

MR01

Particulars of a charge

Laserform

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13657613

A fee is payable with this form.
Please see 'How to pay' on the
last page.


You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

✓ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument.

✗ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument. Use form MR09.

For further information, please
refer to our guidance at:
www.companieshouse.gov.uk

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If the form is delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

 You **must** enclose a certified copy of the instrument with this form, scanned and placed on the public record. **Do not send the original.**



LD2 02/11/2015 #87
COMPANIES HOUSE

MONDAY

1 Company details

Company number

S C 0 9 0 3 1 2

Company name in full

THE ROYAL BANK OF SCOTLAND PUBLIC LIMITED COMPANY

For official use
100
→ **Filing in this form**
Please complete in typescript or in
bold black capitals.
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 2 9 m 1 0 y 2 0 y 1 5

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge.

Name UBS AG

(and its successors in title and permitted transferees)

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below.

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge.

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4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.

Brief description

None

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument".

Please limit the description to the available space.

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box.

☐ Yes Continue

☒ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box.

☒ Yes

☐ No

8

Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.

☐

① This statement may be filed after the registration of the charge (use form MR06).

9

Signature

Please sign the form here.

Signature

Signature

X Linklaters LLP X

This form must be signed by a person with an interest in the charge.

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Olga Sologub

Company name Linklaters LLP

Address One Silk Street

Post town London

County/Region London

Postcode E C 2 Y 8 H Q

Country UK

DX DX 10 Chancery Lane

Telephone 020 7456 2000



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☒ The company name and number match the information held on the public Register.
- ☒ You have included a certified copy of the instrument with this form.
- ☒ You have entered the date on which the charge was created.
- ☒ You have shown the names of persons entitled to the charge.
- ☒ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☒ You have given a description in Section 4, if appropriate.
- ☒ You have signed the form.
- ☒ You have enclosed the correct fee.
- ☒ Please do not send the original instrument; it must be a certified copy.



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 90312

Charge code: SC09 0312 0100

The Registrar of Companies for Scotland hereby certifies that a charge dated 29th October 2015 and created by THE ROYAL BANK OF SCOTLAND PUBLIC LIMITED COMPANY was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd November 2015.

Given at Companies House, Edinburgh on 11th November 2015



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

EUROCLEAR SECURITY AGREEMENT

29 OCTOBER 2015

Between

THE ROYAL BANK OF SCOTLAND PLC

and

UBS AG

Certified to be a true
copy of the original

Linklaters LLP
LINKLATERS LLP

Date *30/10/2015*

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THIS AGREEMENT is made on 29 October 2015

BETWEEN:

- (1) **THE ROYAL BANK OF SCOTLAND PLC**, registered in Scotland No. 90312, registered office: 36 St Andrew Square, Edinburgh EH2 2YB (**RBS or Security-provider**); and
 - (2) **UBS AG**, a company organised under the laws of Switzerland (**Security-taker**),
- each a **Party** and together the **Parties**.

BACKGROUND:

- (A) The Parties have entered into a 1992 ISDA Master Agreement and Schedule thereto, as supplemented by a 1995 Credit Support Annex (Bilateral Form – Transfer), each dated as of 18 September 1998 and as amended, supplemented from time to time (the **ISDA Master Agreement**).
- (B) The Parties wish to collateralise part of their net exposure to one another in respect of Transactions entered into (and as defined) under the ISDA Master Agreement.
- (C) To this effect, on or around the date of this Agreement, the Parties have entered into a Collateral Transfer Agreement (the **Collateral Transfer Agreement**).
- (D) The Parties wish to enter into this Agreement to secure the Security-provider's obligations under the ISDA Master Agreement, the Collateral Transfer Agreement and this Agreement.
- (E) The Parties are both participants to the Euroclear System (as defined below).
- (F) The Security-provider has requested Euroclear (as defined below) to open a "Pledged Securities Account" and a "Pledged Cash Account" (each, a **RBS Secured Account**) in the Euroclear System in the name of Euroclear, to be operated in accordance with the RBS Euroclear Agreements (as defined in the Collateral Transfer Agreement).
- (G) In connection with this Agreement and the RBS Secured Accounts, and on or about the date of this Agreement, the Parties and Euroclear (as defined below) have entered into the RBS Euroclear Agreements (as defined in the Collateral Transfer Agreement).
- (H) Any Eligible Collateral transferrable by RBS as Security-provider under the Collateral Transfer Agreement shall be transferred into the relevant RBS Secured Account and be subject to the Security created pursuant to this Agreement.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

Terms used and not defined in this Agreement have the meaning ascribed to them (including by reference) in the Collateral Transfer Agreement.

Accounts means the Pledged Securities Account and the Pledged Cash Account.

Agreement means this agreement.

Appropriate Market means, in relation to securities of any description, the market which is the most appropriate market for securities of that description, as determined by the Security-taker.

Appropriation Value means, in relation to securities of any description (such securities, **Relevant Securities**):

- (a) if the Security-taker has received firm or indicative bid quotations in respect of such Relevant Securities from, at the option of the Security-taker, either:
 - (i) two or more market makers or regular dealers in the Appropriate Market in a commercially reasonable size (as determined by the Security-taker) but which in aggregate are for all such Relevant Securities; or
 - (ii) a market maker or regular dealer in the Appropriate Market for all such Relevant Securities,

the Appropriation Value of such Relevant Securities shall be the firm or indicative price quoted (or where more than one price is so quoted, the weighted average of the prices so quoted for the purchase by the relevant market makers or dealers), provided that such price or prices quoted may be adjusted in a commercially reasonable manner by the Security-taker to reflect accrued but unpaid coupons not reflected in the price or prices quoted in respect of such Relevant Securities after deducting the Transaction Costs which would be incurred or reasonably anticipated in connection with such transaction;

- (b) if, acting in good faith, the Security-taker has either:
 - (i) endeavoured but been unable to obtain quotations in accordance with paragraph (a) above; or
 - (ii) determined that it would not be commercially reasonable to obtain such quotations, or that it would not be commercially reasonable to use any quotations which it has obtained under paragraph (a) above (including, without limitation, owing to circumstances affecting such Appropriate Market),

then, in either case, the Security-taker may determine the Appropriation Value of such Relevant Securities as the amount which, in the reasonable opinion of the Security-taker, represents their fair market value (after deducting all Transaction Costs which the Security-taker would have incurred had it sold such securities), having regard to any of the following pricing sources and methods as the Security-taker considers appropriate:

- (A) available prices for securities with similar maturities, terms and credit characteristics as the relevant securities;
- (B) information consisting of relevant market data in the relevant market supplied by one or more third parties including, without limitation, relevant rates, prices, yields, yield curves, volatilities, spreads, correlations or other relevant market data in the relevant market; and
- (C) information of the types described in paragraph (A) or (B) above from internal sources (including any of the Security-taker's Affiliates) if that information is of the same type used by the Security-taker in the regular course of its business for the valuation of similar securities.

Cash means any money standing from time to time to the credit of the Pledged Cash Account (*espèces/contanten* as defined in the Financial Collateral Law), as well as the Security-provider's rights, if any, in connection with that money.

Charge means a mortgage, charge, security, lien (including *privilège/voorrecht*) or other security interest or transfer by way of security arrangement securing any obligation of any person, a mandate to create the same or any other right arising by operation of law, agreement, or arrangement having a similar effect.

Commercial Pledge Law means the Belgian law of 5 May 1872 on commercial pledges.

Enforcement Event means the occurrence of a Relevant Event in respect of the Security-provider.

Euroclear means Euroclear Bank SA/NV, a credit institution incorporated under the laws of Belgium, as operator of the Euroclear System, and which is recognised as a central depository for purposes of Royal Decree n° 62.

Euroclear Collateral means the Securities and the Cash and the Euroclear Distributions that have not been transferred by the Security-taker to the Security-provider in accordance with Clause 5.6 (*Distributions*) of the Collateral Transfer Agreement and all the right, title and interest of the Security-provider in and to the Securities and the Cash.

Euroclear Distributions means all amounts received by Euroclear in respect of Euroclear Collateral, whether by way of interest, principal, premium, dividend, return of capital or otherwise, and whether in cash or in kind standing to the credit of the Accounts.

Euroclear System means the clearance and settlement system for internationally traded securities operated by Euroclear, including all services offered by Euroclear in respect of securities held or recorded in any account as set forth in the Terms and Conditions Governing Use of Euroclear or in the Operating Procedures of the Euroclear System.

Financial Collateral Law means the Belgian law of 15 December 2004 on financial collateral arrangements.

Financial Supervision Law means the Belgian law of 2 August 2002 on the supervision on the financial sector and the financial services.

Local Business Day means a day when banks are open in Brussels (Belgium).

Operating Procedures of the Euroclear System means the "Operating Procedures of the Euroclear System – January 2015" issued by Euroclear.

Pledged Cash Account means the Cash Account (as defined in the Terms and Conditions Governing Use of Euroclear) in the Euroclear System in the name of Euroclear, acting in its own name but for the account of the Security-taker associated with the Pledged Securities Account (including any sub-account of such cash account).

Pledged Securities Account means the Securities Clearance Account (as defined in the Terms and Conditions Governing Use of Euroclear) in the Euroclear System in the name of Euroclear, acting in its own name but for the account of the Security-taker, opened pursuant to the Single Pledgor Pledged Account Agreement.

Relevant Event has the meaning given to it in the Collateral Transfer Agreement.

Royal Decree n° 62 means the Belgian Royal Decree n° 62 of 10 November 1967 concerning the custody and clearing of fungible financial instruments.

Secured Liabilities means all present and future moneys, debts and liabilities due, owing or incurred by the Security-provider to the Security-taker under the ISDA Master Agreement, the Collateral Transfer Agreement and this Agreement (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise).

Securities means all securities standing from time to time to the credit of the Pledged Securities Account and all right, title and interest of the Security-provider relating to or arising from such securities.

Security means the first ranking security (*sûreté de premier rang/zekeheid in eerste rang*) created by or pursuant to this Agreement.

SPPA Terms and Conditions means the Single Pledgor Pledged Accounts Terms and Conditions, Pledgee's 2011 version entered into by the Security-taker, the Security-provider and Euroclear through the SPPA Terms and Conditions Acceptance Agreement.

SPPA Terms and Conditions Acceptance Agreement means the agreement to the SPPA Terms and Conditions entered into by the Security-taker, the Security-provider and Euroclear, as amended by the relevant amendment agreement.

Terms and Conditions Governing Use of Euroclear means the "Terms and Conditions governing use of Euroclear - The clearance and settlement system for internationally traded securities – April 2014" issued by Euroclear, as amended from time to time.

Transaction Costs means, in relation to any transaction, the reasonable costs, commissions (including internal commissions), fees and expenses (including any mark-up or mark-down or premium paid for guaranteed delivery) which would have been incurred or reasonably anticipated in connection with the sale of securities, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction.

Winding-up means winding up, amalgamation, reconstruction, administration, judicial composition, insolvency, dissolution, liquidation, merger or consolidation or any analogous procedure or step in any jurisdiction.

1.2 Construction

Unless a contrary indication appears (and without limiting the generality of the foregoing):

- (a) the terms **Party**, **Security-provider**, and **Security-taker**, include their respective successors ("*ad universum*") and, in the case of the Security-taker, the transferees or assignees (by way of novation or otherwise) of its rights and obligations under this Agreement;
- (b) **assets** includes present and future properties, revenues and rights of every description;
- (c) **a person** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);

- (d) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- (e) a provision of law is a reference to that provision as amended or re-enacted;
- (f) Section, Clause and Schedule headings are for ease of reference only; and
- (g) any reference to the ISDA Master Agreement, the Collateral Transfer Agreement, the Collateral Services Agreement, the Single Pledgor Pledged Account Agreement, Amendment Agreement or any other agreement or instrument is a reference to such agreement or instrument as the same may be amended, novated, supplemented, restated or replaced by any other agreement or instrument.

2. SECURITY

2.1 Security

- (a) As security for the discharge and payment of the Secured Liabilities, the Security-provider, under the terms and conditions of this Agreement:
 - (i) grants to the Security-taker a first ranking commercial pledge (*gage de premier rang/pand in eerste rang*) over the Securities (including for the avoidance of doubt any Euroclear Distributions in the form of securities), in accordance with the Commercial Pledge Law, the Financial Collateral Law and the Royal Decree n° 62 or, as the case may be, (i) the law of 2 January 1991 on the market of public debt securities and monetary policy instruments, (ii) the law of 22 July 1991 on deposit and treasury certificates or (iii) articles 460 and 468 to 475ter of the Belgian Companies Code, the law of 14 December 2005 on the abolition of bearer shares and the Royal Decree of 12 January 2006 on companies' dematerialised shares; and
 - (ii) transfers title by way of security to the Security-taker (*transfert de propriété à titre de garantie/eigendomsoverdracht ten titel van zekerheid*) of the Cash (including for the avoidance of doubt any Euroclear Distributions in the form of cash) in accordance with the Financial Collateral Law.
- (b) Without prejudice to Clause 12 (*Discharge of Security*), all the right, title and interest of the Security-provider in or to any cash from time to time credited to the Pledged Cash Account is transferred to the Security-taker as security for the due performance of the Secured Liabilities. The Parties acknowledge that notwithstanding the fact that the Pledged Cash Account will be identified as a pledged account, the security interest granted by the Security-provider to the Security-taker over the cash forming part of the Euroclear Collateral takes the form of a transfer of title for security purposes (and not a pledge, regardless of any reference thereto in this Agreement or elsewhere). For the avoidance of doubt, subclause 2.1(a)(ii) shall be construed as creating, in respect of the Cash, a security interest for the benefit of Security-taker under the Financial Collateral Law.
- (c) The Parties hereby acknowledge and confirm that the Security is governed by the Financial Collateral Law.

2.2 Euroclear Distributions

The Security-provider agrees that the Euroclear Distributions that are not transferred to it pursuant to Clause 5.6 (*Distributions*) of the Collateral Transfer Agreement shall, as the case may be, be booked either (a) on the Pledged Securities Account and thus constitute Securities that fall within the scope of the commercial pledge referred to in Clause 2.1(a)(i) or (b) on the Pledged Cash Account and thus constitute Cash that falls within the scope of the transfer of title by way of security as referred to in Clause 2.1(a)(ii).

2.3 Ranking

The Security is a first ranking commercial security (*sûreté de premier rang/zekeheid in eerste rang*) and shall rank ahead of the right of preference of Euroclear as contemplated in Article 31 of the Financial Supervision Law, save with respect to the latter as expressly provided otherwise in the SPPA Terms and Conditions, in particular Condition 4 (*Subordination of Euroclear Bank Liens*) thereof.

2.4 Special accounts

The Parties shall treat the Accounts for all purposes as special accounts specifically opened for the purpose of holding the Euroclear Collateral and each of the Parties undertakes that it will not use the Accounts for any other purpose.

2.5 Fungibility

The Security-provider and the Security-taker confirm and agree that the Securities shall be treated by each of them as fungible in accordance with Royal Decree n° 62 or, as the case may be, the law of 2 January 1991 on the market of public debt and monetary policy instruments, the law of 22 July 1991 on treasury bonds and certificates of deposit or articles 468 et seq. of the Belgian Company Code.

2.6 Perfection of the Security

- (a) The Security-provider and the Security-taker have appointed Euroclear as third party security holder of the Securities and the Cash, and Euroclear has accepted that appointment by executing the SPPA Terms and Conditions Acceptance Agreement.
- (b) The Security-provider shall deliver Eligible Collateral to the Accounts in accordance with the provisions of the Collateral Transfer Agreement and, in view thereof, the Security-provider shall give any instructions to Euroclear as may be required pursuant to the Euroclear Agreements.

2.7 Ownership of the Securities

The Security-taker confirms and acknowledges that the Security-provider shall at all times prior to enforcement of the Security pursuant to Clause 7 (*Enforcement*) remain the legal owner of the Securities for all purposes (it being understood that any such rights shall be subject to the Security and the rights of the Security-taker under this Agreement).

3. SUBSTITUTION AND MARGIN ADJUSTMENTS

- 3.1 The Parties agree that (a) a substitution of any part of the Euroclear Collateral under Clause 3.4 (*Substitution*) of the Collateral Transfer Agreement or otherwise in accordance with the terms of the relevant Euroclear Agreements (a **Substitution**) or (b) a transfer of additional Euroclear Collateral under Clause 2.1 (*Delivery Amount*) of the Collateral Transfer Agreement or otherwise in accordance

with the terms of the relevant Euroclear Agreements (a **Delivery**) or (c) a return of Euroclear Collateral under Clause 2.2 (*Return Amount*) of the Collateral Transfer Agreement or otherwise in accordance with the terms of the relevant Euroclear Agreements (a **Return**) will not affect the continuity of the Security.

3.2 The Parties acknowledge that (a) upon the occurrence of a Substitution or a Delivery, the new Euroclear Collateral or additional Euroclear Collateral transferred into the Accounts will be deemed to be pledged or transferred by way of security, as the case may be, under the same conditions as the existing Euroclear Collateral and (b) upon the occurrence of a Substitution or a Return, the Euroclear Collateral removed from the Accounts pursuant to such Substitution or Return will be automatically and immediately released from the Security.

3.3 As of the date of:

- (a) a Substitution: all references to Euroclear Collateral in this Agreement will be deemed to include the new Euroclear Collateral and to exclude the Euroclear Collateral removed from the Accounts pursuant to such Substitution;
- (b) a Delivery: all references to Euroclear Collateral in this Agreement will be deemed to include the additional Euroclear Collateral; and
- (c) a Return: all references to the Euroclear Collateral will be deemed to exclude any Euroclear Collateral removed from the Accounts pursuant to such return.

4. EUROCLEAR DISTRIBUTIONS

4.1 At any time prior to the occurrence of an Enforcement Event, the Parties shall deal with any and all Euroclear Distributions in the manner set out in the Collateral Transfer Agreement. Any transfer from the Accounts under the Collateral Transfer Agreement, the relevant Euroclear Agreements or this Clause 4 (*Euroclear Distributions*) shall to the extent of such transfer constitute an immediate and automatic release of the Security in respect of the assets so transferred.

4.2 On or after the occurrence of an Enforcement Event, the Security-provider undertakes, at any time while such Enforcement Event is continuing, that all Distributions shall be retained on the Accounts for the account of the Security-taker. If the Security-provider nevertheless receives any Distribution, the Security-provider shall be deemed to hold such Distribution as agent on behalf of the Security-taker and shall transfer such Distribution either (i) to the Pledged Securities Account and thus constitute Securities that fall within the scope of the pledge referred to in Clause 2.1(a)(i); or (ii) to the Pledged Cash Account and thus constitute Cash that falls within the scope of the transfer of title by way of security referred to in Clause 2.1(a)(ii).

5. REPRESENTATIONS AND WARRANTIES

The Security-provider makes the representations and warranties set out in this Clause 5 (Representations and Warranties) to the Security-taker.

5.1 Due Incorporation

The Security-provider is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and not in liquidation, state of insolvency, judicial reorganisation or bankruptcy with power to enter into this Agreement and to exercise its rights and perform its obligations hereunder and all corporate and other action required to authorise its execution and performance of this Agreement has been duly taken. It has all necessary licenses and authorisations

to conduct its business as it currently does. No order has been made and no resolution has been passed for its Winding-up.

5.2 The Agreement

The Agreement constitutes legal, valid and binding obligations of the Security-provider, enforceable in accordance with its terms.

5.3 The Euroclear Collateral

The Euroclear Collateral is validly existing and freely transferable and the Security-provider has the power to grant a security interest to the Security-taker over the Euroclear Collateral.

5.4 The Security

The Security when perfected constitutes a valid, perfected and continuing first priority security of the Euroclear Collateral, in favour of the Security-taker.

5.5 Ownership – no Charge or other encumbrances

(a) The Security-provider is:

- (i) at all times the sole owner of the Euroclear Collateral other than Cash, or otherwise has the right to transfer all Euroclear Collateral other than Cash to the Security-taker in accordance with the Collateral Transfer Agreement and this Agreement; and
- (ii) the sole owner of the Euroclear Collateral in the form of Cash, immediately prior to it being transferred to the Pledged Cash Account,

and the Euroclear Collateral will remain free and clear of any claims, options, other rights of third parties and other encumbrances and no Charge over the Euroclear Collateral has been created other than the Security created pursuant to this Agreement and any Charges created in favour of Euroclear pursuant to the relevant Euroclear Agreements.

5.6 No Breach

The Security-provider's entry into and performance of this Agreement does not violate any provision of the constitutional documents of the Security-provider, any law to which the Security-provider is subject, or any contractual or other obligation binding upon the Security-provider.

The execution, delivery and performance of this Agreement in accordance with its terms by the Security-provider do not require any authorisation, consent, approval, licence (or the like) or exemption (or the like) of any government entity, any registration or filing (or the like) with, report or notice (or the like) to, any governmental entity, or any other consent or approval, which has not been obtained.

5.7 Centre of Main Interest and Home Member State

For the purposes of EU Regulation No. 1346/2000 on Insolvency Proceedings (the **Regulation**) the Security-provider's centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in its jurisdiction of incorporation.

If the Security-provider is a credit institution, for the purposes of EU Directive No. 2001/24/EC on the reorganisation and winding up of credit institutions (the **Directive**) and any relevant national

legislation implementing the Directive, the Security-provider's home Member State (as that term is used in the Directive) is situated in its jurisdiction of incorporation

6. RESTRICTIONS AND UNDERTAKINGS

The Security-provider hereby irrevocably and unconditionally undertakes, until full discharge of the Security in accordance with Clause 12 (*Discharge of Security*), to comply with the following restrictions and undertakings:

6.1 Security

The Security-provider shall not create or permit to subsist any Charge over any of the Euroclear Collateral, except as expressly permitted by or pursuant to the Collateral Transfer Agreement, the relevant Euroclear Agreements and/or this Agreement.

6.2 Disposal

The Security-provider shall not (nor shall it agree to) use, sell, lease, assign, invest, commingle, transfer or otherwise dispose of or use any of the Euroclear Collateral, except as expressly permitted by or pursuant to the Collateral Transfer Agreement and this Agreement.

6.3 Exercise of rights

Subject to the Single Pledgor Pledged Account Agreement and what is provided by and pursuant to the Collateral Transfer Agreement, the Security-provider shall remain liable to (and the Security-taker shall use reasonable endeavours to assist the Security-provider, if so required by the Security-provider, to enable the Security-provider to) observe, perform and exercise all its (subscription and any other) obligations and rights in respect of the Securities.

6.4 No adverse action

Subject to the rights of the Security-provider under this Agreement, the Security-provider shall not do, cause or permit to be done anything which:

- (a) will, or could be reasonably expected to, directly or indirectly adversely affect the effectiveness, ranking, validity, value or enforceability of the Security or the rights of the Security-taker under this Agreement; or
- (b) is in any material way inconsistent with the Security or this Agreement.

6.5 Attachments

The Security-provider shall procure that no executory attachment (*saisie exécutoire/uitvoerend beslag*) is made on any of the Euroclear Collateral and shall procure that any conservatory attachment (*saisie conservatoire/bewaarend beslag*) on any of the Euroclear Collateral is released within 30 days. The Security-provider shall inform the Security-taker without delay of any such attachment.

6.6 Further assurance

The Security-provider shall promptly do whatever the Security-taker requires:

- (a) to perfect or protect the Security or the priority of the Security; or

- (b) to facilitate the enforcement of the Security or the exercise of any rights vested in the Security or any delegate and to carry out the provisions and purposes of this Agreement.

6.7 No re-hypothecation

The Security-taker shall not re-use or re-hypothecate or create any Charge over any of the Euroclear Collateral, other than creating the Security under this Agreement.

7. ENFORCEMENT

At any time when an Enforcement Event in respect of the Security-provider has occurred and is continuing and provided that any of the Secured Liabilities is due and unpaid, the Security-taker may immediately and at its sole discretion, without the need of a prior authorisation from the Belgian courts (except as set out under Clause 7(d)):

- (a) enforce the pledge over the Securities pursuant to Article 8 §1 of the Financial Collateral Law, by selling the Securities (or any of them) by way of public auction or otherwise;
- (b) appropriate ("*toe-eigenen/s'appropri r*") the Securities (or any of them) pursuant to and in accordance with Article 8, §2 of the Financial Collateral Law, and the value of the Securities in the event of appropriation under this Clause 7(b), will be the Appropriation Value of such Securities as of, or as soon as reasonably practicable after, the date on which such Securities are appropriated;
- (c) apply the Cash to the Secured Liabilities; any Cash in a currency other than the Base Currency shall be converted to the Base Currency on the relevant foreign exchange market at the spot rate of exchange which appears on the Base Currency Screen Page on the date of enforcement without having to send a prior letter of formal notice (*mise en demeure/ingebrekestelling*) to the Security-provider;
- (d) request authorisation from the competent court to enforce the pledge over the Securities, pursuant to article 4 of the Commercial Pledge Law; or
- (e) exercise all rights and remedies it possesses (including, but not limited to, the rights it possesses pursuant to article 3 of the Commercial Pledge Law), and may act generally in relation to the Euroclear Collateral in such manner as it shall reasonably determine, provided that no such action should be inconsistent with what may be required by the Single Pledgor Pledged Account Agreement and/or the Collateral Transfer Agreement.

8. ORDER OF DISTRIBUTIONS

8.1 General

All amounts received or recovered by the Security-taker in the exercise of its rights under this Agreement shall, subject to the rights of any creditors having priority, be applied in or towards the payment of the Secured Liabilities, in the following order:

- (a) first, in or towards payment of any unpaid costs, fees and expenses of the Security-taker under the ISDA Master Agreement, the Collateral Transfer Agreement and this Agreement;
- (b) secondly, in or towards payment of any accrued interest due to the Security-taker under the ISDA Master Agreement, the Collateral Transfer Agreement and this Agreement;

- (c) thirdly, in or towards payment of any principal due to the Security-taker under the ISDA Master Agreement, the Collateral Transfer Agreement and this Agreement; and
- (d) fourthly, in or towards payment of any other sum due to the Security-taker under the ISDA Master Agreement, the Collateral Transfer Agreement and/or this Agreement.

8.2 Surplus proceeds

In the absence of Secured Liabilities then due and payable, any surplus proceeds shall be discharged in accordance with Clause 12 (*Discharge of Security*).

8.3 Waiver

To the extent applicable, the Security-provider expressly waives the benefit of Article 1253 and Article 1256 of the Belgian Civil Code.

8.4 Shortfall

Should the proceeds of enforcement of the Security pursuant to Clause 7 (*Enforcement*) be less than the amount of the Secured Liabilities, the right of the Security-taker to recover any shortfall from the Security-provider in relation to the obligations and liabilities of the Security-provider under the ISDA Master Agreement, the Collateral Transfer Agreement and in connection with this Agreement shall not be prejudiced.

9. LIABILITY OF THE SECURITY-TAKER

The Security-taker shall not be liable to the Security-provider or any other person for any properly incurred costs, losses, liabilities or expenses relating to the enforcement of the Security or for any act, default, omission or misconduct of the Security-taker or any of its officers, employees or agents in relation to the Euroclear Collateral or this Agreement except to the extent caused by its own gross negligence (*faute grave/grove fout*) or wilful misconduct (*dol/bedrog*).

The Security-taker shall not be under any obligation to take any steps to preserve any rights in the Euroclear Collateral against any other parties, but may do so in its sole discretion. All reasonable expenses incurred in connection therewith shall be for the account of the Security-provider.

10. PROTECTION OF THIRD PARTIES

No person dealing with the Security-taker shall be concerned to enquire:

- (a) whether the rights conferred by or pursuant to this Agreement are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with; or
- (c) otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such rights.

11. SAVING PROVISIONS

11.1 Continuing Security

Subject to Clauses 3.2, 4 (*Euroclear Distributions*) and 12 (*Discharge of Security*), the Security is a continuing Security and will extend to the ultimate balance of the Secured Liabilities, regardless of

any intermediate payment or discharge in whole or in part. It shall, subject to Clause 12 (*Discharge of Security*), in particular not be discharged by reason of the circumstances that there is at any time no Secured Liability arising.

11.2 Reinstatement

If any payment by the Security-provider or any discharge given by the Security-taker (whether in respect of any of the Secured Liabilities or any Security for the Secured Liabilities or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (a) the Security-provider shall remain liable to the Security-taker and the Security shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) the Security-taker shall, to the extent permitted by applicable law, be entitled to recover the value or amount of that Security or payment from the Security-provider, as if the payment, discharge, avoidance or reduction had not occurred,

it being understood that the Security-provider shall promptly do whatever the Security-taker requires for such purpose, without prejudice to the Security-provider's other obligations under this Agreement.

11.3 Waiver of defences

Neither the obligations of the Security-provider under this Agreement, nor the Security, will be affected by an act, omission, matter or thing which, but for this Clause 11.3 (*Waiver of defences*), would reduce, release or prejudice any of its obligations under or pursuant to the ISDA Master Agreement, the Collateral Transfer Agreement or the Security (without limitation and whether or not known to it or the Security-taker) including:

- (a) any time, waiver or consent granted to, or composition with, the Security-provider or any other person;
- (b) the release of the Security-provider or any other person under the terms of any composition or arrangement with any creditor of the Security-provider;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or Charge over assets of, the Security-provider or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Charge;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Security-provider or any other person;
- (e) any amendment (however fundamental) or replacement of the ISDA Master Agreement, the Collateral Transfer Agreement or any other document or Charge;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under the ISDA Master Agreement, the Collateral Transfer Agreement or any other document or Charge; or
- (g) any insolvency or similar proceedings.

11.4 Immediate recourse

The Security-provider waives any right it may have of first requiring the Security-taker to proceed against or enforce any other rights or Charge or claim payment from any person before claiming from the Security-provider under this Agreement.

11.5 Additional Security

The Security is in addition to and is not in any way prejudiced by any other guarantees or Charge now or subsequently held by the Security-taker.

11.6 Transferability

- (a) In case of assignment or transfer by the Security-taker of its rights under the ISDA Master Agreement and the Collateral Transfer Agreement, the benefit of the Security and of this Agreement shall be automatically transferred to any transferee or assignee (whether by way of novation or otherwise), of (part or all of) the Secured Liabilities including for the purposes of Article 1278 of the Belgian Civil Code (to the extent applicable), and the Security-provider shall sign or cause to be signed all such further documents and take all such further action as may be reasonably required from time to time to ensure that such benefit be transferred to the transferee or assignee. Such transferee shall henceforth be regarded as a beneficiary for all purposes of this Agreement.
- (b) The Security-provider may not assign, transfer, novate or dispose of any of, or any interest in, its rights and/or obligations under this Agreement without the prior written consent of the Security-taker.

12. DISCHARGE OF SECURITY

12.1 Release

- (a) Unless released in accordance with Clause 3.2 (*Substitution and Margin Adjustments*), Clause 4 (*Euroclear Distributions*) or Clause 12.1(b), the Security created and perfected in accordance with this Agreement will continue and remain in effect until expressly released by the Security-taker. The Security-taker may at its sole discretion grant a full or partial release of the Security.
- (b) Subject to Clause 12.2 (*Retention of Security*), the Security-taker shall, at the request and cost of the Security-provider, take whatever action is necessary, to immediately release the Euroclear Collateral from the Security upon the occurrence of either of the following:
 - (i) the Security-provider having irrevocably discharged and satisfied in full all the Secured Liabilities at a time when there is no possibility of any further Secured Liabilities coming into existence; or
 - (ii) the Collateral Transfer Agreement having been terminated in accordance with its terms.
- (c) Further to any release in accordance with this Clause 12.1 (*Release*), the Security-taker shall procure (including by giving any necessary instructions to Euroclear) that any and all Euroclear Collateral required to be released from the Security shall be transferred back to the Security-provider as soon as reasonably practicable.

12.2 Retention of Security

If the Security-taker considers that any amount paid or credited to it under the ISDA Master Agreement, the Collateral Transfer Agreement or this Agreement is capable of being, or any such amount is, avoided, reduced or otherwise set aside on the Winding-up of the Security-provider or any other person, or otherwise, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably discharged and satisfied in full.

13. EXPENSES

The Security-provider shall, within three Local Business Days of demand, pay to the Security-taker the amount of all costs, losses, liabilities and expenses (including legal fees and any fees charged by Euroclear) properly incurred by it or any of its delegates in relation to this Agreement (including the administration, protection, realisation, enforcement or preservation of any rights under or in connection with this Agreement, or any consideration by the Security-taker as to whether to realise or enforce the same, and/or any amendment, waiver, consent or release of or pursuant to in this Agreement).

14. RIGHTS, WAIVERS AND DETERMINATIONS

14.1 Ambiguity

Where there is any ambiguity or conflict between the rights conferred by law and those conferred by or pursuant to this Agreement, the terms of this Agreement shall prevail.

14.2 Exercise of rights

No failure to exercise, nor any delay in exercising, on the part of the Security-taker, any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

14.3 Determinations

Any determination by or certificate of the Security-taker under this Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

15. NOTICES

Any communication to be made under or in connection with this Agreement shall be made in accordance with the Collateral Transfer Agreement.

16. PARTIAL INVALIDITY

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

17. COUNTERPARTS

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

18. DECLARATION IN RESPECT OF DOCUMENTARY DUTY

For purposes of Article 8 and following of the Belgian Code on Various duties and Taxes, the parties declare that this Agreement was executed outside of Belgium.

19. GOVERNING LAW

This Agreement is governed by Belgian law.

20. CHOICE OF FORUM


The courts of Brussels, Belgium have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a **Dispute**).

This Clause 20 (*Choice of forum*) is solely for the benefit of the Security-taker and nothing in this Clause 20 (*Choice of forum*) shall, to the extent permitted by law, prevent the Security-taker to commence any legal action against the Security-provider in any other jurisdiction and the taking of any such legal action in any jurisdiction shall not preclude the taking of any similar action in any other jurisdiction, whether concurrently or not.

THIS AGREEMENT has been duly executed on the date stated at the beginning.

SIGNATORIES

THE ROYAL BANK OF SCOTLAND PLC



By: R. ATKIN

Title: COUNSEL

UBS AG



By: Thomas Shaw
Director
Title: Sales & Trading Legal



Peter Stickland
Executive Director
Sales & Trading Legal

By:
Title: