

**Series Memorandum**

**08 April 2014**

## **ELM B.V.**

a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*)  
with its seat (*zetel*) in Amsterdam, The Netherlands

## **CHF 60,000,000 Secured Extendible Floating Rate Notes**

**€15,000,000,000  
Secured Note Programme**

**SERIES 184**

**UBS Investment Bank**

This Series Memorandum (as used herein, this “**Series Memorandum**”) is prepared in connection with the EUR 15,000,000,000 Secured Note Programme (the “**Programme**”) of ELM B.V. (the “**Issuer**”) and is issued in conjunction with, and incorporates by reference the contents of, the Programme Memorandum dated 07 April 2014 relating to the Programme (the “**Programme Memorandum**”), save for the section entitled “Terms and Conditions of the Notes” at pages 28 to 80 (inclusive). The “Terms and Conditions of the Notes” set out at pages 27 to 77 (inclusive) of the Programme Memorandum dated 05 February 2013 (the “**2013 Programme Memorandum**”) shall be incorporated by reference into this Series Memorandum. This document should be read in conjunction with the Programme Memorandum and the “Terms and Conditions of the Notes” set out at pages 27 to 77 (inclusive) of the 2013 Programme Memorandum. Save where the context otherwise requires, terms defined in the Programme Memorandum or in the Terms of the Notes have the same meaning when used in this Series Memorandum. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of the provisions set out within this document and the Programme Memorandum.

This Series Memorandum has been approved by the Central Bank of Ireland (the “**Central Bank**”) as competent authority under Directive 2003/71/EC (as amended) (the “**Prospectus Directive**”). The Central Bank only approves this Series Memorandum as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

This Series Memorandum comprises a Prospectus for the purposes of the Prospectus Directive.

Application has been made to the Irish Stock Exchange (the “**Irish Stock Exchange**”) for the Notes to be admitted to the Official List (the “**Official List**”) and trading on its regulated market. No assurance can be given that such application will be granted. This Series Memorandum has been prepared for the purpose of the offering of Notes in accordance with applicable laws and regulations and as further described in the section entitled “Subscription and Sale” in the Programme Memorandum (as amended herein).

The Issuer accepts responsibility for the information contained in this Series Memorandum. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information contained in this Series Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Series Memorandum does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Series Memorandum in any jurisdiction where such action is required.

No person has been authorised to give any information or to make representations other than those contained in this Series Memorandum in connection with the issue or sale of the Notes and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the Arranger, the Swap Counterparty, the Trustee or any of them. Neither the delivery of this Series Memorandum nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Series Memorandum contains references to credit ratings granted by Standard & Poor’s Inc., a division of The McGraw-Hill Companies, Inc. (“**S&P**”), Moody’s Investors Service Ltd (“**Moody’s**”), Moody’s Investors Service Limited, Russian Branch, Moody’s de Mexico S.A. de C.V, Moody’s Latin America, Fitch Ratings Limited (“**Fitch**”) and DBRS Ratings Limited (“**DBRS**”). Moody’s, Fitch and DBRS are established in the European Community and are registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the “**CRA Regulation**”). S&P, Moody’s Investors Service Limited, Russian Branch, Moody’s de Mexico S.A. de C.V and Moody’s Latin America are not established in the European Community and is not registered pursuant to the CRA Regulation.

For as long as the Notes are listed on the Irish Stock Exchange, copies of the following documents will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Registrar for so long as any of the Notes shall remain outstanding:

- (i) this Series Memorandum, the 2013 Programme Memorandum and the Programme Memorandum;
- (ii) the Constituting Instrument dated 11 March 2014 and the Charged Agreement constituted thereby;
- (iii) the Memorandum and Articles of Association of the Issuer; and
- (iv) the audited financial statements of the Issuer for the financial year ending on 31 December 2011 and 31 December 2012.

The audited financial statements of the Issuer for the financial year ending on 31 December 2011 are available for viewing at [http://www.elm-bv.nl/documenten/33286267/ELM%20B.V.%20-%20annual%20accounts%202011%20unsigned%20\(revised%20auditors%20report\).pdf](http://www.elm-bv.nl/documenten/33286267/ELM%20B.V.%20-%20annual%20accounts%202011%20unsigned%20(revised%20auditors%20report).pdf)

The audited financial statements of the Issuer for the financial year ending on 31 December 2012 are available for viewing at [http://www.elm-bv.nl/documenten/33286267/ELM%20B%20V%20-%20annual%20accounts%202012%20\(unsigned\).pdf](http://www.elm-bv.nl/documenten/33286267/ELM%20B%20V%20-%20annual%20accounts%202012%20(unsigned).pdf). The language of this Series Memorandum is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

The Trustee acts as trustee in relation to the Notes on the Terms of the Master Trust Terms. The security granted by the Issuer in respect of the Notes is granted in favour of the Trustee who holds such security on trust for the Swap Counterparty and the Noteholder in accordance with the Master Trust Terms and the terms hereof, including the order of priorities specified herein. The Trustee is entitled to exercise certain powers, trusts, authorities and discretions in accordance with the Master Trust Terms and the terms hereof.

Any reference to websites in this Series Memorandum is for information purposes only and such websites shall not form part of this document.

**Particular attention is drawn to the section of this Series Memorandum headed “Risk Factors”.**

**The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The Notes may not be offered, sold or otherwise transferred at any time within the United States or to the account of any US Person (as defined in Regulation S under the Securities Act). The Notes may be offered, sold or otherwise transferred at any time only to persons that are Non-United States Persons (as defined by the Commodity Futures Trading Commission).**

**The Issuer shall, if so instructed by the Arranger, redeem the Notes if they are sold to any person in breach of any applicable restrictions on the sale of securities.**

**The Notes are an illiquid investment, the purchase of which involves substantial risks. Any investor investing in the Notes should fully consider, understand and appreciate those risks.**

It was a condition of issue of the Notes that the Notes were assigned a short-term rating of at least P-1 by Moody's Investors Service Ltd ("Moody's") as at the Issue Date. A security rating is

not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time. There can be no assurance that Moody's will not downgrade or withdraw the rating of the Notes. A suspension, reduction or withdrawal of the rating assigned to the Notes may adversely affect the market price of the Notes.

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## RISK FACTORS

### Investor Suitability

The purchase of the Notes involves substantial risks. Prospective purchasers of the Notes should be familiar with instruments having characteristics similar to the Notes and should fully understand the terms of the Notes and the nature and extent of its exposure to risk of loss.

Before making an investment decision, prospective purchasers of the Notes should conduct such independent investigation and analysis regarding the Issuer, the Swap Counterparty and all other relevant persons and such market and economic factors as they deem appropriate to evaluate the merits and risks of an investment in the Notes. In particular, as part of such independent investigation and analysis, prospective purchasers of the Notes should consider carefully all the information set forth in this Series Memorandum and the considerations set forth below. However, it must be understood that the considerations set forth below are not, and cannot be, an exhaustive list of all possible risks associated with an investment in the Notes.

Investment in the Notes is only suitable for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the information contained in this Series Memorandum and the merits and risks of an investment in the Notes in the context of the investor's own financial circumstances and investment objectives.

No secondary market for the Notes currently exists, nor is one expected to develop. Prospective purchasers of the Notes should therefore recognise that they may not be able to make any transfer of the Notes for a substantial period of time, if at all. Investment in the Notes is therefore only suitable for investors who are capable of bearing the economic risk of an investment in the Notes until its Maturity Date and are not acquiring the Notes with a view to a potential resale, distribution or other disposition at some future date.

Notwithstanding the previous paragraph, as at the date hereof, the Arranger intends, subject to market conditions, to offer bid prices for the Notes on request but (i) is under no obligation to do so and may decline to do so at any time without assigning any reason and (ii) may set any such bid prices at such amount as it may in its discretion think fit. The Arranger is under no obligation to hold a price quoted for any length of time unless this is agreed at the time of giving the quote.

Each prospective investor should ensure that it fully understands the nature of the transaction into which it is entering based on its own independent review and such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as appropriate under the circumstances and the nature and extent of its exposure to the risk of loss of all or a substantial part of its investment.

References in this section of the Series Memorandum to "**UBS**" shall be deemed to be references to UBS AG, London branch and any relevant affiliate, whether acting in any capacity in relation to the Notes or otherwise.

### Credit Risk

The Notes will constitute secured, limited recourse obligations of the Issuer, recourse in respect of which will, in effect, be limited to the proceeds of the Mortgaged Property (as defined herein and in the Programme Memorandum) relating to the Notes and no other assets of the Issuer will be available to satisfy claims of Noteholders.

None of the Issuer, the Trustee, UBS nor any other person on their behalf has made any investigation of, or makes any representation or warranty, express or implied, as to (i) the existence or financial or other condition of the Mortgaged Property or (ii) whether the Charged Agreement constitutes legal, valid and binding obligations of the Swap Counterparty. None of the Issuer, the Trustee, UBS nor any other person acting on their behalf has, in connection with the

Notes, made any investigation of, or makes any representation or warranty, express or implied, whether the Charged Assets constitute legal, valid and binding obligations of their issuer. The Issuer and its affiliates are not responsible for the public disclosure of information by the issuer of Charged Assets.

Investment in the Notes may involve a loss of principal by virtue of the terms of the Notes even where there is no default by the Issuer. The Noteholders, and prospective purchasers of Notes, will at all times be solely responsible for making their own independent appraisal of, and investigation into, the business, financial condition, prospects, creditworthiness, status and affairs of the issuer of the Charged Assets and the Swap Counterparty. None of the Issuer, the Trustee, UBS nor any other acting person on their behalf will have any responsibility or duty to make any such investigations, to keep any such matters under review, to provide the Noteholders, or prospective purchasers of the Notes, with any information in relation to such matters or to advise as to the attendant risks.

### **Market Value of the Notes**

The market value of the Notes at any point in time will be determined by (a) the market value of the Charged Assets, (b) either (i) plus the market value of the Swap Agreement (to the extent in favour of the Issuer) or (ii) less the market value of the Swap Agreement (to the extent the market value of the Swap Agreement is in favour of the Swap Counterparty), less (c) any costs and/or charges associated with any purchase and cancellation of the Notes and/or issuance of further Notes, as the case may be. In each case such market value shall be determined by the Arranger in accordance with its own internal pricing models, and the Arranger is under no legal obligation **to enter into any transaction on the basis of such market value calculations.**

### **Credit Ratings**

As at the Issue Date of the Notes, the Notes are expected to be assigned a short-term rating of at least P-1 by Moody's Investors Service Ltd. Credit ratings of debt securities represent the rating agencies' opinions regarding their credit quality and are not a guarantee of future credit performance of such securities. Rating agencies attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value. Therefore, the ratings assigned to securities by rating agencies may not fully reflect the true risks of an investment. Also, the rating agencies may not make timely changes in credit ratings in response to subsequent events so that an issuer's current financial condition may be better or worse than a rating indicates.

### **Exposure to UBS as Swap Counterparty**

The Notes do not represent a claim against the Swap Counterparty or any affiliate of the Swap Counterparty and, in the event of any loss, Noteholders will have recourse solely to the Mortgaged Property and not to the Swap Counterparty or any affiliate of the Swap Counterparty. However, any investor in the Notes will be exposed to the credit risk of the Swap Counterparty insofar as the Notes are secured over the Issuer's rights against the Swap Counterparty under the Charged Agreement.

### **Charged Assets and exposure to Charged Assets**

The Collateral Assets (being the assets comprised in the Charged Assets for this Series of Notes) may or, in certain circumstances, shall be substituted (a "**Substitution**") or released (a "**Release**") from time to time in whole or in part. A Substitution or a Release is subject to the satisfaction of certain conditions relating to the market value (determined by the Calculation Agent in its sole and absolute discretion) of the Collateral Assets (adjusted by certain haircuts, depending on the particular type of asset comprised in the Collateral Assets) relative to the aggregate principal amount of the Notes comprised in this Series and the satisfaction of certain eligibility criteria with respect to any assets to be included in the Charged Assets. Those conditions and criteria (which

apply to the initial Charged Assets as well as to any Substitution or Release at any time during the life of the Notes) are more particularly set out in this Series Memorandum.

The selection of assets to be comprised in or to be removed from the Charged Assets shall be made by UBS in its capacity as Swap Counterparty. Subject to the compliance with the conditions and criteria mentioned above, any such selection shall be made by the Swap Counterparty in its sole and absolute discretion and the Swap Counterparty is not required to, and will not, take into account the interests of the Noteholders in so doing. Also, as long as the Swap Counterparty is not in default, the Swap Counterparty shall have the right to direct the Issuer to exercise voting rights in respect of the Collateral Assets. Any such direction will be given in its sole and absolute discretion and the Swap Counterparty is not required to, and will not, take into account the interests of the Noteholders in so doing.

If the market value of any Collateral Asset declines for any reason (including by reason of a default) such that the adjusted market value of the Collateral Assets as a whole becomes less than the aggregate principal amount of the Notes comprised in this Series then the portfolio of Collateral Assets is required to be rebalanced on a daily basis pursuant to the Substitution and Release provisions such that the adjusted market value of the Collateral Assets as a whole is at least equal to the aggregate principal amount of the Notes comprised in this Series. Accordingly, to such extent, Noteholders are not exposed to the credit risk or market value risk of the Charged Assets. However, the Issuer is dependent on the performance by the Swap Counterparty of its obligations under the Charged Agreement in relation to any such rebalancing and if the Swap Counterparty fails to perform any of such obligations Noteholders may to such extent be exposed to the credit risk and market value risk of the Charged Assets. Therefore, if at any time the Notes fall due for redemption prior to the relevant Maturity Date and, due to any failure by the Swap Counterparty to perform its obligations relating to rebalancing the portfolio of Collateral Assets, the market value of the Collateral Assets is less than the aggregate principal amount of the Notes comprised in this Series then repayment of principal may be at risk.

Furthermore, the priority of payments which applies upon the Notes falling due for redemption prior to the relevant Maturity Date is Swap Counterparty Priority. This means that any amount due to the Swap Counterparty upon early termination of the Charged Agreement will, unless an Event of Default has occurred with respect to the Swap Counterparty under the Charged Agreement, be required to be paid prior to any amount due to Noteholders upon early redemption. Therefore, even if the market value of the Collateral Assets is at least equal to the aggregate principal amount of the Notes comprised in this Series, the realisation value of the Collateral Assets may be insufficient to pay the amount due to Noteholders in full after the amount due to the Swap Counterparty has been paid and any such shortfall must be borne by Noteholders. Certain other amounts, such as amounts due to the Trustee and the Custodian, also rank ahead of Noteholders in all circumstances.

### **Charged Assets comprised of cash**

Investors should note that any Eligible Cash Collateral comprised in the Charged Assets will be credited to the Collateral Account, and any cash proceeds received by the Custodian on behalf of the Issuer in respect of its holding of Charged Assets will be credited to the Collateral Account pending any payment of such amounts in accordance with the Custody Agreement. Any money credited to the Collateral Account (whether Eligible Cash Collateral or cash proceeds in respect of the Charged Assets) is held by the Custodian as banker and not as trustee and as a result such money will not be held in accordance with the Financial Conduct Authority's client money rules. This means that any such money may be used by The Bank of New York Mellon in the course of its own business and the Issuer will rank only as a general creditor of the Custodian as regards such money. Accordingly, insofar as the Charged Assets comprise cash, any investor in the Notes will be exposed to the credit risk of the Custodian and, if the security for the Notes is enforced, the balance of the Collateral Account will only be available to satisfy the liabilities of the Issuer to the extent that such amount is available to the Issuer as a general creditor of the Custodian.

## **Extension Provisions**

Not later than 45 calendar days prior to the Initial Maturity Date (as defined in this Series Memorandum) and each Maturity Date (as defined in this Series Memorandum) occurring thereafter until (but excluding) the Latest Extended Maturity Date (as defined in this Series Memorandum), the Calculation Agent shall on behalf of the Issuer arrange for the delivery of a notice to the Noteholders with a copy to the Swap Counterparty setting out a proposed extension to the Maturity Date for a further period of 6 months. **IF ANY NOTEHOLDER FAILS TO RESPOND TO AN EXTENSION REQUEST NOTICE BY THE DATE FALLING 31 CALENDAR DAYS PRIOR TO THE THEN EXISTING MATURITY DATE, SUCH NOTEHOLDER SHALL BE DEEMED TO HAVE REJECTED SUCH EXTENSION.** For as long as the Notes are represented by a Global Certificate, it is the responsibility of Noteholders to monitor their account with the clearing systems for the receipt of an Extension Request Notice. The Notes may not be extended beyond the Latest Extended Maturity Date.

## **Considerations Regarding Increased Regulation**

The financial markets are encountering the increased involvement of governmental and regulatory authorities in the financial sector and in the operation of financial institutions and products offered and/or arranged by them. In particular, governmental and regulatory authorities in a number of jurisdictions have imposed stricter regulatory controls around certain financial activities and/or have indicated that they intend to impose such controls in the future. The United States of America, the European Union and other jurisdictions are actively considering or are in the process of implementing various reform measures covering, among other things, derivative transactions and the offering of structured products and other financial investments and instruments. Such regulatory changes and the method of their implementation may have a significant impact on the operation of the financial markets and may also affect the value, characterisation and/or treatment of Notes issued by the Issuer and/or the characterisation and/or treatment of any of the transactions or agreements relating thereto.

Certain of the regulatory developments may also impose obligations on the Issuer, the Swap Counterparty, the Agents and/or other applicable parties including, without limitation and among other things, in respect of derivative transactions (such as the reporting of transactional and other information relating to derivative transactions to trade repositories in various jurisdictions, the provision of collateral in certain circumstances mandated by such regulations and, potentially, the mandated clearing of certain derivative transactions). The ability of the Issuer, the Swap Counterparty, the Agents and/or other applicable parties to comply with such regulatory obligations (whether in respect of derivative transactions or other areas relevant to Notes issued by the Issuer) may depend on, among other things, the initial and/or ongoing implementation of such regulations by the applicable authorities, the status and/or nature of the Issuer, the Swap Counterparty, the Agents and/or other applicable parties, as relevant, the activities of such parties and/or other matters that may be outside the control of such parties (including contractual restrictions to which they may be subject).

Accordingly, no assurance can be given as to the consequences for any investor on their investment in Notes as a result of such regulatory developments and/or as a result of any compliance or lack of compliance by such party in respect of the same.

## **Fees**

UBS may have paid a fee to a third party introducer or broker in relation to the Notes. In certain circumstances UBS may sell securities to dealers and other financial institutions at a discount to the issue price or rebate them for their own account some proportion of the issue price. Further information is available from UBS on request.

## **Foreign Exchange Risk**

The Charged Assets may be denominated in a different currency from the Notes. If some or all of the Charged Assets are denominated in a different currency from the Notes, in the event that the Notes fall due for redemption early (other than due to the operation of the Extension Provisions described above), the Noteholders will be exposed to foreign exchange risk of the currency of the Charged Assets as against CHF.

### **Limited Recourse and Order of Priority**

The Notes constitute limited recourse obligations of the Issuer. If the security for the Notes becomes enforceable and the net proceeds of the enforcement of the security are insufficient to meet all payments due by the Issuer in respect of the Notes, no other assets of the Issuer shall be available to meet such payment shortfall, and the claims of Noteholders in respect of any such payment shortfall shall be extinguished.

If the Notes fall due for redemption early, the following order of priority applies in relation to the enforcement of the security for the Notes and the application of the proceeds of enforcement:

After meeting the expenses and remuneration and any other amounts due to the Trustee and certain fees, expenses and claims of the Custodian, the proceeds of enforcement of security will be applied first (but subject to the next following sentence of this paragraph) in meeting the claims of the Swap Counterparty under the Charged Agreement and then, only to the extent that the Swap Counterparty's claims have been met, in meeting the claims of the Noteholders under the Notes. However, if under the Charged Agreement an Event of Default (as defined therein) has occurred where the Swap Counterparty is the Defaulting Party (as defined therein), then after meeting the expenses and remuneration and any other amounts due to the Trustee and certain fees, expenses and claims of the Custodian, the proceeds of enforcement of security will be applied first in meeting the claims of the Noteholders under the Notes and then, only to the extent that the Noteholders' claims have been met, in meeting the claims of the Swap Counterparty under the Charged Agreement.

While the Issuer believes that conditional priority provisions such as the one described above are currently enforceable as a matter of English law, as recently confirmed by the Supreme Court, there can be no assurance that such provisions will remain enforceable under English, or any other, law throughout the entire duration of the life of the Notes. The enforceability of such provisions have been the subject of much debate in a number of jurisdictions. Furthermore, the Issuer believes that currently, as a matter of Swiss law, conditional priority provisions such as the one described above may not be capable of enforcement in Switzerland, being the jurisdiction of incorporation of the Swap Counterparty.

### **Exposure to UBS AG**

UBS AG acts in a number of capacities in relation to the Notes (including as Swap Counterparty) and, as such, any investor in the Notes will be exposed to the credit risk of UBS AG. The Notes do not represent a claim against UBS AG or any affiliate of UBS AG and, in the event of any loss, the Noteholders will have recourse to the proceeds of the Mortgaged Property and not to UBS AG.

### **Legality of Purchase**

None of the Issuer, the Trustee, UBS nor any other person acting on their behalf has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective purchaser of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

### **No Reliance**

Each of the Issuer, the Trustee and UBS disclaim any responsibility to advise the purchaser of the Notes of the risks and investment considerations associated with the purchase of the Notes as they may exist at the date hereof or from time to time hereafter. All information (if any) relating to the Charged Assets referred to in this Series Memorandum has been extracted from publicly available sources. None of the Issuer, the Trustee, UBS nor any other person acting on their behalf has verified such information and, accordingly, none of them makes any representation or warranty, express or implied, as to its accuracy or completeness. The Noteholders may not at any time rely on any such persons or any affiliate of any of them or any person on their behalf to monitor whether or not a default in relation to the Charged Assets, or an event or circumstances which, with the giving of notice, the passage of time or making of any determination, could constitute a default in relation to the Charged Assets, has occurred.

### **No Restrictions on Activities**

Any of the Issuer, the Trustee and UBS and other person acting on their behalf may have existing or future business relationships (including depository, lending, advisory or any other kind of commercial or investment banking activities or other business) with the issuers of the Charged Assets or the Swap Counterparty, any affiliate of the issuers of the Charged Assets or the Swap Counterparty or any other entity having obligations relating to the issuers of the Charged Assets or the Swap Counterparty (including, in each case, arising from any notes issued by, to or in respect of the obligations of, any such party) and may purchase, sell or otherwise deal in any assets or obligations of, or relating to, any such party. Any of the Issuer, the Trustee and UBS or other person acting on their behalf may act with respect to any such business, assets or obligations without regard to any possible consequences for the issuers of the Charged Assets, or the Swap Counterparty, the Notes or the Noteholders (or the impact of any such dealing on the interests of the Noteholders) or otherwise (including, without limitation, any action which might constitute or give rise to a default in relation to the Charged Assets or a default or an early termination event in respect of the Notes).

### **No disclosure of information; disclosure of confidential information**

UBS may, whether by virtue of the types of relationships described herein or otherwise, at any time, be in possession of information in relation to the Charged Assets or their issuers or the Swap Counterparty that is or may be material in the context of the issue of the Notes and that may or may not be publicly available or known to the Noteholders, and the Notes do not create any obligation on the part of UBS or any other person to disclose to the Noteholders any such relationship or information (whether or not confidential).

### **Taxation**

The Noteholders will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges, that may be applicable to any payment to it in respect of the Notes. Neither the Issuer nor any other person will pay any additional amounts to the Noteholders to reimburse it for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Notes by the Issuer or by the Registrar, although such requirement will give rise to an obligation to redeem the Notes early in the circumstances described in Condition 7(c) of the Notes.

### **Possibility of U.S. withholding tax on payments**

#### *Background*

On 18 March 2010, the US enacted sections 1471 to 1474 of the U.S. Internal Revenue Code (“**FATCA**”) and US Treasury regulations thereunder took effect on 28 January 2013. To receive certain payments free of FATCA withholding, a non-U.S. financial institution (“**FFI**”) generally will be required to enter into an agreement (an “**FFI Agreement**”) with the U.S. Internal Revenue

Service (the “**IRS**”) to identify “financial accounts” held by U.S. persons or entities with substantial U.S. ownership, as well as accounts of other financial institutions that are not themselves participating in (or otherwise exempt from) the FATCA reporting regime. For these purposes, the term financial institution includes, among others, banks, insurance companies and entities that are engaged primarily in the business of investing, reinvesting or trading in securities, commodities or partnership interests, including securitisation vehicles. For these purposes, the Issuer is likely to be considered a financial institution. The application of FATCA to a corporation such as the Issuer is complex and the manner in which the FATCA compliance rules will apply to the Issuer and this Series is therefore currently unclear.

If an FFI that has entered into an FFI Agreement (known as a participating FFI) makes a relevant payment to an accountholder that has not provided information requested to establish that the accountholder is exempt from reporting under the rules, or if the recipient of the payment is a non-participating FFI (that is not otherwise exempt), the payor may be required to withhold 30 per cent. on a portion of the payment.

Specifically, the IRS has indicated an intention to treat payments by a participating FFI as being subject to this 30 per cent. withholding tax only in proportion to the value of the financial institution’s direct and indirect U.S. assets as compared to its total assets. However, the IRS is further considering the treatment of these so-called “passthru payments” and it is not clear how this rule will ultimately apply to the Issuer, to the issuers of any Collateral Obligations, to the Charged Assets, to the Eligible Collateral Obligations, to the Charged Agreement or to the Notes.

The Netherlands (being the jurisdiction through which the Issuer is acting) signed a model 1 intergovernmental agreement (“**IGA**”) with the United States on 18 December 2013. Under the terms of the IGA, the Issuer will not be required to enter into an FFI Agreement but may instead comply with Dutch legislation that is to be implemented to give effect to the IGA. The terms of such legislation are at this stage still uncertain. Under the terms of the IGA, withholding will not be imposed on payments made to the Issuer, or on payments made by the Issuer (other than perhaps certain passthru withholding), unless the IRS has specifically listed the Issuer as a non-participating financial institution, or the Issuer has otherwise assumed responsibility for withholding under United States tax law.

#### *Impact on payments on Charged Assets and Charged Agreement*

If the Issuer is required to enter into an FFI Agreement to receive payments free of FATCA withholding and fails (including by virtue of it being unable) to do so, or enters into but fails to comply with its obligations under any such agreement, the Issuer would from certain dates starting from 1 July 2014 be subject to 30 per cent. withholding tax on all, or a portion of, payments received from U.S. sources and from participating FFIs. Similarly, if the Issuer has entered into an FFI Agreement and if the Swap Counterparty fails to comply with its obligations under an FFI Agreement, the Swap Counterparty would, likewise, be subject to withholding tax on payments from the Issuer.

This might result in payments to the Issuer in respect of the assets of the Issuer, which includes the Charged Assets, being subject to U.S. withholding tax. If payments are reduced in respect of the Charged Assets by reason of U.S. withholding tax then the Swap Counterparty is entitled to terminate the Charged Agreement which would result in an early redemption of the Notes. If the Issuer would, or there is a substantial likelihood that the Issuer would, receive a payment under the Charged Agreement which is reduced by reason of U.S. withholding tax, then this may result in an early redemption of the Notes.

Tax could be withheld from any proceeds of the sale of any Charged Assets, which would reduce the funds available to pay amounts to holders of the relevant Notes.

#### *Impact on payments on the Notes*

Certain payments on the Notes may be subject to withholding imposed pursuant to FATCA if the Issuer is considered an FFI under FATCA, for example where the Issuer enters into an FFI Agreement with the IRS. If under such circumstances, Noteholders or beneficial holders fail to provide certain information to their custodian or the applicable upstream financial institution, or if such institution is a non-participating FFI such payments will become subject to withholding tax beginning on 1 January 2017 (at the earliest). The withholding obligation in respect of a non-participating FFI may apply whether the FFI is receiving payments for its own account or on behalf of another person. If such withholding on account of FATCA applies, there will be no additional amount payable by way of compensation to the holder for the deducted amount.

THE FATCA PROVISIONS ARE PARTICULARLY COMPLEX AND THEIR APPLICATION TO THE ISSUER IS UNCERTAIN AT THIS TIME. NOTHING IN THIS SECTION CONSTITUTES OR PURPORTS TO CONSTITUTE TAX ADVICE AND NOTEHOLDERS ARE NOT ENTITLED TO RELY ON ANY PROVISION SET OUT IN THIS SECTION FOR PURPOSES OF MAKING ANY INVESTMENT DECISION, TAX DECISION OR OTHERWISE. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR TO OBTAIN A MORE DETAILED EXPLANATION OF THE FATCA PROVISIONS AND TO LEARN HOW THIS LEGISLATION MIGHT AFFECT IT IN ITS PARTICULAR CIRCUMSTANCE.

### **Legal Opinions**

Whilst legal opinions relating to the issue of the Notes will be obtained with respect to English law and Dutch law, no such opinions will be obtained with respect to any other applicable laws, including the laws governing any Charged Assets or the laws of the country in which the issuers of the Charged Assets are incorporated or operate (if different). The legal opinions will be addressed to UBS and the Trustee, and not to the Noteholders (which will not be able to rely on them).

## DOCUMENTS INCORPORATED BY REFERENCE

The following information contained in the 2013 Programme Memorandum and Programme Memorandum is incorporated by reference into this Series Memorandum.

The table below sets out the relevant page references for the information incorporated herein by reference:

### ***From the 2013 Programme Memorandum***

<b>Section</b>	<b>Page(s)</b>
Terms and Conditions of the Notes	Pages 27-77

### ***From the Programme Memorandum***

<b>Section</b>	<b>Page(s)</b>
Overview of Programme	Pages 5 to 16
Risk Factors	Pages 17 to 20
Supplementary Information	Page 21
Documents Incorporated by Reference	Page 22
Form of the Notes	Pages 23 to 24
General Information	Pages 25 to 27
ELM B.V.	Pages 81 to 83
The Charged Asset Sale Agreement	Page 84
Custody Arrangements	Page 85
Description of the Charged Agreement	Pages 86 to 87
Dutch Taxation	Pages 88 to 90
Subscription and Sale	Pages 91 to 97

The parts of the 2013 Programme Memorandum and Programme Memorandum not listed in the table above are either not relevant for an investor or are covered elsewhere in this Series Memorandum. Accordingly, any information not listed in the table above but included in the 2013 Programme Memorandum and Programme Memorandum are given for information purposes only.

Any statement contained in the 2013 Programme Memorandum and Programme Memorandum shall be deemed to be modified or superseded for the purpose of this Series Memorandum to the extent that a statement contained herein modifies or supersedes such earlier statement. Any

statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Series Memorandum except as modified or superseded.

The 2013 Programme Memorandum is available on the website of the Irish Stock Exchange at [http://www.ise.ie/debt\\_documents/Base%20Prospectus\\_812ece30-7af1-4d05-91c7-eca546b36652.PDF](http://www.ise.ie/debt_documents/Base%20Prospectus_812ece30-7af1-4d05-91c7-eca546b36652.PDF)

The Programme Memorandum is available on the website of the Irish Stock Exchange at [http://www.ise.ie/debt\\_documents/Base%20Prospectus\\_bfee6d65-b781-463f-994a-4b3159dcabe1.PDF](http://www.ise.ie/debt_documents/Base%20Prospectus_bfee6d65-b781-463f-994a-4b3159dcabe1.PDF)

TERMS OF THE SERIES 184 CHF 60,000,000 SECURED EXTENDIBLE FLOATING RATE NOTES

The Notes designated above (the “**Notes**”) shall have the following “**Terms**” which shall complete, modify and amend the Master Conditions set out in the Programme Memorandum dated 05 February 2013, which shall apply to the Notes as so completed, modified and amended. References to “**Conditions**” or “**Condition**” shall, unless otherwise provided, mean references to the Terms and Conditions of the Notes. Unless the context otherwise requires, expressions used herein and not otherwise defined herein or in the Master Documents shall have the meanings ascribed to them by the provisions of the Charged Agreement (including the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. incorporated by reference into the confirmation with respect to the Charged Agreement).

1.	(i)	Issuer:	ELM B.V.
	(ii)	Arranger:	UBS Limited
2.	(i)	Series Number:	184
	(ii)	Tranche Number:	Not applicable.
3.		Principal Amount:	CHF 60,000,000.
4.	(i)	Issue Price:	100 per cent. of the Principal Amount.
	(ii)	Net Proceeds:	CHF 60,000,000.
5.		Authorised Denomination:	CHF 1,000,000.
6.	(i)	Issue Date:	11 March 2014.
	(ii)	Interest Commencement Date:	Issue Date.
7.		Maturity Date:	11 September 2014, subject to adjustment in accordance with the Business Day Convention (the “ <b>Initial Maturity Date</b> ”) subject to possible extension as provided in Special Condition (I) below. In accordance with the Extension Provisions set out in such Special Condition, the Maturity Date shall not be extended beyond 11 March 2024 (the “ <b>Latest Extended Maturity Date</b> ”).
8.		Interest Basis:	Floating Rate, as provided in item 16 below.
9.		Redemption/Payment Basis:	Redemption at par, subject as provided in Condition 7(e).
10.		Change of Interest Redemption/ Payment Basis:	or Not applicable.
11.		Put/Call Options:	Not applicable.
12.		Status of the Notes:	

(i) Status of the Notes:	Secured and limited recourse obligations of the Issuer, secured as set out under Security below (see item 30) and subject to the priority set out under Priority below.
(ii) Priority:	Swap Counterparty Priority.

For the purposes of these Terms the expression "Swap Counterparty Priority" shall not have the meaning given to it in Condition 4(d)(1) but, rather, shall have the meaning set out below:

**"Swap Counterparty Priority"** means:

- (i) firstly, in meeting any claim of the Custodian under the Custody Agreement in respect of any fees, expenses or other amounts payable by the Issuer (including but not limited to any amounts of value added tax or other taxes due to any applicable revenue authorities) and any claim for reimbursement in respect of payment of any amount in respect of the Charged Assets made to the Swap Counterparty prior to receipt of the same by the Custodian;
- (ii) secondly, in meeting the claims (if any) of the Swap Counterparty under the Charged Agreement or, if an Event of Default (as defined in the Charged Agreement) has occurred with respect to the Swap Counterparty, in meeting the claims (if any) of the Noteholders, and the Couponholders (if any) (which, for this purpose, shall include any claim of the Principal Paying Agent or, as the case may be, the Registrar for reimbursement in respect of payment of principal and interest made to the Noteholders and/or, as the case may be, Couponholders (if any)) pari passu and rateably;
- (iii) thirdly, in meeting the claims (if any) of the Noteholders and the Couponholders (if any) (which, for this purpose, shall include any claim of the Principal Paying Agent or, as the case may be, the Registrar for reimbursement in respect of payment of principal and interest made to Noteholders and/or as the case may be, Couponholders (if any) pari passu and rateably or, if an Event of Default (as defined in the Charged Agreement) has occurred with respect to the Swap Counterparty, in meeting the claims (if any) of the Swap Counterparty

		under the Charged Agreement; and
		(iv) fourthly, in payment of the balance (if any) to the Issuer.
13.	Listing:	Application will be made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. No assurance can be given that such an application to list the Notes will be accepted.
14.	Method of distribution:	Syndicated.
15.	Fixed Rate Note Provisions:	Not applicable.
16.	Floating Rate Note Provisions:	Applicable.
	(i) Interest Payment Dates:	11 January, 11 February, 11 March, 11 April, 11 May, 11 June, 11 July, 11 August, 11 September, 11 October, 11 November, and 11 December in each year from (and including) 11 April 2014 to (and including) the relevant Maturity Date, subject in each case to adjustment in accordance with the Business Day Convention (including for the purpose of determining each Interest Period).
	(ii) Business Day Convention:	As set out in item 44 below.
	(iii) Manner in which the Interest Rate is to be determined:	Screen Rate Determination.
	(iv) Calculation Agent responsible for calculating the Interest Amount or responsible for any other purpose:	UBS AG, London branch.
	(v) If Screen Rate Determination:	
	(a) Benchmark:	1-month CHF-LIBOR-BBA, which appears on the Relevant Screen Page at 11:00 a.m. (London time) on the relevant Interest Determination Date.
	(b) Interest Determination Date:	Two London Business Days before the first day of each Interest Period.
		<b>“London Business Day”</b> shall mean any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London.
	(c) Relevant Screen Page:	Reuters Screen LIBOR02 Page (or such other page as may replace that page on Reuters, as determined by the Calculation Agent).

	(vi) Spread:	In respect of each Interest Period from and including the first Interest Period to and including the Interest Period ending on, but excluding, the Initial Maturity Date:  Plus 0.05 per cent. per annum.
		In respect of each Interest Period (if any) from and including the Interest Period starting on, and including, the Initial Maturity Date to and including the Interest Period ending on, but excluding, the next applicable Maturity Date:  Plus 0.10 per cent. per annum.
		In respect of each Interest Period (if any) from and including the Interest Period starting on, and including, the Maturity Date next following the Initial Maturity Date:  Plus 0.15 per cent. per annum.
	(vii) Spread Multiplier:	Not applicable.
	(viii) Minimum Interest Rate:	Not applicable.
	(ix) Maximum Interest Rate:	Not applicable.
	(x) Relevant Financial Centre:	London.
	(xi) Day Count Fraction:	Actual/360
17.	Zero Coupon Note Provisions	Not applicable.
18.	Index-Linked Interest Note Provisions:	Not applicable.
19.	Variable Coupon Amount Note Provisions:	Not applicable.
20.	Dual Currency Note Provisions:	Not applicable.
21.	Scheduled Redemption Amount:	Condition 7(e)(1)(i) applies.
22.	Early Redemption Amount payable on mandatory redemption, redemption for taxation reasons or on termination of the Charged Agreement or on default and the method of calculating the same (if required or if different from that set out in the Conditions):	Condition 7(e)(2) applies.  The Calculation Agent shall, on behalf of the Issuer, notify Moody's Investors Service Ltd ("Moody's") if at any time the Notes fall due for redemption prior to the Latest Extended Maturity Date (other than in accordance with the Extension Provisions set out in Special Condition (I)). Such notification shall be given to Moody's at or as soon as practicable after the time at which notice of such early redemption is given to Noteholders.

23.	Form of Notes:	
	(i) Bearer Notes:	Not applicable.
	(ii) Registered Notes:	Applicable: Global Registered Certificate exchangeable for definitive Registered Certificates at any time in the limited circumstances specified in the Global Registered Certificate.
	(iii) TEFRA:	Not applicable.
24.	(i) New Global Note	Not applicable.
	(ii) New Global Note intended to be held in a manner which would permit the Notes to be recognised as eligible collateral for monetary policy of the central banking system for the euro (the <b>"Eurosystenm"</b> )	Not applicable.
25.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	Not applicable.
26.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	Not applicable.
27.	Details relating to Partly Paid Notes:	Not applicable.
28.	Details relating to Instalment Notes:	Not applicable.
29.	Redenomination applicable:	Not applicable.
30.	Security:	
	(i) Charged Assets:	As at the Issue Date, the Charged Assets shall comprise such Eligible Collateral Obligations and/or Eligible Cash Collateral, with an aggregate Adjusted Market Value (as defined in Special Condition (II) below) equal to at least the Principal Amount of the Notes, as determined by the Swap Counterparty pursuant to the terms of the confirmation in respect of the Swap Transaction which: <ul style="list-style-type: none"> <li>(i) in the case of Eligible Collateral Obligations, are purchased from a third party (which may include the Swap Counterparty) by the Collateral Agent (acting as agent for the Issuer) on the Issue Date in accordance</li> </ul>

with the instructions of the Swap Counterparty given pursuant to the terms of the Swap Transaction (the “**Initial Collateral Obligations**”); and

- (ii) in the case of Eligible Cash Collateral, is transferred by the Swap Counterparty or a third party to the Issuer on the Issue Date pursuant to the terms of the Swap Transaction (the “**Initial Cash Collateral**”).

The Initial Collateral Obligations (if any) and the Initial Cash Collateral (if any) will be credited to the Collateral Account (as defined below) on the Issue Date, in each case subject to and in accordance with the Agency Agreement. At any time after the Issue Date, the Charged Assets may be subject to Substitution or Release as set out in Special Condition (II) below. All Eligible Cash Collateral received by the Issuer and all amounts received by the Issuer in respect of any Collateral Obligations (as defined below) shall be credited to the Collateral Account subject to and in accordance with the Agency Agreement and shall, upon receipt and to the extent not transferred by the Issuer pursuant to these Terms and the Conditions and/or the Charged Agreement, comprise “**Cash Collateral**”. All Eligible Collateral Obligations received by the Issuer shall be credited to the Collateral Account subject to and in accordance with the Agency Agreement and shall, upon receipt and to the extent not transferred by the Issuer pursuant to these Terms and the Conditions and/or the Charged Agreement, comprise “**Collateral Obligations**”.

The Cash Collateral and the Collateral Obligations are together referred to herein as “**Collateral Assets**”.

For the avoidance of doubt, no Collateral Obligations that are rated shall be required to be removed from the Collateral Account or otherwise replaced in the event that such Collateral Obligations (and/or, as the case may be, the obligor in respect of such Collateral Obligations) have been downgraded below their rating at the time they first formed part of the Charged Assets or have had one or more ratings withdrawn.

For the purposes of these Terms, “**Eligible Cash Collateral**” means cash in any currency and “**Eligible Collateral Obligations**” means an instrument denominated in any currency that is a Bond or a Loan in each case in respect of which UBS AG is not the obligor, such that at the time such instrument is initially credited to the Collateral

Account, its delivery, transfer or assignment thereof to the Issuer, or by the Issuer to a third party, or the holding thereof by or on behalf of the Issuer would not require or cause the Issuer to assume, and would not subject the Issuer to, any obligation or liability (other than immaterial, non-payment obligations).

As used above, “**Bond**” means an obligation for the payment or repayment of borrowed money that is in the form of, or represented by, a bond, note, or other debt security; and “**Loan**” means an obligation for the payment or repayment of borrowed money that is documented by a loan agreement or similar credit agreement.

(ii)	Replacement:	Condition 4(f)(1) shall not apply, without prejudice to the application of the Special Conditions below.
(iii)	Substitution:	Condition 4(f)(2) shall not apply, without prejudice to the application of the Special Conditions below.
(iv)	Charging Instrument:	Not applicable.
(v)	Depository Account:	Each account of the Custodian in which securities comprising Charged Assets are held from time to time.
(vi)	Collateral Account:	An account opened on behalf and held in the name of the Issuer with the Custodian and which shall record the Issuer’s holding of Charged Assets from time to time. Any Collateral Obligations in the form of book entry securities will be held by the Custodian on behalf of the Issuer in a Depository Account with the relevant clearing system, which account shall be segregated from any account in which the Custodian holds book entry securities for itself.
(vii)	Custodian:	The Bank of New York Mellon.
(viii)	Charged Agreement:	A 1992 ISDA Master Agreement and Schedule thereto (in the form of the Master Swap Terms, February 2013 Edition) made between the Issuer and the Swap Counterparty dated as of 11 March 2014, as supplemented by a confirmation thereunder in respect of a swap transaction (such transaction, the “ <b>Swap Transaction</b> ”) between the same parties as of the same date.
(ix)	Swap Counterparty:	UBS AG, London branch
(x)	Other:	UBS AG, London branch has been appointed as the Collateral Agent pursuant to the Agency Agreement.

		Condition 4(g) ( <i>Substitution of Cash Collateral for Charged Assets</i> ) shall not apply to this Series of Notes.
31.	Securities Lending Agreement:	Not applicable.
32.	(i) If syndicated, names of Managers:	UBS Limited. Notwithstanding that the Method of distribution specified in item (14) above is "Syndicated" there is only one Manager, being UBS Limited as Placement Agent.
	(ii) Stabilising Manager (if any):	Not applicable.
33.	Additional selling restrictions:	Not applicable.
34.	ISIN:	XS1037377618
35.	Common Code:	103737761
36.	Alternative Clearing System:	Not applicable.
37.	Delivery:	Delivery against payment.
38.	(i) Principal Paying Agent:	Not applicable.
	(ii) Registrar:	UBS AG, London branch.
39.	Sub-Custody:	Not applicable.
40.	Calculation Agent:	UBS AG, London branch.
41.	Exchange of Permanent Global Note:	Not applicable.
42.	Additional Business Day:	Not applicable.
43.	Business Days:	Each day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London, Zurich and which is a TARGET Settlement Day.  As used above "TARGET Settlement Day" means a day on which TARGET2 (the Trans-European Automated Real-time Gross settlement Express Transfer system) is open.
44.	Business Day Convention:	Modified Following Business Day Convention.

## Special Conditions

### (I) Extension Provisions

Not later than 45 calendar days prior to the Initial Maturity Date and each Maturity Date occurring thereafter until (but excluding) the Latest Extended Maturity Date, the Calculation Agent shall on behalf of the Issuer arrange for the delivery of a notice to the

Noteholders (in accordance with Condition 14) with a copy to the Swap Counterparty and the Trustee setting out a proposed extension to the Maturity Date for a further period of 6 months (such notice, an “**Extension Request Notice**”). An Extension Request Notice may be given in the form set out in Annex 1 to these Terms.

The Swap Counterparty and the Noteholders may, until not later than 17:00 London time (the “**Extension Request Cut-off Time**”) on the day falling 31 calendar days prior to the then existing Maturity Date (the “**Extension Request Cut-off Date**”), either consent to or reject the extension proposal. If a Noteholder wishes to consent to or to reject any such extension proposal, such Noteholder shall deliver a notice substantially in the form set out in Annex 2 to these Terms on or before the Extension Request Cut-off Time on the Extension Request Cut-off Date (such notice, an “**Extension Response Notice**”) and shall inform Euroclear and/or Clearstream, Luxembourg that such extension is consented to or rejected (as applicable). Any Extension Response Notice so given shall be irrevocable. If a Noteholder does not deliver an Extension Response Notice on or before the Extension Request Cut-off Time on the Extension Request Cut-off Date, such Noteholder shall be deemed to have rejected the relevant extension proposal. The Swap Counterparty shall notify its consent to or rejection of any such extension proposal in accordance with arrangements separately agreed from time to time between the Swap Counterparty and the Calculation Agent.

The Calculation Agent shall on behalf of the Issuer arrange for the delivery (in accordance with Condition 14) of a notice to the Noteholders (copied to the Trustee) not earlier than the first Business Day after the Extension Request Cut-off Date and not later than the fifth Business Day falling after the Extension Request Cut-off Date (which may be in the form set out in Annex 3 to these Terms) notifying them whether the Swap Counterparty has consented to or rejected the relevant extension proposal.

If the Swap Counterparty consents to the relevant extension proposal, the Maturity Date shall be extended accordingly and the Notes of any Noteholders who either delivered an Extension Response on or before the Extension Request Cut-off Time on the relevant Extension Request Cut-off Date rejecting the relevant extension proposal or who did not deliver an Extension Response Notice on or before the Extension Request Cut-off Time on the Extension Request Cut-off Date shall be redeemed for an amount equal to their Scheduled Redemption Amount on the Maturity Date existing immediately prior to the relevant extension.

In the event that the Swap Counterparty rejects the relevant extension proposal on or before the relevant Extension Cut-off Date, the Maturity Date shall not be extended further (regardless of any consent to extension given in any Extension Response Notice) and all the Notes shall be redeemed on the existing Maturity Date for an amount equal to their Scheduled Redemption Amount.

In the event that the Swap Counterparty fails to respond to the Extension Request Notice in accordance with the above, it shall be deemed to have rejected the relevant extension proposal and all the Notes shall be redeemed on the existing Maturity Date for an amount equal to the Scheduled Redemption Amount.

**(II) Rebalancing of Charged Assets; Substitution of Charged Assets; Release of Charged Assets**

**(A) Rebalancing of Charged Assets**

On each Business Day (such date, a “**Daily Valuation Date**”) from and including the Daily Valuation Date following the Issue Date to and including the sixth Daily Valuation Date prior to the Initial Maturity Date or, in the case of Notes extended pursuant to the Extension Provisions above, sixth Daily Valuation Date prior to the Maturity Date, the

Calculation Agent shall determine the aggregate Adjusted Market Value of the Collateral Assets and notify the Issuer, the Collateral Agent and the Swap Counterparty if the aggregate Adjusted Market Value of the Collateral Assets is less than the aggregate outstanding principal amount of the Notes on such date (such date being the "Rebalancing Date").

**"Adjusted Market Value"** means:

- (i) in relation to Cash Collateral, such amount of cash converted, if necessary, into the currency in which the Notes are denominated at the prevailing applicable spot exchange rate, as determined by the Calculation Agent in its sole and absolute discretion; and
- (ii) in relation to Collateral Obligations, (i) the market value of such Collateral Obligations determined by the Calculation Agent in a commercially reasonable manner and converted, if necessary, into the currency in which the Notes are denominated at the prevailing applicable spot exchange rate, as determined by the Calculation Agent in its sole and absolute discretion *multiplied by* (ii) 1 *minus* the applicable Haircut.

**"Haircut"** means, in relation to any Collateral Obligations the relevant percentage set out below (which shall be determined by reference to the category below applicable to the relevant Eligible Collateral Obligation when it became a Charged Asset and irrespective of any change thereafter):

<b><u>Form of Collateral Obligations</u></b>	<b><u>Haircut</u></b>
(1) A Bond issued by or a Loan where the borrower is a sovereign, central bank or region; and	
(a) is IG Rated; or	1 per cent.
(b) NON IG RATED	5 per cent.
(2) Covered bonds, corporate bonds (including bonds issued by banks and financial institutions), municipal bonds, bonds issued by supranational institutions and bonds issued by a government agency; and	
(a) is IG Rated; or	5 per cent.
(b) is NON-IG Rated	8 per cent.
(3) RMBS, CMBS, CLO or ABS; and	
(a) is IG Rated; or	7 per cent.
(b) is NON-IG Rated	12 per cent.
(4) Cash Collateral	0 per cent.
(5) Any other form of Bond or Loan	15 per cent.

The determination of which of categories (1) to (5) a particular Bond or a Loan falls into shall be made by the Calculation Agent in its sole discretion, acting in a commercially reasonable manner.

**“IG Rated”** means a security which is rated at least BBB- by Standard & Poor’s Inc., a division of The McGraw-Hill Companies, Inc., or any successor to its ratings business (“**S&P**”) or at least Baa3 by Moody’s Investors Service Ltd, or any successor to its ratings business (“**Moody’s**”) or at least BBB- by Fitch Ratings Limited, or any successor to its ratings business (“**Fitch**”) or at least BBB (low) by DBRS Ratings Limited, or any successor to its ratings business (“**DBRS**”).

**“NON-IG Rated”** means a security which (a) is not IG Rated and (b) is rated at least Ca by S&P or at least C by Moody’s or at least CCC by Fitch or at least C (low) by DBRS.

If the aggregate Adjusted Market Value of the Collateral Assets is equal to or greater than the aggregate outstanding principal amount of the Notes, the Collateral Agent shall effect a Substitution and/or a Release if and to the extent that the Issuer is instructed by the Swap Counterparty to do so pursuant to the confirmation in respect of the Swap Transaction on or prior to the fifth Business Day following the Rebalancing Date, provided that following any such Substitution and/or Release, the aggregate Adjusted Market Value of the Collateral Assets is equal to or greater than the aggregate outstanding principal amount of the Notes. For the avoidance of doubt, the aggregate Adjusted Market Value of the Collateral Assets immediately following such Substitution and/or Release may be less than the aggregate Adjusted Market Value of the Collateral Assets on the date of the relevant instruction by the Swap Counterparty.

If the aggregate Adjusted Market Value of the Collateral Assets is less than the aggregate outstanding principal amount of the Notes, the Collateral Agent shall effect a Substitution in accordance with the instructions of the Swap Counterparty pursuant to the confirmation in respect of the Swap Transaction on or prior to the fifth Business Day following the Rebalancing Date, so that following such Substitution, the aggregate Adjusted Market Value of Collateral Assets is equal to or greater than the aggregate outstanding principal amount of the Notes.

For the purpose of determining whether any adjustment to the Collateral Assets is required or permitted pursuant to the foregoing, the aggregate Adjusted Market Value of Collateral Assets as of the Rebalancing Date shall be calculated taking into account any prior Substitution or Release which is due to be effected but for which the relevant settlement date falls on or after such Rebalancing Date, as the case may be.

## **(B) Substitution of Charged Assets**

The Collateral Agent shall (acting as agent for the Issuer) effect each Substitution in accordance with the instructions of the Swap Counterparty given pursuant to the confirmation in respect of the Swap Transaction. A Substitution may be effected on any Business Day.

A “**Substitution**” shall comprise:

- (a) a sale of any of the Collateral Obligations comprising the Collateral Assets to any party (including the Swap Counterparty); and/or
- (b) the transfer of any of the Cash Collateral comprising the Collateral Assets to any party (including the Swap Counterparty); and/or
- (c) a purchase of any Eligible Collateral Obligations from any party (including the Swap Counterparty) and subsequent transfer of such Eligible Collateral Obligations to (or to the order of) the Issuer; and/or
- (d) the transfer of any Eligible Cash Collateral from any party (including the Swap Counterparty) to (or to the order of) the Issuer,

provided that in each case, the effect of the foregoing shall not cause the aggregate Adjusted Market Value of the Collateral Assets to be less than the aggregate outstanding principal amount of the Notes.

The Collateral Obligations and/or Cash Collateral comprising the Collateral Assets referred to in (a) and (b) above are "**Substituted Collateral Assets**" and the Eligible Collateral Obligations and the Eligible Cash Collateral referred to in (c) and (d) above are "**Substitute Collateral Assets**".

The date on which a Substitution is effected is the "**Substitution Effective Date**". The Substitution Effective Date shall be specified by the Swap Counterparty pursuant to the confirmation with respect to the Swap Transaction.

The Collateral Agent shall arrange that upon any release of the Substituted Collateral Assets from the security created by or pursuant to the Trust Deed, any Substitute Collateral Assets being substituted for the Substituted Collateral Assets shall be delivered, transferred or assigned to the Custodian (on behalf of the Issuer) with full title guarantee and subject to the charge or other security interest created by or pursuant to the Trust Deed. The Collateral Agent shall also arrange that the delivery, transfer or assignment of the Substitute Collateral Assets to the Custodian (on behalf of the Issuer), or of the Substituted Collateral Assets by the Custodian (on behalf of the Issuer) to any party would not require or cause the Issuer to assume, and would not subject the Issuer to, any obligation or liability (other than immaterial, non-payment obligations).

Notwithstanding the foregoing, any Substitution shall be subject (i) to compliance with all relevant laws, regulations and directives, (ii) to the terms of the Substituted Collateral Assets and the Substitute Collateral Assets and (iii) to the Swap Counterparty paying any costs and expenses (including, without limitation, any stamp duty or other tax) payable in connection with such Substitution.

The Trustee shall not be liable to the Issuer, the Noteholders or any other person nor shall the Issuer be liable to the Trustee, any Noteholder or any other person for any loss arising from any arrangement referred to or otherwise from the operation of the foregoing.

### **(C) Release of Charged Assets**

The Collateral Agent shall (acting as agent for the Issuer) effect each Release in accordance with the instructions of the Swap Counterparty given pursuant to the confirmation with respect to the Swap Transaction. A Release may be effected on any Business Day.

A "**Release**" shall comprise:

- (a) a transfer of any of the Collateral Obligations comprising the Charged Assets to any party (including the Swap Counterparty); and/or
- (b) the transfer of any of the Cash Collateral comprising the Charged Assets to any party (including the Swap Counterparty),

provided that in each case, the effect of the foregoing shall not cause the aggregate Adjusted Market Value of the Collateral Assets to be less than the aggregate outstanding principal amount of the Notes.

The Collateral Obligations and/or the Cash Collateral comprising the Collateral Assets referred to in (a) and (b) above are "**Released Collateral Assets**".

The date on which a Release is effected is the “**Release Date**”. The Release Date shall be specified by the Swap Counterparty pursuant to the confirmation in respect of the Swap Transaction.

The Collateral Agent shall arrange that the delivery, transfer or assignment of the Released Collateral Assets by the Custodian (on behalf of the Issuer) to any party would not require or cause the Issuer to assume, and would not subject the Issuer to, any obligation or liability (other than immaterial, non-payment obligations).

Notwithstanding the foregoing, any Release shall be subject (i) to compliance with all relevant laws, regulations and directives, (ii) to the terms of the Released Collateral Assets and (iii) to the Swap Counterparty paying any costs and expenses (including, without limitation, any stamp duty or other tax) payable in connection with such Release.

The Trustee shall not be liable to the Issuer, the Noteholders or any other person nor shall the Issuer be liable to the Trustee, any Noteholder or any other person for any loss arising from any arrangement referred to or otherwise from the operation of the foregoing.

### **(III) Mandatory Redemption Not Applicable**

Condition 7(b) (*Mandatory Redemption*) shall not apply in respect of this Series of Notes.

### **(IV) Voting Rights**

Notwithstanding anything to the contrary in the Conditions, the Trust Deed or otherwise, the Issuer will not, for as long as an Event of Default (as defined in the Charged Agreement) with respect to the Swap Counterparty has not occurred and is continuing, exercise voting rights in its capacity as holder of the Charged Assets unless directed to do so by the Swap Counterparty, and if such direction is given, only in accordance with such direction. The Issuer has instructed the Custodian to exercise any such voting rights in any such manner as the Swap Counterparty may direct (at the cost of the Swap Counterparty).

Notwithstanding anything to the contrary in the Conditions, the Trust Deed or otherwise, the Issuer will not, in the event that an Event of Default (as defined in the Charged Agreement) with respect to the Swap Counterparty has occurred and is continuing, exercise voting rights in its capacity as holder of the Charged Assets unless directed to do so by the Trustee, acting on the instructions of the Noteholders (given by Extraordinary Resolution), and if such direction is given, only in accordance with such direction (at the cost of the Noteholders).

### **(V) Amendments to Transaction Documents**

In the event of any amendment or modification to the terms of the Notes or the Charged Agreement or any of the other agreements constituted by the Constituting Instrument in respect of the Notes, the Calculation Agent shall, on behalf of the Issuer, notify Moody’s of such amendment or modification.

### **(VI) Redemption Following Breach of Selling Restrictions**

If the Notes are sold or otherwise transferred to any person in breach of any restrictions, rules and/or regulations which are applicable to the sale of securities to US Persons (as defined in Regulation S under the United States Securities Act of 1933, as amended) or to any person other than Non-United States Persons (as defined by the United States Commodity Futures Trading Commission) (in each case as determined by the Arranger in its sole and absolute discretion with regards or by reference to the facts and circumstances then existing) (such Notes the “**Affected Notes**”), the Issuer shall, if instructed to do so by the Arranger, redeem the Affected Notes sold or otherwise

transferred to that person on the date notified by the Arranger to the Issuer for such purpose and each such Affected Note shall be redeemed for an amount equal to its fair market value (as determined by the Calculation Agent in its sole discretion, acting in a commercially reasonable manner).

## ANNEX 1

### **FORM OF EXTENSION REQUEST NOTICE**

#### **EXTENSION REQUEST NOTICE**

**ELM B.V.**

a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*)  
with its seat (*zetel*) in Amsterdam, The Netherlands

**Series 184 Secured Extendible Floating Rate Notes ISIN: XS1037377618**  
(the “**Notes**”)

[*Date*]

All terms used but not defined in this notice have the same meanings given to them in the Terms and Conditions of the Notes.

This is an Extension Request Notice given on the date first mentioned above pursuant to Special Condition (I) of the Notes and we hereby give you notice that we propose to extend the Maturity Date of the Notes to [*date*] (the “**Extension Proposal**”).

If you wish to consent to or reject the Extension Proposal you must send a notice to UBS AG, London branch (the “**Calculation Agent**”) in the form set out in Annex 2 to the Terms of the Notes (as set out in the Series Memorandum relating to the Notes), a copy of which is annexed to this notice (an “**Extension Response Notice**”) [and inform Euroclear and/or Clearstream, Luxembourg that such extension is consented to or rejected (as applicable) and instruct Euroclear and/or Clearstream, Luxembourg to notify such consent or rejection and disclose the amount of the Notes it holds and the details of the beneficial owner of the Notes to the Calculation Agent and to block the Notes in its accounts until the current Maturity Date\*]. Such notifications/instructions should be made on or before 17:00 London time (the “**Extension Request Cut-off Time**”) on [*insert Extension Request Cut-off Date*] (the “**Extension Request Cut-off Date**”).

\*[If the Notes are in definitive registered form, set out details of the address/person to whom the Extension Response Notice is to be sent.]

**You shall be deemed to have rejected the Extension Proposal if you do not send an Extension Response Notice on or before the Extension Request Cut-off Time on the Extension Request Cut-off Date.**

The Spread which will apply following any extension of the Maturity Date is:

Plus [0.10]/[0.15] per cent. per annum

If you consent to the Extension Proposal, the Maturity Date of your Notes will be extended in accordance with the Extension Proposal unless the Swap Counterparty does not consent to the Extension Proposal. **If the Swap Counterparty does not consent to the Extension Proposal then the Maturity Date of the Notes will not be extended even if you have consented to the Extension Proposal.**

[If the Maturity Date is extended in accordance with this Extension Proposal then a further Extension Request Notice may be given not later than [*date*], being 45 calendar days prior to the new Maturity Date. The relevant Extension Request Cut-off Date by which an Extension

Response Notice may be given by you in relation to such further Extension Request Notice will be [date], being 31 calendar days prior to the new Maturity Date.]

If you have any questions relating to this notice please contact:

[*Calculation Agent contact details to be set out*]

Signed: .....

For and on behalf of the Calculation Agent as agent of ELM B.V.

[*Form of Extension Response Notice to be annexed*]

**Copied to:**

The Law Debenture Trust Corporation p.l.c. (The Trustee)

UBS AG, London branch

## ANNEX 2

### **FORM OF EXTENSION RESPONSE NOTICE**

**To: UBS AG, London branch (Calculation Agent)**  
**Fax: [•]**

**Attn.: [•]**

### **EXTENSION RESPONSE NOTICE**

#### **ELM B.V.**

a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*)  
with its seat (*zetel*) in Amsterdam, The Netherlands

**Series 184 Secured Extendible Floating Rate Notes ISIN: XS1037377618**  
**(the “Notes”)**

[*Date*]

All terms used but not defined in this notice have the same meanings given to them in the Terms and Conditions of the Notes.

We refer to the Extension Request Notice dated [*state date of Extension Request Notice*] and we hereby [consent to/reject]\* the Extension Proposal referred to in that Extension Request Notice in respect of our holding of Notes as follows:

[CHF][*State nominal principal amount of Notes in respect of which consent/rejection given*]

\*[*delete as applicable*]

Signed: .....

For and on behalf of [*state name of Noteholder*]

## ANNEX 3

### **FORM OF NOTICE OF WHETHER SWAP COUNTERPARTY CONSENTS TO/REJECTS MATURITY EXTENSION**

#### **ELM B.V.**

a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*)  
with its seat (*zetel*) in Amsterdam, The Netherlands

**Series 184 Secured Extendible Floating Rate Notes ISIN: XS1037377618**  
(the “Notes”)

[Date]

All terms used but not defined in this notice have the same meanings given to them in the Terms and Conditions of the Notes.

We refer to the Extension Request Notice dated [state date of Extension Request Notice] and we hereby notify you that the Swap Counterparty [consents to/rejects]\* the Extension Proposal referred to in that Extension Request Notice.

\*[delete as applicable]

[If Counterparty consents to Extension Proposal:

Accordingly, all Notes in respect of which either an Extension Response Notice has been duly received rejecting the Extension Proposal or an Extension Response Notice is not received on or before the Extension Request Cut-off Time on the Extension Request Cut-off Date, shall be redeemed for their Scheduled Redemption Amount on the existing Maturity Date and the Maturity Date of all other Notes will be extended in accordance with the Extension Proposal.]

[If Swap Counterparty rejects Extension Proposal:

Accordingly, all of the Notes shall be redeemed for their Scheduled Redemption Amount on the existing Maturity Date.]

If you have any questions relating to this notice please contact:

[Calculation Agent contact details to be set out]

Signed: .....

For and on behalf of the Calculation Agent as agent of ELM B.V.

#### **Copied to:**

The Law Debenture Trust Corporation p.l.c. (The Trustee)

## **USE OF PROCEEDS**

The net proceeds from the issue of the Notes, being CHF 60,000,000 were applied by the Issuer in payment to the Swap Counterparty pursuant to the Charged Agreement on the Issue Date in satisfaction of its obligation to pay the ELM Initial Exchange Amount (as defined in the Swap Confirmation) thereunder.

## SUMMARY OF THE CHARGED AGREEMENT

The Charged Agreement comprises the swap agreement entered into by the Issuer and the Swap Counterparty by their execution of the Constituting Instrument relating to the Notes on the terms of the ISDA 1992 form of Master Agreement (Multicurrency – Cross Border) as amended by the schedule set out in the Master Swap Terms (February 2013 Edition) incorporated by reference into such Constituting Instrument and as supplemented by a confirmation (which is set out below) of a swap transaction (the “**Swap Transaction**”). Reference should also be made to item 30(viii) of the Terms of the Notes.

The Issuer has assigned by way of fixed security in favour of the Trustee for itself and as trustee for the Noteholders all of the Issuer’s rights, title, benefit and interest in, to and under the Charged Agreement and any sums and any other assets derived therefrom.

The form of confirmation in respect of the Swap Transaction is set out in full below. The Master Swap Terms comprised in the Charged Agreement in respect of the Notes include the following provisions:

- (A) The transactions comprised in the Charged Agreement will be capable of termination at the option of the Issuer upon the occurrence of any of the following events of default in relation to the Swap Counterparty: failure to pay or deliver, breach of agreement, misrepresentation, bankruptcy and merger without assumption (as such events are more particularly described in the Master Swap Terms). The transactions comprised in the Charged Agreement will be capable of termination at the option of the Swap Counterparty upon the occurrence of any of the following events of default in relation to the Issuer: failure to pay or deliver and bankruptcy (as such events are more particularly described in the Master Swap Terms).
- (B) In the event that it becomes unlawful for either the Issuer or the Swap Counterparty to perform its obligations under a transaction comprised in the Charged Agreement, either the Issuer or the Swap Counterparty (or both) may have the right to terminate such transaction.
- (C) Subject to sub-paragraph (D) below, in the event that a withholding or deduction is, or there is a substantial likelihood that a withholding or deduction will be, imposed on any payment to be made by either the Issuer or the Swap Counterparty to the other under a transaction comprised in the Charged Agreement by reason of certain action taken by a taxing authority or brought in a court of competent jurisdiction or certain changes in tax law or by reason of FATCA, neither party is obliged to gross up such payment and the party who has received, or would receive, such payment net of such withholding (other than by reason of FATCA) or deduction may have the right to terminate the transaction.
- (D) In the event that a withholding or deduction will be imposed on any payment to be made to the Issuer under a transaction comprised in the Charged Agreement as a result of a merger event affecting the Swap Counterparty, the Swap Counterparty is required to gross up such payment to the Issuer or may otherwise terminate the transaction.
- (E) If at any time the Notes become repayable in full prior to the Maturity Date, the transactions comprised in the Charged Agreement shall terminate automatically.
- (F) If the Notes are repurchased by the Issuer pursuant to Condition 7(g), a proportionate part of the Charged Agreement will terminate.
- (G) In the event that a payment due in respect of the Charged Assets is, or would be required to be, made to the Issuer (or the relevant Custodian on behalf of the Issuer) subject to a withholding or deduction for or on account of any tax (including on account of FATCA)

which is not grossed up, then the Swap Counterparty has the right to terminate the transaction.

In the event of any such termination of the Swap Transaction, an amount may be payable by the Issuer to the Swap Counterparty or by the Swap Counterparty to the Issuer. The Swap Counterparty shall rank ahead of Noteholders in respect of any such payment that may be due from the Issuer to the Swap Counterparty.

In the event of any inconsistency between the Master Swap Terms and the terms of the confirmation in respect of the Swap Transaction, the terms of such confirmation shall prevail.

Payments to the Noteholders under the Notes are entirely contingent on the full and timely performance of the obligations of the Swap Counterparty under the Charged Agreement.

If the Charged Agreement is terminated (in whole but not in part and other than as a consequence of the Notes having otherwise fallen due for redemption), the Notes will fall due for redemption. Upon the Notes falling due for redemption in such circumstances, the Notes shall be redeemed in accordance with Condition 7(c) and Condition 7(e).

## FORM OF SWAP TRANSACTION CONFIRMATION

UBS AG, London Branch  
1 Finsbury Avenue  
London EC2M 2PP  
("UBS")

ELM B.V.  
having its seat (*zetel*) in Amsterdam, the Netherlands  
Prins Bernhardplein 200  
1097 JB Amsterdam  
The Netherlands  
("ELM")

Attention: The Managing Director  
Fax No: +31 20 521 4832

11 March 2014

Dear Sirs

The purpose of this letter agreement is to set out the terms and conditions of the Swap Transaction entered into between us on the Trade Date specified below (the "**Swap Transaction**"). This letter agreement constitutes a "**Confirmation**" as referred to in the Agreement (as defined below).

Words and expressions used, but not otherwise defined herein, shall have the same meaning ascribed to them (or incorporated by reference) in the Terms and Conditions of ELM's Series 184 CHF 60,000,000 Secured Extendible Floating Rate Notes (the "**Notes**").

The definitions and provisions contained in the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc.) are incorporated into this Confirmation. In the event of any inconsistency between those definitions and provisions and this Confirmation, this Confirmation will prevail.

### Swap Agreement

This Confirmation supplements, forms part of, and is subject to, the Swap Agreement relating to the Notes dated as of today's date between us and you (as the same may be amended or supplemented from time to time, the "**Agreement**"). All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

### Terms of Swap Transaction

The terms of the particular Swap Transaction to which this Confirmation relates are as follows:-

Trade Date	Issue Date.
Effective Date	Issue Date.
Termination Date	The earlier to occur of the Latest Extended Maturity Date and the Maturity Date on which all of the outstanding Notes are to be redeemed.

Calculation Agent	UBS.
Business Days	The Business Days applicable to the Notes shall apply.
Fixed and Floating Rate Payer	ELM.
Fixed and Floating Amounts	All amounts payable to ELM in respect of the Charged Assets. For the avoidance of doubt, if any such amounts received by ELM are subject to withholding or deduction for or on account of any tax so that ELM receives a net amount, ELM shall be obliged to pay to UBS in respect of such distribution only such net amount.
Fixed and Floating Rate Payer Payment Dates	Each date an amount is due under the terms of the Charged Assets.
Floating Rate Payer	UBS.
Floating Rate Payer Payment Dates	One Business Day prior to each Interest Payment Date under the Notes.
Floating Amounts	With respect to each Floating Rate Payer Payment Date, an amount equal to the aggregate of the Interest Amounts payable by ELM in respect of the Notes on the Interest Payment Date falling one Business Day after such Floating Rate Payer Payment Date.

#### Initial Exchange

UBS Initial Exchange Amount	An amount equal to the Initial Cash Collateral (if any) and the aggregate purchase price of the Initial Collateral Obligations (if any), in each case as determined by UBS as follows:
	On or prior to the Issue Date UBS shall: (a)(i) determine the Eligible Collateral Obligations (if any) which are to comprise the Initial Collateral Obligations; (ii) if any such Eligible Collateral Obligations are so determined, direct the Collateral Agent (acting as agent on behalf of ELM) to purchase with full title guarantee such securities from such party as may be determined by UBS (which may include UBS) for such price as UBS shall have agreed with such party; and (iii) direct such securities to be delivered to the Custodian; and/or (b) determine the Eligible Cash Collateral (if any) which is to comprise the Initial Cash Collateral and direct such cash be paid to the Custodian by such party as may be determined by UBS (which may include UBS).
ELM Initial Exchange Amount	ELM shall, or shall procure that the Collateral Agent shall, arrange for an amount to be paid to such party as may be determined by UBS (which

may include UBS) equal to the Principal Amount of the Notes multiplied by the Issue Price.

Initial Exchange Date

Effective Date.

Interim Exchange

UBS Interim Exchange I Amount(s)

With respect to an Interim Exchange I Date, an amount equal to the sum of the Scheduled Redemption Amounts payable pursuant to the Terms and Conditions of the Notes on the Maturity Date falling immediately after such Interim Exchange I Date.

ELM Interim Exchange I Amount(s)

None (but, for the avoidance of doubt, Collateral Obligations and/or Cash Collateral may be subject to a Substitution and/or Release, in respect of which the ELM Interim Exchange II Amounts provision below will apply, at the same time as any reduction of the aggregate outstanding principal amount).

Interim Exchange I Date(s)

One Business Day prior to each Maturity Date other than the Latest Extended Maturity Date and other than the Maturity Date on which all of the outstanding Notes are to be redeemed.

UBS Interim Exchange II Amounts

If, in relation to any Substitution, any Eligible Collateral Obligations are required to be purchased, UBS shall procure that such party as may be determined by UBS (which may include UBS) shall, on the Substitution Effective Date, transfer to or to the order of the Collateral Agent on behalf of ELM an amount equal to the purchase price therefor.

If, in relation to any Substitution, any Eligible Cash Collateral is required to be transferred to ELM, UBS shall procure that such party as may be determined by UBS (which may include UBS) shall, on the Substitution Effective Date transfer an amount equal to such Eligible Cash Collateral to ELM or to the order of the Collateral Agent on behalf of ELM.

ELM Interim Exchange II Amounts

If, in relation to any Substitution, any Collateral Obligations are required to be sold, ELM shall, or shall procure that the Collateral Agent shall, arrange for an amount equal to the relevant sale proceeds to be transferred to such party as may be determined by UBS (which may include UBS) on the Substitution Effective Date.

If, in relation to any Substitution or any Release, any Cash Collateral is required to be transferred by ELM, ELM shall, or shall procure that the Collateral Agent shall, on the Substitution

Effective Date or, as the case may be, the Release Date transfer an amount equal to the relevant Cash Collateral to such party as may be determined by UBS (which may include UBS).

If, in relation to any Release, any Collateral Obligations are required to be transferred to such party as may be determined by UBS (which may include UBS), ELM shall, or shall procure that the Collateral Agent shall, on the Release Date transfer such Collateral Obligations to such party as may be determined by UBS (which may include UBS) (provided that it is not impossible, illegal or impracticable for ELM or the Collateral Agent on behalf of ELM to deliver the same, and subject to all applicable laws, regulations and directives and to the terms of the relevant Collateral Obligations and subject to UBS bearing all costs and expenses (including tax) relating to the same).

#### Final Exchange

##### UBS Final Exchange Amount

With respect to the Final Exchange Date relating to the UBS Initial Exchange Amount, an amount equal to the sum of the Scheduled Redemption Amounts payable pursuant to the Terms and Conditions of the Notes on the Maturity Date falling immediately after such Final Exchange Date.

##### ELM Final Exchange Amount

On the Final Exchange Date, ELM shall, or shall procure that the Collateral Agent shall, transfer the Collateral Obligations (provided that it is not impossible, illegal or impracticable for ELM to deliver the same, and subject to all applicable laws, regulations and directives and to the terms of the Collateral Obligations and subject to UBS bearing all costs and expenses (including tax) relating to the same) and any sum standing to the credit of the Collateral Account on the Final Exchange Date.

##### Final Exchange Date

In respect of the UBS Final Exchange Amount: one Business Day prior to the Termination Date; and in respect of the ELM Final Exchange Amount: the Termination Date.

## 1. Other Provisions

### 1.1 **Substitution of Collateral Assets**

(A) ELM shall, or shall procure that the Collateral Agent shall, effect a Substitution pursuant to the Terms of the Notes in accordance with instructions of UBS, provided that such instructions (which shall be given by UBS to the Collateral Agent (acting as agent on behalf of ELM) in such manner as may be agreed between UBS and the Collateral Agent) shall:

- (i) specify the Substitution Effective Date;
- (ii) specify the relevant Substituted Collateral Assets (if any, it being understood that a Substitution may be effected even if no Substituted Collateral Assets are specified);
- (iii) specify the relevant Substitute Collateral Assets;
- (iv) if any of the relevant Substituted Collateral Assets comprise Collateral Obligations, specify the party (which may include UBS) to whom such Collateral Obligations shall be sold and the sale price therefor (which shall have been agreed between UBS and such party); and
- (v) if any of the relevant Substitute Collateral Assets comprise Eligible Collateral Obligations, specify the party (which may include UBS) from whom such Eligible Collateral Obligations shall be purchased and the purchase price therefor (which shall have been agreed between UBS and such party).

(B) UBS agrees that if on any Rebalancing Date the Calculation Agent under the Notes has determined that the Adjusted Market Value of the Collateral Assets is less than the aggregate outstanding principal amount of the Notes, then it shall on or prior to the second Business Day following such Rebalancing Date give instructions in accordance with paragraph (A) above with respect to a Substitution and a Substitution Effective Date no later than the fifth Business Day following the Rebalancing Date, so that, immediately following such Substitution, the aggregate Adjusted Market Value of the Collateral Assets after the Substitution is equal to or greater than the aggregate outstanding principal amount of the Notes.

(C) UBS agrees that all costs and expenses (including, without limitation, any stamp duty or other tax) payable in connection with any Substitution shall be borne by UBS.

## 1.2 Release of Collateral Assets

ELM shall, or shall procure that the Collateral Agent shall, effect a Release pursuant to the Terms of the Notes in accordance with the instructions of UBS; provided that such instructions (which shall be given by UBS to the Collateral Agent (acting as agent on behalf of ELM) in such manner as may be agreed between UBS and the Collateral Agent) shall:

- (i) specify the Release Date;
- (ii) specify the relevant Released Collateral Assets; and
- (iii) if any of the relevant Released Collateral Assets comprise Collateral Obligations, specify whether such Collateral Obligations are to be transferred to UBS or, if not, the party to whom such Collateral Assets shall be sold and the sale price therefor (which shall have been agreed between UBS and such party).

UBS agrees that all costs and expenses (including, without limitation any stamp duty or other tax) payable in connection with any Release shall be borne by UBS.

## 1.3 Exercise of rights in connection with the Charged Assets

UBS and ELM hereby agree that, provided that an Event of Default with respect to UBS under this Agreement has not occurred and is continuing, ELM will not exercise voting

rights in its capacity as holder of the Charged Assets unless directed to do so by UBS, and if such direction is given, only in accordance with such direction.

#### 1.4 **Extension Provision**

Upon receipt of a copy of any Extension Request Notice, UBS may not later than the relevant Extension Cut-off Date either consent to or reject the relevant extension proposal. Such consent or rejection shall be notified to the Calculation Agent in accordance with arrangements that may be agreed between UBS and the Calculation Agent. If UBS fails to give such notice on or before the relevant Extension Cut-off Date, UBS shall be deemed to have rejected the relevant extension proposal.

#### 1.5 **Redemption Following Breach of Selling Restrictions**

On the Business Day immediately prior to any date on which any Notes fall due for redemption pursuant to Special Condition (VI) (*Redemption Following Breach of Selling Restrictions*) of the Notes, UBS shall pay to ELM an amount equal to the redemption amount payable on the relevant Affected Notes.

### 2. **Account Details**

Payments/Deliveries to UBS: to be advised

Payments/Deliveries to ELM: to be advised

Please confirm that the foregoing correctly sets out the terms of our agreement by executing two copies of this Confirmation and returning one duly executed copy to us at your earliest convenience.

Yours sincerely

**UBS AG, LONDON BRANCH**

By: .....  
Authorised Signatory

By: .....  
Authorised Signatory

Accepted and confirmed as  
of the date written above:

**ELM B.V.**

By: .....  
Authorised Signatory

## INFORMATION RELATING TO THE INITIAL COLLATERAL OBLIGATIONS

*The following information relating to the Initial Collateral Obligations is a summary only and has been extracted from (i) the underlying documentation relating to the Initial Collateral Obligations; (ii) information published by the issuers of the Initial Collateral Obligations; (iii) the website of the Luxembourg Stock Exchange; (iv) information available on Bloomberg; and (v) the website of Moody's. Such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from such information, no facts have been omitted which would render the reproduced information inaccurate or misleading.*

### **Collateral Securities 1**

Collateral Securities 1:	USD 13,000,000 principal amount of USD 596,000,000 12.375 per cent notes due 17 August 2017 (ISIN: USP79171AB31) ("Collateral Securities 1")
Issuer of Collateral Securities 1:	The Province of Córdoba
Address:	Concepción Arenal 54, Nueva Córdoba, 5009 Córdoba, Argentina
Country of Incorporation:	Argentina
Description of business/principal activities:	Regional Authority
Method of Origination:	The Collateral Securities 1 were issued by the Issuer of Collateral Securities 1 pursuant to the indenture dated 17 August 2010 and the supplemental indenture dated 22 October 2010
Issue Date:	17 August 2010 in respect of the initial tranche and 22 October 2010 in respect of the subsequent tranche
Maturity Date:	17 August 2010
Interest Payment Dates:	17 February and 17 August in each year
Issue Size:	USD 596,000,000
Minimum Denomination:	USD 100,000 and integral multiples of USD 1,000 in excess thereof
Rating:	Caa1 (Moody's Latin America)
	Moody's Latin America is not established in the European Community is not registered under the CRA Regulation
Listing:	Collateral Securities 1 are admitted to trading on the EuroMTF market of the Luxembourg Stock Exchange
Governing Law:	State of New York

## **Collateral Securities 2**

Collateral Securities 2: USD 8,750,000 principal amount of USD 750,000,000 8.75% per cent notes due 14 February 2018 (ISIN: XS0591549232) (“**Collateral Securities 2**”)

Issuer of Collateral Securities 2: Metinvest B.V. guaranteed on a joint and several basis by:

- (i) Open Joint Stock Company Avdeevskiy Coke-Processing Works;
- (ii) Open Joint Stock Company Ingulets’kyi Ore Mining and Processing Enterprise;
- (iii) Open Stock Company Khartsyzsk Tube Works;
- (iv) Open Joint Stock Company Azovstal Iron & Steel Works, Open Joint Stock;
- (v) Open Joint Stock Company Enakievo Metallurgical Works;
- (vi) Ukraine-Switzerland Joint Venture Limited Liability Company Metalen;
- (vii) Joint stock Company Severnity GOK; and
- (viii) Joint Stock Company Central Mining-Dressing Integrated Works.

Address: Alexanderstraat 23, 2514 JM, The Hague, The Netherlands

Country of Incorporation: The Netherlands

Description of business/principal activities: Steel and mining

Method of Origination: The Collateral Securities 2 were issued by the Issuer of Collateral Securities 2 pursuant to the Base Offering Memorandum dated 11 February 2011 and the Pricing Supplement dated 11 February 2011

Issue Date: 14 February 2011

Maturity Date: 14 February 2018

Interest Payment Dates: 14 February and 14 August in each year

Issue Size: USD 750,000,000

Minimum Denomination: USD 200,000 and integral multiples of USD 1,000 in excess thereof

Rating:	Caa1 (Moody's Investors Service Limited, Russian Branch)
	Moody's Investors Service Limited, Russian Branch is not established in the European Community is not registered under the CRA Regulation
Listing:	Collateral Securities 2 are admitted to trading on the Global Exchange Market of the Irish Stock Exchange

Governing Law: English

### **Collateral Securities 3**

Collateral Securities 3:	USD 12,000,000 principal amount of USD 150,000,000 4.10 per cent guaranteed notes due 22 May 2018 (ISIN: XS0926291989) ("Collateral Securities 3")
Issuer of Collateral Securities 3:	R-REIT International Finance Limited, guaranteed by DB Trustees (Hong Kong) Limited (in its capacity as trustee of Regal REIT)
Address:	Unit No. 1504, 15/7, 68 Yee Wo Street, Causeway Bay, Hong Kong
Address:	Unit No. 1504, 15/7, 68 Yee Wo Street, Causeway Bay, Hong Kong
Country of Incorporation:	British Virgin Islands
Description of business/principal activities:	Hotel and hospitality investment
Method of Origination:	The Collateral Securities 3 were issued by the Issuer of the Collateral Securities 3 pursuant to the USD 1,000,000,000 medium term notes programme on 22 May 2013
Listing:	The Collateral Securities 3 are admitted to trading on the Hong Kong Stock Exchange
Governing Law:	English

### **Collateral Securities 4**

Collateral Securities 4:	USD 13,000,000 principal amount 9.75 per cent notes due 17 May 2035 (ISIN: USP7807HAQ85) ("Collateral Securities 4")
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Issuer of Collateral Securities 4:	Petróleos de Venezuela, S.A.
Registered Office:	Avenida Libertador, La Campiña, Apartado 169, Caracas 1050-A, Venezuela
Country of Incorporation:	Venezuela
Description of business/principal activities:	Hydrocarbons, oil and gas
Method of Origination:	The Collateral Securities 4 were issued by the Issuer of the Collateral Securities 4 pursuant to the offering circular dated 11 May 2012
Issue Date:	17 May 2012
Maturity Date:	17 May 2035
	Collateral Securities 4 will redeem in three equal instalments payable on 17 May 2033, 17 May 2034 and 17 May 2035.
Interest Payment Dates:	17 May and 17 November in each year
Issue Size:	USD 3,000,000,000
Minimum Denomination:	USD 100 and integral multiples of USD 1 in excess thereof
Rating:	Caa1 (Moody's de Mexico S.A. de C.V)
	Moody's de Mexico S.A. de C.V is not established in the European Community is not registered under the CRA Regulation
Listing:	Collateral Securities 4 are admitted to trading on the Open Market of the Berlin Stock Exchange
Governing Law:	State of New York

### **Collateral Securities 5**

Collateral Securities 5:	USD 7,380,000 principal amount of USD 600,000,000 7.875 per cent. senior notes due 04 April 2018 (ISIN: USG2941DAA03) (“ <b>Collateral Securities 5</b> ”)
Issuer of Collateral Securities 5:	DTEK Finance plc, unconditionally and irrevocably guaranteed on a senior basis by DTEK Holdings B.V., DTEK Holdings Limited and DTEK Trading Limited
Address:	18 South Street, London W1K 1DG, United Kingdom

Country of Incorporation:	United Kingdom
Description of business/principal activities:	Energy and mining
Method of Origination:	Collateral Securities 5 were issued by the Issuer of Collateral Securities 5 pursuant to the indenture dated 04 April 2013
Issue Date:	04 April 2013
Maturity Date:	04 April 2018
Interest Payment Dates:	04 April and 04 October in each year
Issue Size:	USD 600,000,000
Minimum Denomination:	USD 200,000 and integral multiples of USD 1,000 in excess thereof
Rating:	Caa1 (Moody's Investors Service Limited, Russian Branch)
	Moody's Investors Service Limited, Russian Branch is not established in the European Community is not registered under the CRA Regulation
Listing:	Collateral Securities 5 are admitted to trading on the Global Exchange Market of the Irish Stock Exchange
Governing Law:	State of New York

### **Collateral Securities 6**

Collateral Securities 6:	USD 9,100,000 principal amount of USD 550,000,000 9.50 per cent. Notes due 24 April 2018 (ISIN: XS0359381221) ("Collateral Securities 6")
Issuer of Collateral Securities 6:	Evraz Group S.A.
Address:	1 Allee Scheffer, L-2520 Luxembourg
Country of Incorporation:	Luxembourg
Description of business/principal activities:	Steel and mining
Method of Origination:	Collateral Securities 6 were issued by the Issuer of Collateral Securities 6 pursuant to the trust deed dated 24 April 2008
Listing:	Collateral Securities 6 are admitted to trading on the regulated market of the London Stock

Governing Law:	English
Address:	6, rue Philippe II, L-2340 Luxembourg, Luxembourg
Country of Incorporation:	Luxembourg
Description of business/principal activities:	Special Purpose Vehicle
Method of Origination:	Collateral Securities 7 were issued by the Issuer of Collateral Securities 7 pursuant to the prospectus dated 06 October 2009
Listing:	Collateral Securities 7 are admitted to trading on the regulated market of the Luxembourg Stock Exchange
Governing Law:	German

<b><u>Collateral Securities 8</u></b>	
Collateral Securities 8:	USD 2,000,000 principal amount of USD 1,000,000,000 9.125 per cent. notes due 30 April 2018 (ISIN: XS0361041808) ("Collateral Securities 8")
Issuer of Collateral Securities 8:	VIP Finance Ireland Limited
Address:	5 Harbourmaster Place, IFSC, Dublin 1, Ireland
Country of Incorporation:	Ireland
Description of business/principal activities:	Special Purpose Vehicle
Method of Origination:	Collateral Securities 8 were issued by the Issuer of Collateral Securities 8 pursuant to the trust deed dated 30 April 2008
Listing:	Collateral Securities 8 are admitted to trading on the regulated market of the Irish Stock

Governing Law:	English
<b><u>Collateral Securities 9</u></b>	
Collateral Securities 9:	USD 3,950,000 principal amount of USD 200,000,000 13.75 per cent. senior notes due 26 September 2018 (ISIN: USG98100AA11) (“ <b>Collateral Securities 9</b> ”)
Issuer of Collateral Securities 9:	Wuzhou International Holdings Limited
Address:	Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands
Country of Incorporation:	Cayman Islands
Description of business/principal activities:	Real Estate
Method of Origination:	Collateral Securities 9 were issued by the Issuer of Collateral Securities 9 pursuant to the indenture dated 26 September 2013
Listing:	Hong Kong Stock Exchange
Governing Law:	State of New York

<b><u>Collateral Securities 10</u></b>	
Collateral Securities 10:	USD 9,500,000 principal amount 9.375 per cent. notes due 15 December 2015 (ISIN: USP8055QDE90) (the “ <b>Collateral Securities 10</b> ”)
Issuer of the Collateral Securities 10:	The Republic of Ecuador
Address:	Ministerio de Economia y Finanzas, Avenida Amazonas y Villalengua, Edificio Banco Amazonas, Quito, Ecuador
Country of Incorporation:	The Republic of Ecuador
Description of business/principal activities:	Government
Method of Origination:	The Collateral Securities 10 were issued by the Issuer of the Collateral Securities 10 pursuant to the offering memorandum dated 07 December 2005
Issue Date:	12 December 2005

Maturity Date:	15 December 2015
Interest Payment Dates:	15 June and 15 December in each year
Issue Size:	USD 650,000,000
Minimum Denomination:	USD 100,000 and integral multiples of USD 1,000 in excess thereof
Rating:	Caa1 (Moody's Investors Service, Inc.)  Moody's Investors Service, Inc. is not established in the European Community is not registered under the CRA Regulation
Listing:	The Collateral Securities 10 are admitted to trading on the EuroMTF market of the Luxembourg Stock Exchange  The Issuer of Collateral Securities 10 has securities admitted to trading on the Regulated Market of the Luxembourg Stock Exchange
Governing Law:	State of New York

## INFORMATION RELATING TO THE SWAP COUNTERPARTY

*To the best of the knowledge and belief of the Issuer and the Swap Counterparty, the information contained in this section is in accordance with the facts and does not omit anything likely to affect the import of such information. None of the Issuer, the Trustee, or any other person has verified such information and the Trustee does not accept any liability whatsoever for the accuracy of such information and prospective investors should make their own independent investigations into the Swap Counterparty.*

UBS AG (together with its subsidiaries “**UBS Group**”, “**Group**” or “**UBS**”) draws on its 150-year heritage to serve private, institutional and corporate clients worldwide, as well as retail clients in Switzerland. UBS's business strategy is centered on its pre-eminent global wealth management businesses and its leading universal bank in Switzerland. These businesses, together with a client-focused Investment Bank and a strong, well-diversified Global Asset Management business, will enable UBS to expand its premier wealth management franchise and drive further growth across the Group. Headquartered in Zurich and Basel, Switzerland, UBS has offices in more than 50 countries, including all major financial centers.

On 31 December 2013 UBS's Swiss SRB Basel III common equity tier 1 capital ratio was 18.5% on a phase-in basis and 12.8% on a fully applied basis, invested assets stood at CHF 2,390 billion, equity attributable to UBS shareholders was CHF 48,002 million and market capitalization was CHF 65,007 million. On the same date, UBS employed 60,205 people.

As stated in the outlook statement presented in UBS AG's fourth quarter 2013 report, including the unaudited consolidated financial statements of UBS Group and issued on 4 February 2014, at the start of the first quarter of 2014, many of the underlying challenges and geopolitical issues that UBS has previously highlighted remain. The continued absence of sustained and credible improvements to unresolved European, continuing US fiscal and monetary issues, emerging markets fragility and the mixed outlook for global growth would make improvements in prevailing market conditions unlikely. This could cause traditional improvements in first quarter activity levels and trading volumes to fail to materialize fully and would generate headwinds for revenue growth, net interest margin and net new money. Despite possible headwinds, UBS expects that its wealth management businesses will continue to attract net new money, reflecting new and existing clients' steadfast trust in the firm. UBS will continue to execute on its strategy in order to ensure the firm's long-term success and to deliver sustainable returns for shareholders.

UBS AG was incorporated under the name SBC AG on 28 February 1978 for an unlimited duration and entered in the Commercial Register of Canton Basel-City on that day. On 8 December 1997, the company changed its name to UBS AG. The company in its present form was created on 29 June 1998 by the merger of Union Bank of Switzerland (founded 1862) and Swiss Bank Corporation (founded 1872). UBS AG is entered in the Commercial Registers of Canton Zurich and Canton Basel-City. The registration number is CHE-101.329.561.

UBS AG is incorporated and domiciled in Switzerland and operates under the Swiss Code of Obligations and Swiss Federal Banking Law as an *Aktiengesellschaft*, a corporation that has issued shares of common stock to investors. UBS AG shares are listed on the SIX Swiss Exchange and the New York Stock Exchange.

According to Article 2 of the Articles of Association of UBS AG, dated 14 November 2013 (“**Articles of Association**”) the purpose of UBS AG is the operation of a bank. Its scope of operations extends to all types of banking, financial, advisory, trading and service activities in Switzerland and abroad.

The addresses and telephone numbers of UBS AG's two registered offices and principal places of business are: Bahnhofstrasse 45, CH-8001 Zurich, Switzerland, telephone +41 44 234 1111; and Aeschenvorstadt 1, CH-4051 Basel, Switzerland, telephone +41 61 288 5050.

UBS AG is subject to, and acts in compliance with, all relevant Swiss legal and regulatory requirements regarding corporate governance. In addition, as a foreign company with shares listed on the New York Stock Exchange, UBS AG is in compliance with all relevant corporate governance standards applicable to foreign listed companies.

UBS AG operates under a strict dual board structure, as mandated by Swiss banking law. This structure establishes checks and balances and preserves the institutional independence of the Board of Directors ("BoD") from the day-to-day management of the firm, for which responsibility is delegated to the Group Executive Board ("GEB") under the leadership of the Group Chief Executive Officer ("Group CEO"). The BoD decides on the strategy of the Group upon the recommendation of the Group CEO, and supervises and monitors the business, whereas the GEB, headed by the Group CEO, has executive management responsibility. The functions of Chairman of the BoD and Group CEO are assigned to two different people, ensuring a separation of power. The supervision and control of the GEB remains with the BoD. No member of one board may be a member of the other.

The Articles of Association and the Organization Regulations of UBS AG with their annexes govern the authorities and responsibilities of the two bodies.

Based on section 31 of the Articles of Association, UBS AG shareholders elect the auditors for a term of office of one year. At the AGM of 28 April 2011, 3 May 2012 and 2 May 2013, Ernst & Young Ltd., Aeschengraben 9, CH-4002 Basel ("Ernst & Young") were elected as auditors for the financial statements of UBS AG and the consolidated financial statements of the UBS Group for a one-year term, respectively. Ernst & Young is a member of the Swiss Institute of Certified Accountants and Tax Consultants based in Zurich, Switzerland.

As reflected in its Articles of Association most recently registered with the Commercial Register of Zurich and the Commercial Register of Basel-City, UBS AG has (i) fully paid and issued share capital of CHF 383,525,023.30, divided into 3,835,250,233 registered shares with a par value of CHF 0.10 each, (ii) no authorized capital and (iii) conditional share capital in the amount of CHF 52,551,099.20, comprising 525,510,992 registered shares with a par value of CHF 0.10 each.

### **Where Investors Can Find More Information**

UBS files periodic reports and other information with the U.S. Securities and Exchange Commission (the "SEC"). Investors may read and copy any document that UBS files with the SEC on the SEC's website, [www.sec.gov](http://www.sec.gov), or at the SEC's public reference room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-202-942-8088 (outside the United States) for further information on the operation of its public reference room. Much of this additional information may also be found on the UBS website at [www.ubs.com/investors](http://www.ubs.com/investors). Information on our website is not incorporated by reference into this Series Memorandum and is not part of this Series Memorandum.

## GENERAL INFORMATION

### 1. Authorisation

The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The issue of the Notes was duly authorised by a resolution of the board of directors of the Issuer dated 10 March 2014.

### 2. Interests of Natural and Legal Persons in the Issue

So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

### 3. Significant or Material Change

There has been no significant change in the financial or trading position of the Issuer and no material adverse change in the financial position or prospects of the Issuer since 31 December 2012, being the date of the Issuer's last published audited financial statements.

### 4. Litigation

There are no legal, governmental or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had since the date of its incorporation a significant effect on the financial position of the Issuer.

### 5. Documents Available

Copies of the following documents will be available for inspection by physical means during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Issuer and the specified office of the Registrar in London for so long as any of the Notes shall remain outstanding:

- (i) this Series Memorandum, the 2013 Programme Memorandum and the Programme Memorandum;
- (ii) the Constituting Instrument dated 11 March 2014 and the Charged Agreement constituted thereby;
- (iii) the Memorandum and Articles of Association of the Issuer; and
- (iv) the audited financial statements of the Issuer for the financial year ending on 31 December 2011 and the financial year ended 31 December 2012.

### 6. Clearing Systems and Settlement

The Notes have been accepted for clearance through Euroclear, Clearstream, Luxembourg or such other clearing system approved by the Issuer and the Trustee. The ISIN and common code for the Notes will be XS1037377618 and 103737761 respectively.

### 7. Post Issuance Reporting

The Issuer does not intend to provide post-issuance transaction information.

### 8. Estimated Total Expenses

The Arranger has agreed to take responsibility for the expenses relating to the admission to trading and therefore the cost of such expenses to the Issuer is nil.

**9. Withholding taxes**

The Issuer is not required to gross up any amounts payable by it in respect of any withholding tax and, accordingly, assumes no responsibility for the effect of any taxes withheld at source.

**10. Listing Agent**

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Note to the Official List or to trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive.

## REGISTERED OFFICE OF THE ISSUER

### ELM B.V.

Prins Bernhardplein 200  
1097 JB Amsterdam  
The Netherlands

## ARRANGER

### UBS Limited

100 Liverpool Street  
London EC2M 2RH

## TRUSTEE

### The Law Debenture Trust Corporation p.l.c.

Fifth Floor  
100 Wood Street  
London EC2V 7EX

## CUSTODIAN

**The Bank of New York  
Mellon**  
One Canada Square  
London E14 5AL

## SWAP COUNTERPARTY

**UBS AG, London branch**  
100 Liverpool Street  
London EC2M 2RH

## REGISTRAR AND CALCULATION AGENT

**UBS AG, London branch**  
100 Liverpool Street  
London EC2M 2RH

## LEGAL ADVISERS

*To the Arranger and the Trustee  
as to English law:*

**Simmons & Simmons LLP**  
CityPoint  
One Ropemaker Street  
London EC2Y 9SS

*To the Arranger  
as to Dutch law:*

**Simmons & Simmons LLP**  
PO Box 79023 1070 NB  
Claude Debussyalaan 247 1082 MC  
Amsterdam  
The Netherlands

## LISTING AGENT

**Arthur Cox Listing Services Limited**  
Earlsfort Centre  
Earlsfort Terrace  
Dublin 2  
Ireland