

Clearing Agreement E1

# Collateral Security Deed

English law version

[Insert name of the Account Holder]

## NOTICE

The Clearinghouse provides a predefined set of agreement templates. The templates have been subject to consultation with members prior to release.

To speed up the processing of your application/request, the Clearinghouse encourages that the templates are used "as provided" and that change requests – if any – are kept to a minimum.

All changes to the templates (except for fill-in of data in brackets where so mandated by the template etc) require the consent of the Clearinghouse, and will normally not be approved. The Clearinghouse reserves the right to reject any changes proposed without further explanation. The Clearinghouse may furthermore impose special terms and conditions to if the individual circumstances so require.

## COLLATERAL SECURITY DEED

Please ensure that this document when issued does not contain any square brackets, footnotes, explanatory notes etc. Kindly also remove this note.

**THIS COLLATERAL SECURITY DEED** is made on the date stated on the execution page of this document

### **BETWEEN:**

- (1) **[Insert full name of the Account Holder or, if it is not the Collateral Provider, the full name of the legal entity acting as Collateral Provider (see also Schedule 2 part 2)]**, a company incorporated under the laws of [insert country of incorporation] (registered number [insert reg no]) whose principal office is at [insert address](the "**Collateral Provider**");
- (2) **NASDAQ OMX Stockholm AB**, a company incorporated in Sweden (registered number 556383-9058) whose principal office is at Tullvaktsvägen 15, S-105 78 Stockholm, Sweden (the "**Clearinghouse**") as security trustee for the Secured Beneficiaries (as defined below).

### **INTRODUCTION:**

- (A) The Account Holder (as defined below) is or proposes to become an Account Holder with the Clearinghouse pursuant to the Clearing Rules (as defined below).
- (B) The Collateral Provider has agreed to execute this Deed for the purpose of securing the liabilities to the Clearinghouse of the Account Holder under the Clearing Rules and the Account Holder's Agreement and the liabilities of the Collateral Provider under this Deed.

**WITNESSES** as follows:

### **1. INTERPRETATION**

- 1.1 In this Deed, except insofar as the context otherwise requires, the words and expressions set forth in Schedule 1 shall have the meanings respectively set out opposite them, and the principles of interpretation set out in Schedule 1 shall apply to its interpretation.

### **2. COVENANT TO PAY SECURED SUMS**

- 2.1 The Collateral Provider covenants with the Clearinghouse that it will duly and punctually pay or discharge to the Clearinghouse all debts, obligations and liabilities whatsoever now or in the future (whether before or after the occurrence of a Default Event) due, owing or incurred by the Account Holder and/or the Collateral Provider to the Secured Beneficiaries (whether solely or jointly, or jointly and severally, with another or others, and whether as principal or surety, and whether actual or contingent, present or future) including (whether before or after any judgment) all interest, costs and other charges whatsoever and including, without limitation, any debts, obligations and liabilities which arise under or in connection with the Clearing Rules, the Account Holder's Agreement and/or this Deed.
- 2.2 The Account Holder shall be treated as liable as principal to the Clearinghouse in respect of all transactions to which the Clearing Rules apply, whether such transactions are recorded in the books of account of the Account Holder and/or the Clearinghouse as being for the Account Holder's own account or that of one of its clients.
- 2.3 It is agreed (for the avoidance of doubt) that any Secured Sum shall be treated, for the purposes of this Deed, as satisfied to the extent that it has been paid by means of a drawing made by the Clearinghouse under the Letter of Credit.

### **3. CREATION OF SECURITY**

- 3.1 As continuing security for the payment or discharge of the Secured Sums, the Collateral Provider with full title guarantee hereby:
- (a) charges to the Clearinghouse, by way of fixed charge, all its rights, title and interest in and to all Cash Margin Amounts now or in the future provided by it to the Clearinghouse (pursuant to the Clearing Rules);
  - (b) assigns to the Clearinghouse, by way of fixed charge, all its rights, title and interest in and to all money now or in the future standing to the credit of each Cash Collateral Account together with all interest accruing thereon, including all debts represented thereby;
  - (c) charges to the Clearinghouse, by way of floating charge, all its rights, title and interest in and to all property deliverable and all money payable to the Collateral Provider (if it is the Account Holder) by or on behalf of the Clearinghouse (pursuant to the Clearing Rules) to the extent that such property and money are not effectively charged by any other charge contained in this clause 3.1.
- 3.2 The Collateral Provider shall, forthwith on the execution of this Deed, deliver a signed notice of charge to the Account Bank in the form set out in Schedule 3 of this Deed and use its best endeavours to obtain from the Account Bank and deliver to the Clearinghouse an acknowledgement in the form set out Schedule 3 duly signed on behalf of the Account Bank.
- 3.3 The parties to this Deed acknowledge and intend that the security provided under this Deed will constitute a "security financial collateral arrangement" and form part of the same arrangements as the Clearing Rules for the purposes of the Financial Collateral Regulations.
- 3.4 The charges contained in clause 3.1 shall apply to all Charged Property provided by the Collateral Provider to the Clearinghouse as Collateral pursuant to the Clearing Rules, whether it is recorded in the books of account of the Account Holder or the Clearinghouse as being for the Account Holder's own account or that of one of its clients.
- 3.5 All money received or realised under the powers conferred by this Deed shall be applied for the purposes and in the order of priority and, if the Clearinghouse has recorded in its books of account transactions for the Account Holder's own account and that of one of its clients, in the proportions as in each case determined by the Clearinghouse in accordance with the Clearing Rules.
- 3.6 Any charges (fixed or floating) or pledges created in the future by the Collateral Provider (except those in favour of the Clearinghouse) shall be expressed to be subject to this Deed and shall rank in order of priority behind the charges created by this Deed over the Charged Property.
- 3.7 If the Account Holder for any reason ceases to be an account holder with the Clearing System, the rights and property hereby charged to the Clearinghouse shall be released from charge upon the Collateral Provider's written request and at its expense after all Secured Sums have been fully and unconditionally paid or discharged to the Clearinghouse (or, if contingent, have wholly ceased to be capable of arising) and after the Account Holder has become entitled under the Clearing Rules to request the release of such security.

### **4. CRYSTALLISATION OF FLOATING CHARGES**

- 4.1 The Clearinghouse may, at any time after a Default Event has occurred, by notice in writing to the Collateral Provider convert the floating charges created by clause 3.1(c) with immediate effect into a fixed charge as regards any property or assets specified in the notice.
- 4.2 Without prejudice to any law which may have a similar effect, the floating charge will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge upon the occurrence of an Automatic Insolvency Event.

- 4.3 A charge which has crystallised under clause 4.1 or 4.2 may, by notice in writing given at any time by the Clearinghouse to the Collateral Provider, be reconverted into a floating charge in relation to the Charged Property specified in such notice.

## 5. CASH COLLATERAL ACCOUNT

- 5.1 All Cash Margin Amounts from time to time provided by the Collateral Provider as collateral for the Account Holder (pursuant to the Clearing Rules) shall be transferred with full title guarantee to the Cash Collateral Account.
- 5.2 The Cash Collateral Account will be established and maintained as a blocked, segregated account (designated "[insert the Collateral Provider's name]: Re NASDAQ OMX Stockholm AB Cash Collateral Account" or otherwise designated as the Clearinghouse may expressly agree in writing) with the Account Bank at a branch located in England and Wales. No money may be withdrawn from the Cash Collateral Account except on the express instructions of the Clearinghouse in each case.
- 5.3 The Clearinghouse will notify the Collateral Provider on each Banking Day of the amount of cash Collateral (if any) required of the Account Holder for the day in question, so that the amount of Excess Collateral (if any) on the Cash Collateral Account can be ascertained.
- 5.4 The Collateral Provider may, if it chooses, request the Clearinghouse to transfer any amount of Excess Collateral from the Cash Collateral Account to such account as it may designate for that purpose. The Clearinghouse will have a discretion in each case whether or not to permit such a transfer, taking into account the fulfilment or otherwise of the following pre-conditions:
- (a) the internal risk-rating of the Account Holder and/or the Collateral Provider with the Clearinghouse is such that it is sufficient to justify the return of Excess Collateral;
  - (b) after the Excess Collateral is so transferred, the Account Holder and/or the Collateral Provider will have provided sufficient Collateral in order to continue to maintain cash margin for all the Account Holder's accounts (including its client accounts) at the level required to comply with the Clearing Rules;
  - (c) the Account Holder has no outstanding payment obligations to any Secured Beneficiary;
  - (d) the Clearinghouse considers that the Account Holder's expected settlement positions over the next three Business Days are not likely to be materially different from those during the prior three Business Days;
  - (e) no Default Event has occurred in relation to the Account Holder and/or the Collateral Provider and is continuing.
- 5.5 Any withdrawal from the Cash Collateral Account permitted by the Clearinghouse shall not be deemed to be a release of this security over any other money or interest then or in the future forming part of the Charged Property.

## 6. REPRESENTATIONS AND WARRANTIES

- 6.1 The Collateral Provider represents and warrants to the Clearinghouse that:
- (a) the Collateral Provider has the corporate power, and has taken all necessary action, to execute and perform this Deed;
  - (b) this Deed constitutes legal, valid and binding obligations enforceable against the Collateral Provider and creates the Security Interests expressed to be created by this Deed;
  - (c) the Collateral Provider has obtained all authorisations of any governmental or regulatory body required in connection with the execution and performance of this Deed and such authorisations are in full force and effect;

- (d) the execution and performance of this Deed has not, and will not, violate any law or rule applicable to the Collateral Provider or any agreement by which it is bound or by which any of its assets are affected;
- (e) at the time of transfer of Cash Margin Amounts to the Clearinghouse or the Account Bank, the Collateral Provider will be the full beneficial owner of them and, upon such transfer being effected, all right, title and interest in and to them shall stand charged to the Clearinghouse with full title guarantee, free of any Security Interest in favour of any third party.

6.2 On each day on which a transfer referred to in clause 6.1(e) is effected, all the representations and warranties stated in clause 6.1 shall be deemed to be repeated.

## **7. NEGATIVE PLEDGE**

7.1 The Collateral Provider shall not, without the prior written consent of the Clearinghouse:

- (a) create, or agree or attempt to create, or permit to subsist, any Security Interest (including any security conferring power to convert a floating charge into a fixed charge) or any trust over any Charged Property, or permit any lien (other than a lien arising by operation of law in the ordinary course of the Collateral Provider's business) to arise or subsist over any Charged Property;
- (b) sell, transfer or otherwise dispose of any part of the Charged Property or any of its right, title or interest therein.

## **8. CONTINUING SECURITY**

This Deed shall be a continuing security for the Clearinghouse, notwithstanding any intermediate payments or settlements of accounts or other matters whatever. It shall be in addition to and shall not prejudice or be prejudiced by any right of set-off, lien, pledge or other rights exercisable by the Clearinghouse against the Account Holder and/or the Collateral Provider or any security, guarantee or indemnity now or in the future held by the Clearinghouse.

## **9. ENFORCEABILITY**

9.1 The security created by this Deed will become immediately enforceable if:

- (a) a Default Event occurs in relation to the Account Holder or the Collateral Provider; or
- (b) the Clearinghouse elects at any time or times (in the absence of a Default Event) to apply any Charged Property in or towards the discharge of any sum then due from the Account Holder to the Clearinghouse in accordance with the Clearing Rules.

The taking of enforcement action by the Clearinghouse on or after the occurrence of any event referred to in paragraph (a) or (b) above shall not preclude the Clearinghouse from taking further enforcement action on the occurrence of any other such event or events.

9.2 If and whenever such security becomes enforceable, the Clearinghouse may exercise its powers under this Deed in relation to all or such part of the Charged Property in such manner and at such time or times as it thinks fit.

9.3 All money received or realised under the powers conferred by this Deed shall be applied for the purposes and in the order of priority determined by the Clearinghouse (consistent with the Clearing Rules).

## **10. POWERS EXERCISABLE BY THE CLEARINGHOUSE**

10.1 In addition to its powers under the Clearing Rules and the Account Holder's Agreement, the Clearinghouse shall be entitled at its absolute discretion without notice to the Collateral Provider:

- (a) to apply or transfer as the Clearinghouse thinks fit all or part of any money or interest subject to this security at any time or times (whether on or before or after the expiry of any fixed or minimum period for which such money may have been deposited) in or towards satisfaction of all or such part of the Secured Sums as the Clearinghouse may determine;
  - (b) to execute and deliver such documents and give such instructions as may be required to give effect to this Deed, including (without limitation) instructions for the withdrawal of any Charged Property held by the Account Bank and/or for the use of any money or interest subject to this security to purchase any currency or currencies required to effect such application; and/or
  - (c) to transfer or procure the transfer of the whole or any part of the Charged Property into one or more accounts in the name of the Clearinghouse or an entity nominated by the Clearinghouse.
- 10.2 The powers contained in clause 10.1 paragraphs (a) to (c) above shall be exercisable by the Clearinghouse at any time or times in accordance with clause 9.1 without the necessity for any other event having occurred first or any other condition having been fulfilled first.
- 10.3 The Clearinghouse may place and keep for such time as it may think prudent any money received, recovered or realised under or by virtue of this Deed on a separate or suspense account to the credit of the Clearinghouse, without any intermediate obligation on its part to apply the same or any part of it in or towards the discharge of the Secured Sums.

## **11. RIGHT OF APPROPRIATION**

- 11.1 The Clearinghouse may, at any time after the security constituted by this Deed has become enforceable, appropriate any Charged Property comprising financial collateral (within the meaning of the Financial Collateral Regulations) and apply it in or towards the discharge of the Secured Sums in such manner as the Clearinghouse may determine.
- 11.2 The value of any Charged Property appropriated under clause 11.1 shall, in the case of cash, be calculated by reference to the face amount standing to the credit of the relevant account and, in the case of other financial collateral, be calculated by reference to its market value at the time of appropriation as determined (after appropriation) by the Clearinghouse by reference to a public index or other applicable generally recognised source or such other process as the Clearinghouse may select, including a valuation carried out by an independent firm of accountants or valuers appointed by the Clearinghouse.
- 11.3 The Clearinghouse will account to the Collateral Provider for any amount by which the value of the appropriated Charged Property exceeds the Secured Sums then due and the Collateral Provider shall account to the Clearinghouse for any amount by which the value of the appropriated Charged Property is less than the Secured Sums then due.
- 11.4 The Collateral Provider agrees, for all purposes of the Financial Collateral Regulations, that the method of valuing Charged Property under clause 11.2 is commercially reasonable.

## **12. FURTHER ASSURANCE**

- 12.1 The Collateral Provider shall on demand by the Clearinghouse in writing execute and deliver to the Clearinghouse at the cost of the Collateral Provider and in such form as the Clearinghouse may require:
- (a) a legal assignment over all or any money standing to the credit of the Cash Collateral Account;
  - (b) where any Charged Property is situated outside England and Wales or where title to it is evidenced by entries in a register or account maintained by or on behalf of an intermediary outside England and Wales, such mortgage, pledge, fixed charge or other security under the law of the place where the Charged Property is situated as the Clearinghouse may require; and

- (c) such other documents as the Clearinghouse may in its discretion think fit further to secure the payment of the Secured Sums or to perfect this Deed, or to vest title to any Charged Property in itself or any purchaser.

**13. INDEMNITY**

The Collateral Provider shall indemnify the Clearinghouse fully against all Liabilities which the Clearinghouse may incur in consequence of anything done or purported to be done by or on behalf of the Clearinghouse under or in connection with this Deed or in exercise of any rights or powers conferred on the Clearinghouse by this Deed, except if and insofar as any such Liability results from the Clearinghouse's own proven negligence, wilful default or fraud.

**14. INTEREST ON OVERDUE AMOUNTS**

Any overdue amount secured by this Deed shall carry interest at the rate and in accordance with the terms applicable under Section 10.5 (Interest) of the Clearing Rules.

**15. CURRENCY INDEMNITY**

If, for any reason, any amount payable to the Clearinghouse by the Collateral Provider under this Deed is paid or recovered in a currency other than that in which it is required to be paid, then, to the extent that the payment to the Clearinghouse falls short of the amount payable in the contractual currency, the Collateral Provider shall fully indemnify the Clearinghouse on demand for such shortfall.

**16. PROTECTION OF THIRD PARTIES**

No person (other than the Collateral Provider) dealing with the Clearinghouse shall be concerned to enquire whether any of the powers it has exercised or purported to exercise under this Deed has arisen or become exercisable, or whether the Secured Sums remain outstanding, or whether any event or cause has happened to authorise the Clearinghouse to act or as to the propriety or validity of the exercise or purported exercise of any such power.

**17. PROTECTION OF THE CLEARINGHOUSE**

- 17.1 The Clearinghouse shall not be liable to the Collateral Provider for any Liability which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise, any of the Clearinghouse's powers under this Deed, except if and insofar as such Liability results from its own proven negligence, wilful default or fraud.
- 17.2 The Clearinghouse shall not be liable for any loss sustained by the Collateral Provider in consequence of the exercise of the Clearinghouse's rights under this Deed, including (without limitation) any loss of interest caused by the determination before maturity of any deposit comprised in the Charged Property or by the fluctuation in any exchange rate at which currency may be bought or sold by the Clearinghouse.

**18. POWER OF ATTORNEY**

- 18.1 For the purposes of securing the interest of the Clearinghouse in the Charged Property and the performance of its obligations to the Clearinghouse, whether under this Deed or otherwise, the Collateral Provider irrevocably and by way of security hereby appoints the Clearinghouse to be its attorney (with full power to appoint substitutes and to sub-delegate, including power to authorise the person so appointed to make further appointments, in both cases, with regard to all or any part of the Charged Property) on behalf of the Collateral Provider and in its name or otherwise:
  - (a) to execute any document or do any act or thing which the Clearinghouse or such substitute or delegate may, in its absolute discretion, consider appropriate in connection with the exercise of any of the powers of the Clearinghouse or which the Collateral Provider is obliged by the Clearinghouse to execute or do, whether under this Deed, the Clearing Rules, the Account Holder's Agreement or otherwise;

- (b) to act on behalf of the Collateral Provider with full authority to communicate with the Account Bank in all matters relating to the Charged Property and, without limitation, to send and receive messages and instructions on behalf of the Collateral Provider with respect to the Charged Property and to make any transfer of funds to or from the Cash Collateral Account and to use the money for the time being standing to the credit of the Cash Collateral Account for the purposes of paying Secured Sums when due and/or holding cash collateral to cover payment of such Secured Sums.

18.2 The power of attorney contained in clause 18.1 shall be exercisable by the Clearinghouse at any time or times as the Clearinghouse thinks fit in its entire discretion (without the necessity for any Default Event or any other condition having been fulfilled first) and shall continue in force until the Security Interests constituted by this Deed are absolutely and unconditionally released in writing by the Clearinghouse.

## **19. EXPENSES**

The Collateral Provider shall reimburse or pay to the Clearinghouse on demand (on the basis of a full indemnity) the amount of all costs and expenses (including legal costs and VAT thereon) incurred by the Clearinghouse in connection with the exercise, or the attempted or purported exercise, by or on behalf of the Clearinghouse of any of its powers under this Deed or any other action taken by or on behalf of the Clearinghouse with a view to or in connection with the recovery of the Secured Sums, the realisation of the charges contained in this Deed, the preservation of the Charged Property or any other purpose contemplated in this Deed.

## **20. SET-OFF**

20.1 Without prejudice to its other rights under this Deed and as a separate and independent stipulation, the Collateral Provider agrees that any money from time to time deposited or paid by the Collateral Provider with or to the Clearinghouse (including any Cash Margin Amount) and any payment obligation or the value of any delivery obligation owed by the Clearinghouse to the Collateral Provider (if it is the Account Holder) may, at any time without notice to the Collateral Provider, be applied and set off in or towards the discharge of the Secured Sums or such part of them as the Clearinghouse may select, regardless of the place of payment, delivery and/or currency of the obligation.

20.2 The Clearinghouse may make any currency conversion necessary to give effect to such set-off. If any obligation is unliquidated or unascertained, the Clearinghouse may set off an amount estimated by it in good faith to be the amount of that obligation. The Clearinghouse will endeavour to notify the Collateral Provider following the exercise of any such right of set-off but any failure to do so will not affect the validity of such right or its exercise.

## **21. SECURITY TRUSTEE**

21.1 The Clearinghouse declares itself to be a trustee of this Deed (and any other Security Interest created in its favour pursuant to this Deed) for the Secured Beneficiaries.

21.2 The Parties agree that the Clearinghouse shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000.

21.3 The perpetuity period applicable to the trust hereby constituted shall be 80 years.

## **22. THIRD PARTY RIGHTS**

22.1 Pursuant to the Contracts (Rights of Third Parties) Act 1999, all protections conferred by clause 16 on a third party shall be directly enforceable by it.

22.2 Save as otherwise expressly provided in clause 22.1, no person other than a party to this Deed shall have any right by virtue of the Contracts (Rights of Third Parties) Act 1999 to enforce any term (express or implied) of this Deed.

22.3 The Clearinghouse and the Collateral Provider may by agreement vary any term of this Deed (including this clause 22) in accordance with clause 26.4 without the necessity of obtaining any consent from any third party.

### **23. DETERMINATIONS AND DISCRETIONS**

23.1 Any certification or determination by the Clearinghouse of a rate or amount under this Deed shall, in the absence of manifest error, be conclusive and binding on the Collateral Provider in respect of such rate or amount.

23.2 Any discretion, power or right conferred on the Clearinghouse by this Deed to make or vary any determination or to give any approval or to decide any matter or to form any opinion or judgment shall be construed to be a discretion, power or right exercisable by the Clearinghouse, in its sole and unfettered discretion, at any time and from time to time.

### **24. TERMS APPLICABLE IF THE COLLATERAL PROVIDER IS NOT THE ACCOUNT HOLDER**

The terms set out in Part 2 of Schedule 2 apply if the Collateral Provider is not the Account Holder, and shall have precedence in case of conflict.

### **25. DISCHARGE**

25.1 Any settlement or discharge between the Clearinghouse and the Collateral Provider in respect of the Secured Sums shall be subject to the condition that no security or payment to the Clearinghouse by the Collateral Provider or any other person shall be avoided or reduced by virtue of insolvency law or otherwise.

25.2 If any such security or payment shall be so avoided or reduced, the Clearinghouse shall nevertheless be entitled to recover the full value or amount of it subsequently from the Collateral Provider and to exercise its rights under this security as if such settlement or discharge had not been effected.

### **26. FORBEARANCE, SEVERABILITY, VARIATION**

26.1 No failure to exercise and no delay on the part of the Clearinghouse in exercising any right, remedy, power or privilege under this Deed and no course of dealing between the parties shall be construed or operate as a waiver of that right, remedy, power or privilege, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of it or the exercise of any other right, remedy, power or privilege.

26.2 The rights and remedies provided by this Deed are cumulative and are not exclusive of any rights or remedies provided by law.

26.3 If any provision of this Deed is held to be illegal, invalid or unenforceable in whole or in part, this Deed shall continue to be valid as to its other provisions and the remainder of the affected provision.

26.4 No variation, supplement, deletion or replacement of or from this Deed or any of its terms shall be effective unless made in writing and signed by a duly authorised representative on behalf of each party.

### **27. DEMANDS, NOTICES ETC**

Any demand or notice to the Collateral Provider under this Deed shall be effective only if made in writing by an officer of the Clearinghouse and served on the Collateral Provider in accordance with the Clearing Rules.

### **28. GOVERNING LAW AND JURISDICTION**

28.1 This Deed and all non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, English law.

28.2 The English courts shall have exclusive jurisdiction to settle any claim, dispute or difference which may arise out of or in connection with this Deed.

28.3 Nothing in this clause shall limit the right of the Clearinghouse to take proceedings against the Collateral Provider in any other court of competent jurisdiction nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings by the Clearinghouse in any other jurisdiction, whether concurrently or otherwise.

28.4 The Collateral Provider irrevocably waives any objections on the ground of venue or inconvenient forum or any similar grounds and irrevocably agrees that any judgment in any proceedings brought in any court referred to in this clause shall be conclusive and binding and may be enforced in any other jurisdiction.

**THIS DEED** has been executed by the Collateral Provider as a deed and signed by the Clearinghouse and the security hereby constituted shall be created and take effect on the date stated on the execution page of this Deed as being the date on which it is accepted and signed by the Clearinghouse.

**SCHEDULE 1**

**Interpretation**

**WORDS AND PHRASES**

<b>Account Bank</b>	means the bank approved by the Clearinghouse for the purpose of holding the Cash Collateral Account, and includes any successor.
<b>Account Holder</b>	means the Collateral Provider or, if different, the person named in Part 1 of Schedule 2.
<b>Account Holder's Agreement</b>	means the agreement(s) (including, without limitation, the Clearing Agreement) for the time being in force between the Account Holder and the Clearinghouse.
<b>Automatic Insolvency Event</b>	means the occurrence of any one of the following in relation to the Collateral Provider: (i) the appointment of an administrator, provisional liquidator or liquidator; (ii) the making of a winding up order; (iii) the passing of a resolution for a voluntary winding up (except for the purpose of a consolidation, amalgamation or merger while solvent); (iv) the appointment of a receiver over all or substantially all of its assets; or (v) the taking of any step or proceeding or the making of any court order in any applicable jurisdiction outside England and Wales which has a substantially similar effect to any of the foregoing.
<b>Cash Margin Amounts</b>	means all sums of money from time to time deposited or paid by the Collateral Provider with or to the Clearinghouse (or as it may direct) in cash by way of margin amounts (pursuant to the Clearing Rules), including all money repayable pursuant to such deposits (or the debts represented thereby) or so much of such deposits as may be repayable to the Collateral Provider under the Clearing Rules.
<b>Cash Collateral Account</b>	means each and any account(s) now or in the future opened or maintained at an Account Bank (pursuant to clause 5.2) for the purpose of holding money and/or interest charged by the Collateral Provider under this Deed, including any additional and/or substitute account(s) in the future opened for such purpose and including in each case such account as redesignated and/or renumbered from time to time.
<b>Charged Property</b>	means the property, assets, rights, interests and benefits of the Collateral Provider from time to time comprised in or subject to the Security Interests constituted by this Deed, including but not limited to the Cash Margin Amounts and, unless the context otherwise requires, including the money for the time being standing to the credit of the Cash Collateral Account, and references to the Charged Property include references to any part of it.
<b>Clearing Agreement</b>	means the agreement for the time being in force between the Clearinghouse and the Account Holder relating to its participation in the Clearing System.

<b>Clearinghouse</b>	includes any transferee or successor (whether immediate or derivative) of the Clearinghouse and any company with which it may amalgamate.
<b>Clearing Rules</b>	means the Clearing Rules established by the Clearinghouse which are from time to time in force in relation to members in the Clearing System.
<b>Clearing System</b>	means the clearing operations of the Clearinghouse acting as central counterparty for Clearing Transactions and the services provided by it pursuant to the Clearing Rules.
<b>Deed</b>	means this Deed, including its Recitals and Schedules and the notices given pursuant to this Deed, as amended in accordance with its terms from time to time.
<b>Default Event</b>	has the meaning given to it in the Clearing Rules.
<b>Excess Collateral</b>	means, in relation to a Business Day, the amount, if any, by which the credit balance on the Cash Collateral Account at the commencement of that Business Day exceeds the amount of cash Collateral required to be maintained by the Collateral Provider during that Business Day (as notified to the Account Holder as part of the Total Cash Requirement).
<b>Financial Collateral Regulations</b>	means the Financial Collateral Arrangements (No 2) Regulations 2003.
<b>intermediary</b>	has the meaning attributed to it by regulation 3 of the Financial Collateral Regulations.
<b>Letter of Credit</b>	means the standby letter of credit, if any, from time to time provided to the Clearinghouse by a bank or financial institution acceptable to it in respect of the Account Holder's obligations to the Clearinghouse.
<b>Liabilities</b>	includes any liability, damage, loss, cost, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise.
<b>powers</b>	means, in relation to the Clearinghouse, its powers, discretions and rights under this Deed or any other document or under general law.
<b>Secured Beneficiaries</b>	means (i) the Clearinghouse in its capacities as central counterparty and operator of the Clearing System and (to the extent that any amount becomes owing to it for its own account under this Deed) as security trustee under this Deed and (ii) any other member of the Clearing System which for the time being is owed an amount which is expressed in the Clearing Rules to be secured by this security.
<b>Secured Sums</b>	means the obligations, money and liabilities which the Collateral Provider covenants in clause 2 to pay or discharge to the Secured Beneficiaries and references to the Secured Sums include references to any of them.
<b>Security Interest</b>	means:

- (a) any mortgage, charge, pledge, assignment (whether or not expressed to be by way of security), hypothecation, lien, encumbrance or other priority or security interest whatsoever, howsoever created or arising;
- (b) any deferred purchase, title retention, trust, sale-and-repurchase, sale-and-leaseback, hold back or "flawed asset" arrangement or right of set-off;
- (c) any other agreement or arrangement whatsoever having the same or a similar commercial or economic effect as security; and
- (d) any agreement for any of the foregoing.

### **PRINCIPLES OF INTERPRETATION**

Words and phrases defined and principles of interpretation provided for in the Clearing Rules and the Clearing Agreement shall, unless the context otherwise requires or unless otherwise redefined or provided for herein, have the same meaning and shall apply (as the case may be) in this Deed.

Any reference to this Deed or to any agreement or document shall be construed as a reference to this Deed or such agreement or document (including their respective Schedules) as the same may from time to time be amended, varied, supplemented, novated, replaced or restated and shall include any document which is supplemental to, or is expressed to be collateral to, or is entered into pursuant to or in accordance with the terms of, this Deed or (as the case may be) such agreement or document.

Unless otherwise stated, all references in this Deed to laws or regulations are to English laws and regulations.

**SCHEDULE 2**

**PART 1**

**Particulars of the Account Holder if different to the Collateral Provider**

Name:                      Registered address and registered number:                      Place of incorporation:

**PART 2**

**Terms applicable if the Collateral Provider is not the Account Holder**

1. The Clearinghouse shall have the right, from time to time and at any time, without affecting its rights under this Deed, to grant, vary, renew, increase, determine or refuse credit facilities or accommodation to the Account Holder, or to compound with or give time for payment or any other indulgence to the Account Holder or any co-surety or other person, or to make any arrangement, compromise or settlement with any of them, or to take, hold, modify, exchange, release, abstain from perfecting or enforcing any security, guarantee, indemnity or other contract or to discharge any parties to it, or to realise any security in such manner as the Clearinghouse may think fit, or to make any concession or do or omit or neglect to do anything whatever which, but for this provision, might operate to exonerate or discharge the Collateral Provider from any of its obligations under this Deed (except for a specific written release given by the Clearinghouse of such obligations).
2. As a separate and independent stipulation, the Collateral Provider agrees that all Secured Sums which may not be recoverable from the Account Holder by reason of any legal limitation, disability or incapacity or want of powers of the Account Holder or any irregular or improper purported exercise of such powers or any other fact or circumstance, whether known to the Clearinghouse or not, shall nevertheless be recoverable from the Collateral Provider as sole or principal debtor and the money and interest charged by this Deed shall stand as primary and not collateral security to the Clearinghouse for the payment of all such Secured Sums.
3. For so long as any Secured Sums remain unpaid, the Collateral Provider shall not:
  - (a) take any steps to enforce any right or claim against the Account Holder in respect of any money charged by the Collateral Provider to the Clearinghouse under this Deed;
  - (b) be entitled to share in or take the benefit of any security held by the Clearinghouse or any dividends, compositions or money recoverable by the Clearinghouse from the Account Holder or any other person;
  - (c) be entitled to take or enforce any security against the Account Holder or any co-surety in competition with or in priority to the Clearinghouse;
  - (d) exercise any other right or remedy which may accrue to the Collateral Provider in respect of any such money charged by the Collateral Provider to the Clearinghouse.
4. In the event of the insolvency of the Account Holder, all Secured Sums (including any liability to pay interest) shall be deemed for the purposes of this Deed to continue due, owing and accruing and all Secured Sums shall be deemed to continue outstanding until actually satisfied in full as if the insolvency of the Account Holder had not occurred. The Clearinghouse shall be at liberty, notwithstanding payment to it by the Collateral Provider or any other person of any part of the Secured Sums or any release, settlement, discharge or arrangement made or given by the Clearinghouse, to rank as a creditor and prove in the Account Holder's liquidation for the full amount of its claim, and the Clearinghouse may receive and retain the whole of the dividends to the exclusion of the Collateral Provider's

rights (if any) in competition with the Clearinghouse until its claim against the Account Holder is fully satisfied.

5. If the Account Holder is a partnership, unincorporated body, association, trustees or joint obligors, this Deed shall remain effective notwithstanding any change in their composition, name or style, and shall continue to secure all money and liabilities due, owing or incurred to the Clearinghouse by the person or persons from time to time constituting such partnership, unincorporated body, association, trustees or joint obligors.

TEMPLATE

SCHEDULE 3

Form of notice to be served on the Account Bank from the Collateral Provider

[Insert name of Account Bank]

[Insert Address]

For the attention of [insert name]

[insert date]

Dear Sirs

**COLLATERAL SECURITY DEED DATED [ INSERT DATE ] (THE "COLLATERAL SECURITY DEED") BETWEEN [ INSERT NAME OF THE COLLATERAL PROVIDER ] (THE "COLLATERAL PROVIDER") AND NASDAQ OMX STOCKHOLM AB (THE "CLEARINGHOUSE")**

1. This letter constitutes notice to you that, under the Collateral Security Deed, we have assigned to the Clearinghouse by way of fixed charge our rights, title and interest in and to all money from time to time standing to the credit of account number [insert Cash Collateral Account(s) number(s) and sort code] with you and to each other blocked and segregated account now or in the future maintained with you designated "[insert name of the Collateral Provider]: Re NASDAQ OMX Stockholm AB Cash Collateral Account" (or otherwise designated as the Clearinghouse may expressly agree in writing) (each a "**Cash Collateral Account**"), together with all interest accruing thereon, to secure the Secured Sums under the Collateral Security Deed (as defined therein).
2. We hereby irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we may have given you to the contrary):
  - (a) to disclose to the Clearinghouse without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure, such information relating to a Cash Collateral Account and the amount from time to time standing to its credit as the Clearinghouse may, at any time and from time to time, request you to disclose to it;
  - (b) at any time and from time to time upon receipt by you of instructions in writing from the Clearinghouse, to pay to the Clearinghouse (or as it may direct) all or any of the money standing to the credit of a Cash Collateral Account and generally to act in accordance with such instructions in relation to a Cash Collateral Account, without any reference to or further authority from us and without any enquiry by you as to the justification for such instructions or their validity;
  - (c) to comply with the terms of any written instructions in any way relating or purporting to relate to a Cash Collateral Account which you may receive at any time and from time to time from the Clearinghouse without any reference to or further authority from us and without any enquiry by you as to the justification for such notice, statement or instructions or its or their validity; and
  - (d) not to act upon our instructions with regard to a Cash Collateral Account unless the Clearinghouse confirms those instructions to you in writing.
3. Instructions and requests may be given to you by the Clearinghouse, and acted and relied upon by you, under this Notice in connection with a Cash Collateral Account by SWIFT MT 101, 941 or 942 type messages (as applicable) or such other SWIFT message type as the Clearinghouse deems appropriate, pursuant to the arrangements for the time being in force

between you and the Clearinghouse or its bankers for the transmission and receipt of SWIFT messages.

4. In this Notice "**SWIFT**" means The Society for Worldwide Interbank Financial Telecommunication (or any successor provider of such telecommunication services). References to any type of message transmitted through SWIFT shall include such type of message as modified, replaced and/or renumbered by SWIFT from time to time.
5. We hereby waive in your favour for all purposes of this Notice any duty of confidentiality which you may now or in the future owe to us in connection with a Cash Collateral Account.
6. The instructions and authorisations contained in this letter shall remain in full force and effect until we and the Clearinghouse together give you notice in writing revoking them.
7. This letter and all non-contractual obligations arising in any way out of or in connection with this letter shall be governed by, construed and take effect in accordance with, English law.
8. Please will you acknowledge receipt of this letter and confirm your acceptance of the instructions and authorisations contained in it by signing the form of acknowledgement below and delivering it to the Clearinghouse.

Yours faithfully

.....

Director  
For and on behalf of  
[insert name of the Collateral Provider]

**Acknowledgement**

We hereby acknowledge receipt of the above notice of charge (the "**Notice**") and agree with the Clearinghouse that: (i) we accept the instructions contained in the Notice and undertake to act in accordance and comply with the Notice; (ii) we have not received notice of the interest of any third party in a Cash Collateral Account; (iii) we have neither claimed or exercised nor will claim or exercise any security interest, lien, set-off, counterclaim or other rights in respect of a Cash Collateral Account or funds in it; and (iv) we shall not permit any amount to be withdrawn from a Cash Collateral Account without the prior written instructions of the Clearinghouse.

Yours faithfully

.....

For and on behalf of  
[insert name of Account Bank]

Dated:

**EXECUTION PAGE OF COLLATERAL SECURITY DEED**

**EXECUTED** as a Deed by  
*[Insert full name of Collateral Provider]* acting by its attorney

.....  
Attorney

.....  
Witness

Name:

Address:

Occupation:

**OR**

**EXECUTED** as a Deed by  
*[Insert full name of Collateral Provider]*  
acting by:

.....  
Director

.....  
Director/Secretary

**ACCEPTED ON** 20[ ]

**EXECUTED** as a Deed by  
**NASDAQ OMX STOCKHOLM AB**  
acting by its attorney:

.....  
Attorney

.....  
Witness

Name:

Address:

Occupation: