascribed to that term in paragraph (a) of Clause 6.2 (*Undercollateralization*).

1.2. Interpretation

In this Agreement:

- (a) **references to this Agreement and any other agreement or other document are references to such agreement or document as amended, restated, novated, supplemented, extended or replaced, from time to time, in accordance with its terms and includes any change in the purpose of, any extension of or any increase in any facility (if applicable), any increase in any margin (if applicable), or the addition of any new facility (if applicable) under that agreement or document;**
- (b) **references to Clauses and Schedules are references to clauses of, and schedules to, this Agreement;**
- (c) **unless the context requires otherwise, references herein to the Collateral Agent shall be read as references to the Collateral Agent acting as direct representative (*direkter Stellvertreter*) in the name and for the account of the Collateral Takers.**

2. Parties to this Agreement and their roles

2.1. Collateral Provider

The Collateral Provider is a party to this Agreement in particular for purposes of creating a Security Interest over the Earmarked Securities and the Earmarked Book Money (as part of the Earmarked Book Money Account Claims), to the Collateral Takers (represented for all purpose hereof by the Collateral Agent) and (for purposes of securing the Realization Costs) to the Collateral Agent in order to secure the Secured Obligations.

2.2. Collateral Agent

The Collateral Agent is entering into this Agreement for itself for purposes of becoming secured for the Realization Costs and for and on behalf of the Collateral Takers on the following terms and conditions:

- (a) **Without limiting any other rights of the Collateral Agent under this Agreement, the present and future Collateral Takers, by subscribing for and/or purchasing a Structured Product, jointly (*gemeinsam*) authorize and mandate the Collateral Agent to be and act as their direct representative (*direkter Stellvertreter*) for all purposes hereof and in particular:**
- (i) **to enter into this Agreement on their behalf as their direct representative (*direkter Stellvertreter*);**
 - (ii) **acting in the name and for the account of such Collateral Takers to accept as their direct representative (*direkter Stellvertreter*) any Security Interest over the Specific Earmarked Collateral made or expressed to be made to such Collateral Takers and, if necessary, enforce any such Security Interest on behalf of each relevant Collateral Taker which has the benefit of such Security Interest;**
 - (iii) **to agree as their direct representative (*direkter Stellvertreter*) to amendments and alterations to this Agreement;**
 - (iv) **to effect as their direct representative (*direkter Stellvertreter*) any release of a Security Interest created under this Agreement (in accordance with the terms and conditions hereof); and**
 - (v) **to exercise as their direct representative (*direkter Stellvertreter*) such other**



rights (in particular those in connection with the realization of the Security Interest created under this Agreement) granted to the Collateral Agent under this Agreement.

- (b) For the avoidance of doubt, it is hereby confirmed and understood by the parties hereto that the provisions of paragraph (a) of this Clause 2.2 (*Collateral Agent*) are reflected and repeated in each relevant Terms and Conditions and it being understood, that the terms and conditions of sub-clause (a) of this Clause 2.2 (*Collateral Agent*) shall not be amended or otherwise affected by such repetition.**

2.3. Collateral Takers

- (a) The parties hereto understand and agree that each present and future party that:**
- (i) subscribes directly for a Structured Product in the framework of its issuance; and/or**
 - (ii) acquires Structured Product through a transaction in the secondary market;**
- and thereby (in each case) becomes the holder of a Relevant Structured Product Secured Obligation and thereby accepts the relevant Terms and Conditions shall become a Collateral Taker and a direct party to this Agreement (represented for all purposes hereof by the Collateral Agent) upon it becoming the holder of a Relevant Structured Product Secured Obligation.**
- (b) The parties hereto understand and agree that each party that transfers all Structured Product held by it or is otherwise no longer the holder of Relevant Structured Product Secured Obligations will cease to be a Collateral Taker and a direct party to this Agreement.**
- (c) Each Collateral Taker agrees to the appointment of the Collateral Agent on the terms and conditions of Clause 2.2 (*Collateral Agent*) and each Collateral Takers agrees that it may exercise its rights hereunder through the Collateral Agent only.**
- (d) Each party hereto agrees and consents to all changes to the parties as per this Clause 2.3 (*Collateral Takers*), including any future changes.**

2.4. SIX SIS

SIX SIS is a party to this Agreement for purposes of:

- (a) being instructed as depository (*Verwahrstelle*) for purposes of the creation of the Security Interest over the Earmarked Securities as per article 25 FISA; and
- (b) acting as TCM service provider and thereby render services such as monitoring and administering the Eligible Assets and the Earmarked Collateral as further provided herein.

3. Security Interest over Earmarked Securities

3.1. Obligation to provide Security Interest over Specific Earmarked Securities

In relation to each Specific Structured Product, in order to exclusively secure and provide for the payment and discharge of the pertaining Relevant Structured Product Secured Obligations and the Realization Costs, the Collateral Provider shall grant a Security Interest pursuant to article 25 para. 1 FISA over the Specific Earmarked Securities (as described in article 25 para. 2 (a) FISA) to be held in the TCM Securities Account to the Collateral Takers, represented, for all purposes hereof by the Collateral Agent as direct representative (*direkter Stellvertreter*) and (for purposes of securing the Realization Costs) to the Collateral Agent acting for itself.

3.2. Perfection of Security Interest over Specific Earmarked Securities

- (a) In order to perfect the Security Interest as per Clause 3.1 (*Obligation to provide Security Interest over Specific Earmarked Securities*):
 - (i) the Collateral Provider irrevocably instructs SIX SIS in accordance with and as further described in article 25 para. 1 FISA and as further described in more detail in Clause 12 (*Relationship with SIX SIS*); and
 - (ii) with regard to each Specific Structured Product and the Relevant Structured Product Secured Obligations and the Realization Costs, prior to the initial issuance of such Specific Structured Product, the Collateral Provider shall make available the necessary Eligible Securities to the Ordinary/Pool Accounts with a Collateral Value sufficient to cover the Current Value of the Specific Structured Product and SIX SIS shall (on the basis of the instructions as per paragraph (b) below) transfer such Eligible



Securities from the Ordinary/Pool Account to the TCM Securities Account and ensure that such Eligible Securities will be earmarked so that they become the Specific Earmarked Securities that are clearly designated to secure the Specific Structured Product and the pertaining Relevant Structured Product Secured Obligations and the Realization Costs.

- (b) **For purposes of transferring Eligible Securities from the Ordinary/Pool Accounts to the TCM Securities Account, the Collateral Provider hereby instructs SIX SIS to and SIX SIS shall:**
- (i) **calculate the amount of Eligible Securities to be transferred to the TCM Securities Account so that the Coverage Requirement for a Specific Structured Product is met;**
 - (ii) **select from the Ordinary/Pool Accounts the Eligible Securities in an amount as calculated in accordance with paragraph (i) above;**
 - (iii) **transfer to the TCM Securities Accounts such Eligible Securities as selected in accordance with paragraph (ii) above; and**
 - (iv) **earmark in the TCM Accounts such Eligible Securities in order for these to be clearly identified to secure the pertaining Specific Structured Product (and the pertaining Relevant Structured Product Secured Obligations) so that these become the Earmarked Securities.**
- (c) **In the event that there are not sufficient Eligible Securities deposited in the Ordinary/Pool Accounts to allow SIX SIS to transfer Eligible Securities to the TCM Securities Account to meet the Coverage Requirement in relation to a Specific Structured Product, SIX SIS shall not transfer any Eligible Securities in relation to that Specific Structured Product and the collateralization of that Specific Structured Product shall be regarded as pending.**
- (d) **In case there are more than one Specific Structured Products to be collateralized, SIX SIS shall first transfer Eligible Securities from the Ordinary/Pool Accounts to the TCM Securities Account in relation to such Specific Structured Product for which the respective instruction has been received first.**

3.3. Clarification in relation to Security Interest over Specific Earmarked Securities

For the avoidance of doubt, the parties hereto confirm and agree the following:

- (a) **The Security Interest created hereunder over Specific Earmarked Securities shall be granted only to the Collateral Takers that are the holders of the pertaining Specific Structured Product and the holders of the pertaining Relevant Structured Product Secured Obligations and (for purposes of securing the Realization Costs) to the Collateral Agent;**
- (b) **the Security Interest created hereunder over Specific Earmarked Securities shall secure only the pertaining Specific Structured Product and the pertaining Relevant Structured Product Secured Obligations for which they have been earmarked and the Realization Costs; and**
- (c) **no Collateral Taker shall benefit from and/or have a Security Interest in any Earmarked Securities, other than the Specific Earmarked Securities that have been assigned to the Specific Structured Products and the pertaining Relevant Structured Product Secured Obligations that such Collateral Taker does hold.**

4. Security Interest over Earmarked Book Money

4.1. Pledge of Specific Earmarked Book Money (i.e. the Earmarked Book Money Account Claims)

In relation to each Specific Structured Product, in order to exclusively secure and provide for the payment and discharge of the pertaining Relevant Structured Product Secured Obligations and the Realization Costs, the Collateral Provider shall pledge and herewith pledges (as per article 899 et seq. of the Swiss Civil Code) to the Collateral Takers, represented, for all purposes hereof by the Collateral Agent as direct representative (*direkter Stellvertreter*) and (for purposes of securing the Realization Costs) to the Collateral Agent acting for itself its claims, title, interest and benefit in and to the Specific Earmarked Book Money standing from time to time to the credit of the TCM Book Money Accounts (i.e. the respective claims against SIX SIS) (the "**Specific Earmarked Book Money Account Claims**" and all Specific Earmarked Book Money account Claims together, the "**Earmarked Book Money Account Claims**"), now and at any time hereafter.



4.2. Clarification in relation to Security Interest over Specific Earmarked Book Money Account Claims

For the avoidance of doubt, the parties hereto confirm and agree the following:

- (a) **Specific Earmarked Book Money Account Claims are pledged to the Collateral Takers that are the holders of the pertaining Specific Structured Product and the holders of the pertaining Relevant Structured Product Secured Obligations and (for purposes of securing the Realization Costs) to the Collateral Agent;**
- (b) **the Security Interest created hereunder over Specific Earmarked Book Money shall secure only the pertaining Specific Structured Product and the pertaining Relevant Structured Product Secured Obligations for which such Earmarked Book Money has been earmarked and the Realization Costs; and**
- (c) **no Collateral Taker shall benefit from any Earmarked Book Money, other than the Specific Earmarked Book Money that has been assigned to the Specific Structured Products and the pertaining Relevant Structured Product Secured Obligations that such Collateral Taker does hold.**

5. Withdrawal of disposal rights over TCM Accounts and Earmarked Collateral

Subject to the terms and conditions of this Agreement, the Collateral Provider shall have no right to dispose over the Earmarked Collateral in the TCM Accounts and the TCM Accounts themselves (i.e. no right to close the TCM Accounts, transfer the TCM Accounts, etc.).

6. Coverage Requirements

6.1. Coverage Requirements

- (a) **In relation to a Specific Structured Product and the pertaining Relevant Structured Product Secured Obligations, the sum of:**
 - (i) **the value of the Specific Earmarked Securities**
 - plus
 - (ii) **the amount of the Specific Earmarked Book Money**

(such sum being referred to as the "Collateral Value") must at all times correspond at least to the Current Value of that Specific Structured Product (the "Coverage Requirement").

- (b) For purposes of calculating compliance by the Collateral Provider with paragraph (a) of this Clause 6.1 (*Coverage Requirements*), SIX SIS shall do the calculations as per Clause 7.1 (*Valuation of Structured Products and valuation of Earmarked Collateral*).

6.2. Undercollateralization

- (a) In the event that in relation to any Specific Structured Product, the Coverage Requirement is not met at any time (an "Undercollateralization"), SIX SIS shall notify the Collateral Provider and the Collateral Agent as further described in Clause 7.3 (*Information obligations of SIX SIS*).
- (b) No Undercollateralization shall occur in case that a Coverage Requirement is not met as a consequence of SIX SIS being unable to comply with its obligation to transfer sufficient Eligible Assets to the TCM Accounts, provided that sufficient Eligible Assets are available in the Ordinary/Pool Accounts.
- (c) The Collateral Provider shall within 5 Business Days upon having been notified the first time by SIX SIS of such Undercollateralization according to paragraph (b)(i) of Clause 7.3 (*Information obligations of SIX SIS*), ensure that the Coverage Requirement is met again and any Undercollateralization has been remedied by transferring additional Eligible Assets to the Ordinary/Pool Accounts from where SIX SIS shall move such Eligible Assets to the TCM Accounts to become Specific Earmarked Collateral in relation to that Specific Structured Product (on the basis of the instruction as per paragraph (b) of Clause 7.2 (*Monitoring of Coverage Requirements and transfer of additional Eligible Assets*)).

6.3. Overcollateralization

- (a) To the extent that in relation to a Specific Structured Product, the Collateral Value exceeds the Current Value (an "Overcollateralization"), SIX SIS shall transfer from the TCM Accounts to the Ordinary/Pool Accounts such number and/or amount of Earmarked Collateral in relation to that Specific Structured Product in the amount of not more than the Overcollateralization.
- (b) Even in case of an Overcollateralization, SIX SIS shall no longer transfer away from the TCM Accounts:



- (i) **Specific Earmarked Collateral as per paragraph (a) of this Clause 6.3 (*Overcollateralization*) upon SIX SIS having been notified (substantially in the form of Schedule 2 (*Notice of Realization Event*) hereto) by the Collateral Agent of the occurrence of a Specific Realization Event in relation to a Specific Structured Product, for which that Specific Earmarked Collateral has been provided; and/or**
- (ii) **Earmarked Collateral as per paragraph (a) of this Clause 6.3 (*Overcollateralization*) upon SIX SIS having been notified (substantially in the form of Schedule 2 (*Notice of Realization Event*) hereto) by the Collateral Agent of the occurrence of a Realization Event.**

7. Obligations of SIX SIS in connection with the Coverage Requirement

7.1. Valuation of Structured Products and valuation of Earmarked Collateral

The Collateral Provider hereby instructs SIX SIS to and SIX SIS shall:

- (a) **seek information of the Current Value in relation to each Specific Structured Product published by SIX FI, it being understood by the parties hereto that SIX FI publishes the Current Value of each Specific Structured Product as calculated and reported by the Collateral Provider to SIX FI (without any of the Collateral Agent, SIX SIS or SIX FI recalculating or otherwise reviewing such Current Value); and**
- (b) **value all Specific Earmarked Collateral several times on every Business Day on the basis of the securities prices and/or the currency conversion prices made available by SIX FI.**

7.2. Monitoring of Coverage Requirements and transfer of additional Eligible Assets

The Collateral Provider hereby instructs SIX SIS to and SIX SIS shall:

- (a) **several times a day on each Business Day monitor in relation to each Specific Structured Product compliance with the Coverage Requirement (on the basis of the Current Value and the value of the Specific Earmarked Collateral gathered and calculated as described in Clause 7.1 (*Valuation of Structured Products and valuation of Earmarked Collateral*)); and**
- (b) **in the event of an Undercollateralization in relation to a Specific Structured**



Product transfer from the Ordinary/Pool Accounts to the TCM Accounts on the same Business Day and without any further instructions from the Collateral Provider Eligible Securities or (in the event that not sufficient Eligible Securities are available) Eligible Book Money sufficient to ensure that the Coverage Requirement in relation to that Specific Structured Product is met again.

7.3. Information obligations of SIX SIS

- (a) SIX SIS shall continuously inform the Collateral Provider of the status of the collateralization of each Structured Product.**

- (b) In the event that (i) there is an Undercollateralization and (ii) there are not sufficient Eligible Assets available in the Ordinary/Pool Accounts to cure such Undercollateralization (an "Undercollateralized Status") SIX shall inform (by using, for the avoidance of doubt, the notice details as per Clause 17.7 (Communications)) as follows:**
 - (i) on the first Business Day after the occurrence of an Undercollateralized Status, which is continuing, that an Undercollateralized Status did occur and provide details of the Specific Structured Product concerned and the amount of the Undercollateralization by:**
 - (1) informing the Collateral Provider through status intimation ("undercollateralized") by SWIFT message; and**
 - (2) sending an e-mail to the Collateral Provider at the end of such first Business Day at the latest;**

 - (ii) on the third Business Day after the occurrence of an Undercollateralized Status, which is continuing, that an Undercollateralized Status did occur and provide details of the Specific Structured Product concerned and the amount of the Undercollateralization by:**
 - (1) informing the Collateral Provider through status intimation ("undercollateralized") by SWIFT message;**
 - (2) calling the Collateral Provider by telephone; and**
 - (3) sending a written notice to the Collateral Provider (with a copy to the Collateral Agent) by courier the same day;**

 - (iii) on the fifth Business Day after the notice has been sent out in accordance**

with paragraph (b)(i) of this Clause 7.3 (*Information obligations of SIX SIS*) and in case the Undercollateralization Status is continuing by:

- (1) informing the Collateral Provider through status intimation ("under-collateralized") by SWIFT message;
- (2) calling the Collateral Provider by telephone;
- (3) sending a written notice to the Collateral Provider (with a copy to the Collateral Agent) by courier the same day.

8. Additional obligations of the Collateral Provider

In addition to any other obligations of the Collateral Provider as per this Agreement, the Collateral Provider shall:

- (a) report on every Business Day to SIX FI the current value of each Specific Structured Product and assume full responsibility for the current value calculations;
- (b) provide current data to SIX SIS about any Specific Structured Product including its underlying assets by a technical interface data transmission as agreed between the Collateral Provider and SIX SIS;
- (c) ensure that Eligible Assets are available in the Ordinary/Pool Accounts in an amount and with a value sufficient to ensure that the Coverage Requirement in relation to each Specific Structured Product is met after SIX SIS having transferred such Eligible Assets to the TCM Accounts;
- (d) ensure that Collateral Takers are informed about the following, by adding the following disclosures to the Terms and Conditions:
 - (i) the fact that the Current Value is calculated exclusively by the Collateral Provider;
 - (ii) the fact that none of the Collateral Agent, SIX SIS or SIX FI recalculates or otherwise reviews the calculation of the Current Values;
 - (iii) the fact that the current value is communicated by the Collateral Provider to SIX FI which publishes such current value;
 - (iv) the fact that SIX SIS calculates the meeting of the Coverage Requirements

on the basis of the Current Values as published by SIX FI;

- (v) any risks for Collateral Takers that may materialize as a consequence of the mechanics described in paragraphs (i) through (iv) above;
 - (vi) the fact that the Collateral Provider assumes full responsibility for the calculation of the current values; and
 - (vii) the fact that none of the Collateral Agent, SIX SIS or SIX FI shall be liable for any losses or damages suffered by any Collateral Taker as a consequence of a wrong or inadequate calculation of the current values or of a wrong or inadequate communication of such values to SIX FI; and
- (e) assume full responsibility for the calculation of the Current Values and their communication to SIX FI.

9. Substitution right

Subject to the notification of the occurrence of a Realization Event by the Collateral Agent to SIX SIS (substantially in the form of Schedule 2 (*Notice of Realization Event*) hereto), the Collateral Provider (by instructing SIX SIS accordingly) shall be entitled at any time to replace any Earmarked Collateral with other Eligible Assets with sufficient value at any time, so that the Coverage Requirement(s) in relation to the relevant Specific Structured Product(s) is/are met at any time.

10. Voting rights, dividend rights and other rights in relation to Earmarked Securities

- (a) Subject to paragraph (c) of this Clause 10 (*Voting rights, dividend rights and other rights in relation to Earmarked Securities*), the Collateral Provider shall be entitled to exercise all rights (whether membership rights or pecuniary rights) related to the Earmarked Securities (in particular, without limitation, subscription rights, dividend rights, voting rights, interest, capital repayment, etc.) (the "Securities Related Rights").
- (b) In the event that the exercise of any Securities Related Right requires that the relevant Earmarked Securities be transferred from the TCM Securities Account to the Ordinary/Pool Accounts, the Collateral Provider shall have the right to instruct SIX SIS to substitute such Earmarked Securities in accordance with Clause 9 (*Substitution right*).
- (c) Regardless of paragraph (a) of this Clause 10 (*Voting rights, dividend rights and*



other rights in relation to Earmarked Securities) SIX SIS must ensure that all book money proceeds deriving from the Earmarked Securities will be credited to the TCM Book Money Accounts.

11. Realization of Earmarked Collateral

11.1. Realization of Specific Earmarked Collateral in relation to a Specific Structured Product

- (a) For purpose of this Agreement, it shall constitute a specific realization event (a "Specific Realization Event") if:
 - (i) the Coverage Requirement in relation to a Specific Structured Product (and the pertaining Relevant Structured Product Secured Obligations) is not met and has not be remedied in accordance with Clause 6.2 (*Undercollateralization*) (and in particular within the remedy period provided for therein); and/or
 - (ii) the principal amount of Relevant Structured Product Obligations pertaining to a Specific Structured Product (but not any amount of interest, coupon or other intermediate payment) has not been paid by the Collateral Provider in accordance with the relevant Terms and Conditions and such none payment has not been remedied within 5 Business Days after the relevant due date.
- (b) Upon the occurrence of a Specific Realization Event, the Relevant Structured Product Secured Obligations pertaining to the Specific Structured Product in relation to which the Specific Realization Event did occur shall become immediately due and payable at their respective Current Values and the Collateral Agent shall enforce the relevant Earmarked Collateral as further described in Clause 11.3 (*Determination and information of the occurrence of a Realization Event*).

11.2. Realization of Earmarked Collateral generally

- (a) For purpose of this Agreement, it shall constitute a general realization event (a "General Realization Event") if an Insolvency Event occurred in relation to the Collateral Provider.
- (b) Upon the occurrence of a General Realization Event, the Secured Obligations shall become immediately due and payable at their respective Current Values

and the Collateral Agent shall enforce the Earmarked Collateral as further described in Clause 11.3 (*Determination and information of the occurrence of a Realization Event*).

11.3. Determination and information of the occurrence of a Realization Event

- (a) **The Collateral Provider and SIX SIS shall inform the Collateral Agent immediately upon the occurrence of a Realization Event and/or of any and all circumstances that give rise or might give rise to a Realization Event in writing (facsimile, followed by registered mail), unless either of the Collateral Provider or SIX SIS would be prohibited from doing so by statutory or regulatory provisions (in particular if prohibited by the rules on ad hoc publicity) or the requirements of a competent authority.**
- (b) **The Collateral Agent shall have no obligation to investigate the background to the occurrence of a Realization Event. In determining whether or not a Realization Event has occurred, the Collateral Agent shall base its decision on information received as specified above or other reliable sources of information (e.g. FINMA).**
- (c) **The Collateral Agent shall determine whether a Realization Event has occurred and the time of such occurrence according to this Agreement and such determination shall be binding on the parties hereto.**
- (d) **If the Collateral Agent has determined that a Realization Event has occurred, it shall immediately notify the Collateral Provider and SIX SIS in writing (substantially in the form of Schedule 2 (*Notice of Realization Event*) hereto).**

11.4. Manner of realization of Earmarked Collateral

- (a) **Upon the occurrence of a Realization Event as described in Clause 11.1 (*Realization of Specific Earmarked Collateral in relation to a Specific Structured Product*) or Clause 11.2 (*Realization of Earmarked Collateral generally*) the Collateral Agent must (without any further instruction by any party hereto), subject to giving prior written notice to the Collateral Provider and subject to any legal and/or practical impediments, enforce the relevant Earmarked Collateral; the Collateral Agent shall have the right (at its sole discretion) to enforce in any manner that it deems appropriate.**
- (b) **The Collateral Agent (acting on behalf of the Collateral Takers) shall notify the Collateral Provider of the realization of the relevant Earmarked Collateral and**

provide a balancing according to article 32 FISA.

- (c) The non-exercising or delayed exercise of a right of realization to which the Collateral Agent as the representative of the Collateral Taker is entitled shall by no means constitute a waiver of the exercise of that right.**
- (d) Upon the occurrence of a Realization Event and at any time thereafter, the Collateral Agent, acting in its reasonable discretion, is entitled to publicly announce (as further described in paragraph (e) of this Clause 11.4 (*Manner of realization of Earmarked Collateral*)) immediately or at a later stage (i) the fact that a Realization Event did occur, (ii) any relevant procedures applied by it in connection with the realization of the relevant Earmarked Collateral, (iii) any relevant procedures applied in connection with the application and the payment to Participants (for the Collateral Takers) of the proceeds from such realization and (iv) any other information relevant to the Collateral Takers.**
- (e) Public announcement as per paragraph (d) of this Clause 11.4 (*Manner of realization of Earmarked Collateral*)) shall be made:**
 - (i) in the case of a General Realization Event, by making publications (A) in newspapers with a Swiss wide coverage, (B) on the website of the Collateral Agent or SIX SIS, (C) through information to Participants that hold relevant Specific Structured Products in their accounts with SIX SIS or (D) by any other appropriate mean; and**
 - (ii) in the case of a Specific Realization Event, (A) through information to Participants that hold relevant Specific Structured Products in their accounts with SIX SIS or (B) by any other appropriate mean.**

11.5. Collateral Agent's right to mandate and delegate

Upon the occurrence of a Realization Event as described in Clause 11.1 (*Realization of Specific Earmarked Collateral in relation to a Specific Structured Product*) or Clause 11.2 (*Realization of Earmarked Collateral generally*) the Collateral Agent may mandate third parties and/or SIX SIS in order to realize the relevant Earmarked Collateral and to pay out the proceeds; in particular, the Collateral Agent may any time and from time to time, delegate to SIX SIS the administration of the relevant Earmarked Collateral and the exercise of any of its right, power or discretion (including, without limitation, the enforcement of the Security Interest created hereunder) under, and/or, to the fullest extent legally permitted, the performance of any of the its obligations pursuant to, this Agreement. Any such delegation may be made upon the terms (including power to sub-delegate) which the Collateral Agent



may in its discretion see fit and SIX SIS shall accept any such instructions.

11.6. Application and payment to Participants (for Collateral Takers) and the Collateral Agent

- (a) Upon the occurrence of a Realization Event and at any time thereafter, the Collateral Agent shall determine as liquidation value of each relevant Specific Structured Product the last Current Value available prior to the occurrence of such Realization Event (the "Liquidation Value").**
- (b) Any proceeds received as a consequence of the realization of Earmarked Collateral shall be applied in the following order:**

 - (i) First: to the Collateral Agent for purposes of covering duly and reasonably incurred Realization Costs; and**
 - (ii) Second: – in an amount of not more than the relevant Liquidation Value – exclusively towards satisfaction of the Relevant Structured Products Secured Obligations pertaining to the relevant Specific Structured Product (on a pari passu pro rata basis) in accordance with this Clause 11.6 (*Application and payment to Participants (for Collateral Takers) and the Collateral Agent*).**
- (c) For purposes of applying the proceeds according to paragraph (b)(ii) of this Clause 11.6 (*Application and payment to Participants (for Collateral Takers) and the Collateral Agent*) and prior to paying any proceeds to any relevant Participant (for the relevant Collateral Takers), the Collateral Agent shall instruct SIX SIS to:**

 - (i) provide a list of all Participants that have credited the relevant Specific Structured Products for which proceeds shall be applied to their deposits (for their own books as Collateral Takers or for their customers as Collateral Takers);**
 - (ii) perform corporate actions through its systems to such relevant Participant in accordance with the Service Guide;**
 - (iii) instruct such relevant Participants to block the transferability of the relevant Specific Structured Products for which proceeds shall be applied; and**
 - (iv) ensure that the relevant Specific Structured Product will be booked out from the SIX SIS systems and will no longer be transferable through that**

system, upon the proceeds (whether or not sufficient to cover the Liquidation Value) having been paid out to the relevant Participants.

- (d) **As soon as the steps as per paragraph (c) of this Clause 11.6 (*Application and payment to Participants (for Collateral Takers) and the Collateral Agent*) are completed, the Collateral Agent shall make available to SIX SIS the relevant enforcement proceeds from each Specific Earmarked Collateral to be paid on a pari passu pro rata basis to the relevant Participants for the account of their customers that are Collateral Takers but in relation to each Specific Structured not exceeding the pertaining Liquidation Value.**
- (e) **If the proceeds from the realization of Specific Earmarked Securities exceed the amount of the relevant Liquidation Value and the relevant Realization Costs, the Collateral Agent shall transfer to the Collateral Provider any such excess amount; for the avoidance of any doubt, such excess shall not be applied towards any other Relevant Structured Product Secured Obligations.**

11.7. No realization by Collateral Takers

- (a) **The Collateral Takers have no right to realize themselves any Earmarked Collateral, but can only do so jointly by acting through the Collateral Agent or any successor collateral agent under this Agreement and on the basis of the instructions contained herein.**
- (b) **SIX SIS shall be obliged not to accommodate and not to act in accordance with any instructions received directly from a Collateral Taker.**

12. Relationship with SIX SIS

12.1. General matters

- (a) **SIX SIS hereby takes note of the Security Interest created by this Agreement over the TCM Accounts and the Earmarked Collateral.**
- (b) **All rights of lien, pledge, retention and set-off of SIX SIS as stated in the GTC and in other agreements or similar arrangements or by law (including, without limitation, its rights under article 21 FISA) in relation to the TCM Accounts, shall be subordinated to and junior to any Security Interest hereby created in favour of the Collateral Takers and SIX SIS hereby waives any such rights.**

- (c) **SIX SIS is hereby authorised to provide information to the Collateral Agent in relation to the Earmarked Collateral in the same way as SIX SIS is entitled to provide information to the Collateral Provider as holder of such an account and for these purposes the Collateral Provider expressly releases SIX SIS from the banking confidentiality and data protection obligations.**

12.2. Irrevocable instruction of and covenants of SIX SIS in relation to the TCM Securities Account and the Earmarked Securities

- (a) **The Collateral Provider (as account holder (*Kontoinhaberin*) of the TCM Securities Account) hereby irrevocably instructs and authorises SIX SIS (as depository (*Verwahrungsstelle*)) to comply with all requests or instructions issued by the Collateral Agent with respect to any and all of the Earmarked Securities upon first request and without seeking further consent, co-operation or direction from the Collateral Provider or any other party.**
- (b) **SIX SIS hereby confirms and undertakes that it (i) will hold the Earmarked Securities solely for the benefit of the Collateral Takers, represented by the Collateral Agent as direct representative (*direkter Stellvertreter*) and (for purposes of securing the Realization Costs) for the benefit of the Collateral Agent acting for itself and (ii) will comply with all orders, requests or instructions issued by the Collateral Agent with respect to any and all of the Earmarked Securities upon first request and without seeking further consent, co-operation or direction from the Collateral Provider or any other party.**

12.3. Irrevocable instruction of and covenants of SIX SIS in relation to the TCM Book Money Accounts and the Earmarked Book Money

Upon receipt of a notice by the Collateral Agent, stating that a Specific Realization Event or a General Realization Event occurred, SIX SIS shall make any transfer of assets from the TCM Book Money Accounts as specified in any instruction received from the Collateral Agent to any account in the name of the Collateral Provider or the Collateral Agent or a third party.

12.4. Occurrence of a Realization Event and blocking of TCM Accounts

- (a) **As soon as SIX SIS has been notified by the Collateral Agent (substantially in the form of Schedule 2 (*Notice of Realization Event*) hereto) of the occurrence of:**
 - (i) **a Specific Realization Event for a Specific Structured Product; or**

(ii) a **General Realization Event**

either the relevant Specific Earmarked Collateral (in the case of a Specific Realization Event) or the relevant TCM Accounts (and the Earmarked Collateral) will be blocked and SIX SIS shall only transfer Earmarked Collateral or (in the case of a Specific Realization Event) the relevant Specific Earmarked Collateral from the TCM Accounts to any other account upon instruction by the Collateral Agent; in addition, upon the occurrence of a General Realization Event, SIX SIS shall not transfer any further Eligible Assets to the TCM Accounts.

- (b) **Upon such notification in accordance with paragraph (a) of this Clause 12.4 (*Occurrence of a Realization Event and blocking of TCM Accounts*), SIX SIS will only take instructions regarding such blocked Specific Earmarked Collateral and/or the TCM Accounts from the Collateral Agent.**

12.5. No instructions by Collateral Takers

- (a) **The Collateral Takers have no right to give instructions directly to SIX SIS, but are obliged to exercise their rights hereunder always jointly and exclusively through the Collateral Agent or any successor collateral agent in accordance with this Agreement and in any event through a Participant.**
- (b) **SIX SIS shall be obliged not to accommodate and not to act in accordance with any instructions received directly from a Collateral Taker.**

13. Representations and Warranties by Collateral Provider

Collateral Provider represents and warrants during the term of this Agreement that:

- (a) **the Collateral Provider is the sole legal and beneficial owner of all Earmarked Collateral;**
- (b) **the Earmarked Collateral is free of any defects of quality or title;**
- (c) **the Earmarked Securities are Eligible Securities and the Earmarked Book Money is Eligible Book Money**
- (d) **there are no third party rights to the Earmarked Collateral, which conflict with realizing the Security Interest created hereunder;**

- (e) **there is no obligation of the Collateral Provider of a contractual or other nature which conflicts with the creation or realization of the Security Interest as per this Agreement in any material respect;**
- (f) **no regulation that applies to the Collateral Provider conflicts in any material respect with the creation or realization of the Security Interest as per this Agreement;**
- (g) **subject to any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles including principles of commercial reasonableness, good faith and fair dealing, this Agreement is legally valid and binding on the Collateral Provider and the obligations by the Collateral Provider contained therein are enforceable against the Collateral Provider; and**
- (h) **the Collateral Provider is licensed as a Swiss-domiciled securities dealer.**

14. Release of Earmarked Collateral

Upon full and final discharge of certain Relevant Structured Product Secured Obligations (be it upon repayment upon end of term of a Specific Structured Product, upon realization of the Specific Earmarked Collateral and the payment of proceeds as per this Agreement or otherwise), the Collateral Agent shall discharge the pertaining Specific Earmarked Collateral from the Security Interest created hereunder and the Security Interest created pursuant to this Agreement shall terminate and the Specific Earmarked Collateral then remaining and not previously applied against the pertaining Relevant Structured Product Secured Obligations held by the Collateral Takers shall be released and discharged by the Collateral Agent; the Security Interest over such Specific Earmarked Collateral shall cease upon the Specific Earmarked Collateral being booked out of the relevant TCM Account by SIX SIS.

15. Exculpation and indemnity

- (a) **None of the Collateral Agent or SIX SIS shall be liable for any loss or damage suffered by the Collateral Provider or any Collateral Taker, except in case of wilful misconduct (*Absicht*) or gross negligence (*grobe Fahrlässigkeit*) on the part of the Collateral Agent or SIX SIS (or any officer, employee, agent or delegate of, or appointed by, Collateral Agent or SIX SIS for which they are responsible pursuant to mandatory applicable law).**
- (b) **The Collateral Provider will fully release, discharge and indemnify the Collateral**

Agent and SIX SIS and any delegate and auxiliary person of the Collateral Agent and SIX SIS and keep them fully harmless for any claims raised or brought against them in connection with this Agreement, save in respect of loss or damage suffered as a result of the wilful misconduct (*Absicht*) or gross negligence (*grobe Fahrlässigkeit*) on the part of the Collateral Agent or SIX SIS (or any officer, employee, agent or delegate of, or appointed by, the Collateral Agent or SIX SIS for which they are responsible pursuant to mandatory applicable law).

- (c) **Without limiting the generality of paragraphs (a) and (b) of this Clause 15 (*Exculpation and indemnity*), none of Collateral Agent or SIX SIS shall be liable for:**
- (i) **the appropriateness as such of the TCM for purposes of the relationship between the Collateral Provider and the Collateral Takers;**
 - (ii) **any losses or damage suffered by any Collateral Taker or the Collateral Provider due to a wrong or inadequate calculation of the current value of any Specific Structured Product or due to a wrong or inadequate communication of such values to SIX FI;**
 - (iii) **any losses or damage suffered by the Collateral Taker or the Collateral Provider during the realization of the Earmarked Collateral, in particular as a consequence of any delay of the realization of the Earmarked Collateral as a consequence of legal, factual or market circumstances (including, without limitation, situations where illiquidity or wrong or inadequate calculations of the current value of any Specific Structured Product or market risks associated with the Earmarked Collateral result in insufficient liquidation proceeds);**
 - (iv) **any losses or damage suffered by the Collateral Taker or the Collateral Provider resulting from an incorrect valuation of the Structured Products (which ultimately relies on information to be provided by the Collateral Provider to SIX FI) and from incorrect data provided to SIX SIS on Specific Structured Products;**
 - (v) **the lack of pricing information in relation to Earmarked Collateral, other Eligible Assets and/or Specific Structured Products;**
 - (vi) **the accuracy, completeness or usefulness of (A) data made available and (B) the functional capacity of hardware and software provided by SIX FI;**
 - (vii) **for the transmission of financial information via public, unsecured**

telecommunication networks belonging to third parties and for any damages suffered by the Collateral Provider or the Collateral Taker as a result of errors in transmission, technical deficiencies, line outages, delays, malfunctions or illegal tampering with such network installations;

- (viii) damages suffered by the Collateral Provider or a Collateral Taker as a result of incorrect financial information, transmission errors, interruptions, delays, omissions, malfunctions or errors of any kind, tampering with technical equipment or other parts of the system – whether official or otherwise – unless SIX SIS caused the damages knowingly or through gross negligence; or**
- (ix) direct or consequential damages such as losses of profit, savings not realized or additional expenses incurred by the Collateral Provider.**

16. Termination

- (a) This Agreement may be terminated by the Collateral Provider, the Collateral Agent or SIX SIS at any time by written notice (facsimile transmission, immediately followed by registered mail) to the other two parties and such notices shall be deemed to be received on the date which is seven days after the date of the dispatch of the registered mail (the "Termination Notice Date").**
- (b) After the date which is six months after the Termination Notice Date (the "Issuance Stop Date"), no Structured Products can be newly issued and newly collateralized under this Agreement; the Collateral Provider has the right, subject to the terms and conditions of this Agreement, to newly issue and newly collateralize Structured Products under this Agreement until the Issuance Stop Date.**
- (c) Following the termination of this Agreement in accordance with paragraph (a) of this Clause 16 (Termination), this Agreement will terminate with effect as of the date (the "Termination Effective Date"), which is the earlier of:**
 - (i) the last expiry date of any Specific Structured Product or in case of Specific Structured Products that can be recalled and have been recalled, the day on which such recalls becomes effective (whatever occurs later); or**
 - (ii) five years after the Issuance Stop Date.**
- (d) Until the Termination Effective Date, this Agreement and all Security Interest granted hereunder shall remain in full effect and force with the understanding**

that after the Issuance Stop Date, no Structured Products can be newly issued and newly collateralized under this Agreement.

- (e) For the avoidance of doubt, following the termination of this Agreement in accordance with paragraph (a) of this Clause 16 (*Termination*), the Collateral Provider is at liberty to either call any callable Specific Structured Product so that repayment will occur prior to the Termination Effective Date or transfer the entire security structure created under this Agreement into a new security structure.
- (f) Should a Realization Event occur between the Termination Notice Date and the Termination Effective Date, this Agreement shall remain in full force and effect until the relevant realization has been fully processed in accordance with this Agreement.

17. Miscellaneous

17.1. Taxes, general cost and expenses

- (a) The Collateral Provider shall pay the Collateral Agent and SIX SIS a fee for the rendering of its services under and in connection with this Agreement as set out below and changed by SIX SIS from time to time. Art. 11a GTC remains reserved. The following current monthly administration fees are applied to these services:

(i) TCM issuance fee per product with volume discount (prices in CHF)

Number of Products	Less than 179	20.00
Number of Products	Between 180 - 499	15.00
Number of Products	Between 500 - 999	10.00
Number of Products	Between 1000 - 1499	5.00
Number of Products	Between 1500 - 1999	2.50
Number of Products	Greater than 2000	Free of charge

(ii) Collateral administration fee, sliding scale (price quoted in basis points of overall collateral value booked in TCM account)

Fee sliding scale	Less than 100 Mio.	4.0
Fee sliding scale	Between 100 - 200 Mio.	3.5
Fee sliding scale	Between 200 - 500 Mio.	3.0
Fee sliding scale	Between 500 - 1000 Mio.	2.5
Fee sliding scale	Between 1000 - 1500 Mio.	2.0
Fee sliding scale	Between 1500 - 2000 Mio.	1.5
Fee sliding scale	Greater than 2000 Mio.	1.0

- (b) Subject to paragraph (a) and (c) of this Clause 17.1 (*Taxes, general cost and expenses*), all taxes, costs, fees and expenses arising out of or in connection with (i) the negotiation, preparation and execution of this Agreement and (ii) the perfection, maintenance, protection and/or release of the security created or expressed to be created under this Agreement or the exercise of any of the Collateral Agent's or any Collateral Takers rights incurred by any party hereunder shall be borne by that party itself.
- (c) The Collateral Provider shall reimburse the Collateral Agent for any and all Realization Costs, with the understanding such Realization Costs become due and payable by the Collateral Provider as incurred by the Collateral Agent and that the Collateral Agent will get satisfied for such Realization Costs by receiving enforcement proceeds from the enforcement of Earmarked Collateral as per paragraph (b) of Clause 11.6 (*Application and payment to Participants (for Collateral Takers) and the Collateral Agent*) without being required to first claim such Realization Costs from the Collateral Provider.

17.2. Waivers of rights

A party's failure to exercise or delay in exercising any right, power or privilege under this Agreement shall not operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof.

17.3. Amendments

All amendments and additions to this Agreement shall only be applicable if agreed in writing between the parties hereto. This also applies to the amendment of this Clause 17.3 (*Amendments*).

17.4. No assignment or transfer by Collateral Provider

The rights and obligations of the Collateral Provider under this Agreement may not be assigned or transferred without the prior written consent of the Collateral Agent and SIX SIS.

17.5. Assignment by SIX SIS or Collateral Agent within SIX Group

- (a) Each of SIX SIS and the Collateral Agent have the right to assign and transfer by

way of written agreement all (but not part) of its rights and obligations hereunder (by way of transfer of agreement (*Vertragsübernahme/-übertragung*)) to any other Swiss corporation that is a (direct or indirect) wholly owned subsidiary of SIX Group AG without any further consent being required by any other party hereto; all other party hereby agree and consent to any such transfer and assignment.

- (b) Without limiting the generality of paragraph (b) of Clause 17.4 (*No assignment or transfer by Collateral Provider*), each Collateral Taker, the Collateral Provider and the Collateral Agent and SIX SIS (as applicable) herewith irrevocably and unconditionally agree in advance to such transfer and assignment and to recognise any such successor of the Collateral Agent or SIX SIS as new party hereto (in the relevant role) in substitution of the retiring Collateral Agent or SIX SIS, and to do all acts necessary or useful (acting reasonably) for such new party to be recognised by third parties as new party hereunder (including, without limitation, countersigning the written agreement of assignment and transfer).

17.6. Successor Collateral Agent

17.6.1. Right of the Collateral Agent and the Collateral Provider to appoint successor collateral agent

Subject to Clause 17.6.3 (*Procedure of change of Collateral Agent*) and regardless of and without prejudice to Clause 17.5 (*Assignment by SIX SIS or Collateral Agent within SIX Group*), the Collateral Agent and the Collateral Provider may agree to appoint a successor of the Collateral Agent, provided such successor collateral agent is independent from the Collateral Provider and it is ensured that such successor collateral agent will have professional skills and reputation, similar to the Collateral Agent.

17.6.2. Right of the Collateral Takers to appoint successor collateral agent

- (a) After consultation with the Collateral Provider and subject to Clause 17.6.3 (*Procedure of change of Collateral Agent*), all (but not less than all) Collateral Takers acting jointly together (*gemeinsam handelnd*) may, by notice to the Collateral Agent, require it at any time to resign, provided they have agreed on a party to become the successor collateral agent and it is ensured that such successor collateral agent will have professional skills and reputation, similar to the Collateral Agent.
- (b) The appointment and the relationship between each Collateral Taker and the

Collateral Agent cannot be terminated by the Collateral Takers, other than in accordance with paragraph (a) of this Clause 17.6.2 (*Right of the Collateral Takers to appoint successor collateral agent*).

17.6.3. Procedure of change of Collateral Agent

- (a) In case the Collateral Agent and the Collateral Provider agreed on such successor collateral agent in accordance with Clause 17.6.1 (*Right of the Collateral Agent and the Collateral Provider to appoint successor collateral agent*) or in case the Collateral Takers have designated a successor collateral agent in accordance with Clause 17.6.2 (*Right of the Collateral Takers to appoint successor collateral agent*), the Collateral Agent may or shall (as applicable) assign and transfer by way of written agreement all (but not part) of its rights and obligations hereunder (by way of transfer of agreement (*Vertragsübernahme/-übertragung*)) to his successor as Collateral Agent hereunder without any further consent being required by any other party hereto; all other party hereby agree and consent to any such transfer and assignment.**
- (b) No resignation of the Collateral Agent shall become effective, unless another party has become a successor Collateral Agent in accordance with paragraph (a) of this Clause 17.6.3 (*Procedure of change of Collateral Agent*).**
- (c) Without limiting the generality of paragraph (a) of this Clause 17.6.3 (*Procedure of change of Collateral Agent*), each Collateral Taker herewith irrevocably and unconditionally agrees in advance to such transfer and assignment and to recognise any such successor Collateral Agent as new Collateral Agent in substitution of the retiring Collateral Agent, and to do all acts necessary or useful (acting reasonably) for the successor Collateral Agent to be recognised by third parties as new Collateral Agent hereunder (including, without limitation, countersigning the written agreement of assignment and transfer).**

17.7. Communications

- (a) Communication details: Communications under this Agreement shall be made to the following contact details:**

 - (i) If to the Collateral Provider: to the address, fax number, telephone number, and/or e-mail (as applicable), all as communicated by the Collateral Provider to the Collateral Agent and SIX SIS upon signing of this Agreement;**
 - (ii) if to the Collateral Agent: to the address, fax number, telephone number and/or e-mail (as applicable), all as communicated by the Collateral Agent to**



the Collateral Provider and SIX SIS upon signing of this Agreement.

(iii) if to any Collateral Taker: to the Collateral Agent; and

(iv) if to SIX SIS: to the address, fax number, telephone number and/or e-mail (as applicable), all as communicated by SIX SIS to the Collateral Agent and the Collateral Provider upon signing of this Agreement;

or to such other address notified in accordance with this provision.

(b) Manner of notices: Notices between SIX SIS and the Collateral Provider may be sent via SIS Web Services, webMAX Pro Series or Swift, unless explicitly provided for to the contrary in this Agreement or the Service Guide; for the avoidance of doubt, notices in relation to Realization Events and/or termination rights shall be sent by facsimile, followed by, as applicable, registered mail or courier.

17.8. Severability

If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, this shall not affect or impair (i) the validity or enforceability in that jurisdiction of any other provision of this Agreement or (ii) the validity or enforceability in any other jurisdiction of that or any other provision of this Agreement, and the parties will negotiate in good faith to replace the relevant provision by another provision reflecting as closely as possible the original intention and purpose of the parties.

17.9. Entire Agreement, GTC and Service Guide

(a) This Agreement, including the Schedules, the GTC, the Service Guide and any other documents referred to herein, constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and shall supersede all prior oral and written agreements or understandings of the Parties relating hereto. All references to this Agreement shall be deemed to include the Schedules hereto.

(b) The Service Guide and the GTC form an integral part of this Agreement and are binding on the Collateral Provider and the Collateral Agent; the Service Guide and the GTC may be amended by SIX SIS at its discretion and such amendments are binding on the Collateral Provider and the Collateral Agent, provided that such amendment would not materially jeopardize the position of

the Collateral Provider or the Collateral Agent. SIX SIS shall inform the Collateral Provider and the Collateral Agent of any amendments of the Service Guide and the GTC as per the provisions of the Service Guide or the GTC (as relevant).

- (c) In case of any contradictions/discrepancies between the Service Guide or the GTC and the terms of this Agreement or in case this Agreement provides for a specific rule (e.g. termination), whereas the GTC and the Service Guide contain a general rule, this Agreement shall prevail.

17.10. Counterparts

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument.


18. Law and Jurisdiction

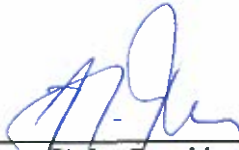
- (a) This Agreement shall in all respects be governed by and construed in accordance with the laws of Switzerland (without regard to the conflict of law rules, such as the Swiss Federal Private International Law Act (*Bundesgesetz über das internationale Privatrecht*)).
- (b) Each party submits to the exclusive jurisdiction of the Courts of Zurich, Switzerland, with the right to appeal to the Swiss Federal Court (*Schweizerisches Bundesgericht*) in Lausanne as provided by law, whose judgment shall be final, for all purposes relating to this Agreement.

[SIGNATURE PAGE FOLLOWS]

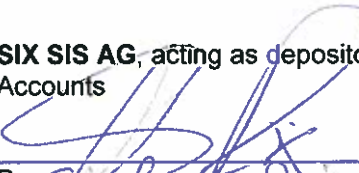
IN WITNESS WHEREOF, this Agreement has been executed and dated by each party hereof as of

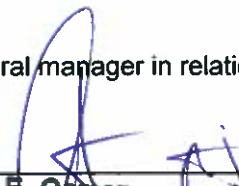
Neue Helvetische Bank AG, Zürich, as Collateral Provider


By: **Thomas Della Casa**
Function: *Director*
Zürich, 18.2.2015
Place / Date:

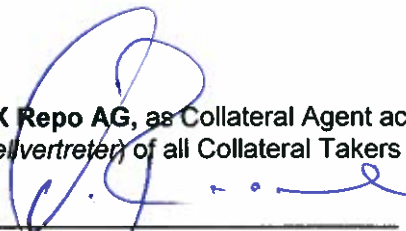

By: **Stefan Renold**
Function: *IT Director*
Zürich, 17/2/15
Place / Date:

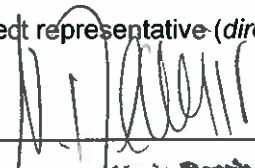
SIX SIS AG, acting as depository (Verwahrstelle) and triparty collateral manager in relation to the TCM Accounts


By: **Gianfranco Pizzi**
Function: *Senior Integration Manager*
Zürich / 5.2.2015
Place / Date:


By: **Silvie E. Gomez**
Function: *SENIOR INTEGRATION MANAGER*
Zürich / 5.2.2015
Place / Date:

SIX Repo AG, as Collateral Agent acting for and on behalf as direct representative (direkter Stellvertreter) of all Collateral Takers for all purposes hereof


By: **Valerio Roncone**
Function:
Zürich, 5.2.15
Place / Date:


By: **Nadeen Demir**
Function:
Zürich 05.02.15
Place / Date:



Securities Services

Schedule 1: Collateral Schedule

[see separate document attached]



Schedule 2: Notice of Realization Event

To:
SIX SIS AG
[...]
[...],
Switzerland

By: Facsimile to number +41 [...]; and
courier to the address above

From:
SIX Repo AG.
[...]
[...],
Switzerland
[Place, Date]

Dear Sirs

Reference is made to the security agreement, dated [...] and entered into between **[Collateral Provider]** as collateral provider (the "**Collateral Provider**"), SIX Repo AG, as collateral agent (the "**Collateral Agent**"), SIX SIS AG ("**SIX SIS**") and the Collateral Takers (as defined therein) (the "**Security Agreement**").

Capitalized terms used herein shall have the meaning ascribed to them in the Security Agreement, unless defined otherwise herein.

We, the Collateral Agent, hereby notify you that on [Date], as of [Time] a [General Realization Event/Specific Realization Event] occurred under the Security Agreement.

[in case of General Realization Event]

[We hereby instruct you to block the:

- TCM Securities Account (account no. [...]); and
- TCM Book Money (account no. [...]),]

[in case of Specific Realization Event]

[The Specific Realization Event occurred in relation to the following Specific Structured Product[s]:

ISIN: [...]

[...]

[(together) the "**Defaulted Specific Structured Product[s]**"]

We hereby instruct you to block in the TCM Securities Account (account no. [...]) and in the TCM Book Money (account no. [...]) the:

- Specific Earmarked Securities relating to the Defaulted Specific Structured Product[s];
- and
- Specific Earmarked Book Money relating to the Defaulted Specific Structured Product[s];]

and to comply with the Security Agreement accordingly.

Sincerely yours,
[Collateral Agent]

By:
Function:

By:
Function: