

Form 605

Corporations Law
Section 671B

Notice of ceasing to be a substantial holder

To: Company Name/Scheme Woodside Petroleum Limited
ACN/ARSN 004 898 962

1. Details of substantial holder (1)

Name UBS AG and its related bodies corporate

ACN/ARSN (if applicable): _____

The holder ceased to be a substantial shareholder on **9 November 2010**
The previous notice was given to the company on **10 November 2010**
The previous notice was dated **8 November 2010**

2. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of Change (4)	Consideration given in relation to change (5)	Class (6) and Number of securities affected	Person's votes affected
Please see Annexure A.					

3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

4. Addresses

The addresses of persons named in this form are as follows:

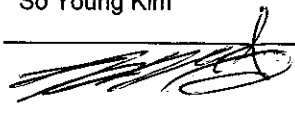
Name	Address
Details of all UBS offices can be found through the following link: http://apps.ubs.com/locationfinder	

SIGNATURE

Print Name: So Young Kim

Capacity: Authorised signatory

Sign Here:



Date: 10 November 2010

Print Name: Fiona Cheng

Capacity: Authorised signatory

Sign Here:



Date: 10 November 2010

Contact details for this notice:

Tiffany Leung
Legal & Compliance
(T) +852 2971 5574
(F) +852 2971 8996

Annexure A

Date of change	Person whose relevant interest changed	Nature of Change	Consideration given in relation to change	Number of securities	Class
9-Nov-10	UBS Securities Australia Ltd	Stock Returned	N/A	(332,469)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Stock Returned	N/A	(11,987)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Stock Returned	N/A	(318)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Stock Returned	N/A	(332,469)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Stock Returned	N/A	(11,987)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Stock Returned	N/A	(318)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	BUY	21,115,000	500,000	Ordinary
9-Nov-10	UBS Securities Australia Ltd	BUY	84,460,000	2,000,000	Ordinary
9-Nov-10	UBS Securities Australia Ltd	BUY	2,129,363	50,423	Ordinary
9-Nov-10	UBS Securities Australia Ltd	BUY	844,600	20,000	Ordinary
9-Nov-10	UBS Securities Australia Ltd	SELL	2,141,490	(50,000)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	BUY	810,816	19,200	Ordinary
9-Nov-10	UBS Securities Australia Ltd	SELL	20,836	(480)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	SELL	205,680	(4,800)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	SELL	624,668	(14,400)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	BUY	239,852	5,674	Ordinary
9-Nov-10	UBS Securities Australia Ltd	BUY	295,610	7,000	Ordinary
9-Nov-10	UBS Securities Australia Ltd	BUY	1,689,200	40,000	Ordinary
9-Nov-10	UBS Securities Australia Ltd	BUY	24,494	567	Ordinary
9-Nov-10	UBS Securities Australia Ltd	BUY	171,280	3,945	Ordinary
9-Nov-10	UBS Securities Australia Ltd	BUY	228,820	5,265	Ordinary
9-Nov-10	UBS Securities Australia Ltd	BUY	2,271,890	53,798	Ordinary
9-Nov-10	UBS Securities Australia Ltd	SELL	1,062,055	(24,560)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	SELL	1,259,461	(29,254)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	SELL	66,692,009	(1,543,000)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	SELL	8,606,100	(200,000)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Buy	8,868,300	210,000	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Buy	42,230,000	1,000,000	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Buy	111,654,980	2,643,973	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Buy	12,246,700	290,000	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Sell	8,446,000	(200,000)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Sell	12,669,000	(300,000)	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Buy	8,446,000	200,000	Ordinary
9-Nov-10	UBS Securities Australia Ltd	Buy	12,669,000	300,000	Ordinary
9-Nov-10	UBS Global Asset Management	Buy	157,810	3,688	Ordinary
9-Nov-10	UBS AG Australia Branch	Ceased to have a relevant interest in shares held by Shell Energy Holdings Australia Limited ("SEHAL"), a subsidiary of Royal Dutch Shell Plc following the allocation of all shares held by SEHAL to investors. UBS AG, Australia Branch was not required to acquire the shares under the terms of the Underwriting Agreement dated 8 November 2010. (See Annexure B)	N/A	(78,340,163)	Ordinary

UBS AG, Australia Branch
AFSL 231087
ABN 47 088 129 613

Level 16, Chifley Tower
2 Chifley Square
Sydney NSW 2000
www.ubs.com

COMMERCIAL-IN CONFIDENCE

8 November 2010

Shell Energy Holdings Australia Limited
Level 2 LS
8 Redfern Road
Hawthorn East VIC 3123

Dear Sirs

Sale of Shares in Woodside Petroleum Limited

1. Introduction

This Agreement sets out the terms and conditions upon which Shell Energy Holdings Australia Limited ABN 69 054 260 776 ("SEHAL") engages UBS AG, Australia Branch (ABN 47 088 129 613) (the "Lead Manager") to dispose of 78,340,163 existing fully paid ordinary shares ("Ordinary Shares") in Woodside Petroleum Limited (ABN 55 004 898 962) (the "Company") held by SEHAL (the "Underwritten Shares") and to provide underwriting thereof, subject to clause 2, (the "Sale") in accordance with the terms of this Agreement.

2. Sale of shares

- 2.1 Sale.** SEHAL agrees to sell the Underwritten Shares and the Lead Manager agrees to:
- (a) manage the sale of the Underwritten Shares by procuring purchasers for the Underwritten Shares at the price of AUD\$42.23 per Underwritten Share ("Sale Price"). Purchasers may include the Lead Manager's related bodies corporate and Affiliates (as defined in clause 12.8) and may, subject to this agreement (including without limitation clause 5.4), be determined by the Lead Manager in its discretion; and
 - (b) underwrite and guarantee the sale of the Underwritten Shares by, subject to clause 2.6, purchasing at the Sale Price per Underwritten Share those of the Underwritten Shares which have not been purchased by third party purchasers

(or the Lead Manager's related bodies corporate or Affiliates) in accordance with clause 2.1(a) as at 7.30am on the date immediately following this Agreement (or such time as the parties agree in writing) ("Balance Shares"),

in accordance with the terms of this Agreement.

- 2.2 Conditions Precedent.** The obligations of the Lead Manager under clauses 2.1 and 2.9 are conditional on an announcement having been made in accordance with clause 2.3.

- 2.3 Announcement.** SEHAL's ultimate parent company shall announce the Sale (including the seller's name, the number of Underwritten Shares to be sold under the Sale and a statement by SEHAL to the effect that, subject to certain exceptions, it will not dispose of any residual shares owned by it after completion of the Sale for a period of 365 days) through the London Stock Exchange in a form and content agreed with the Lead Manager prior to execution of this Agreement.

- 2.4 Timetable.** SEHAL and the Lead Manager agree that the Sale will be conducted in accordance with the timetable set out in Schedule 1 (the "Timetable") (unless each of them consents in writing to a variation) and must use their respective best endeavours to procure (to the extent within their control) that the Timetable is achieved.

- 2.5 Account Opening.** On the date of this Agreement the Lead Manager or its nominated affiliate will (where relevant) open an account in the name of SEHAL in accordance with its usual practice, and do all such things necessary to enable it to act as Lead Manager to sell the Underwritten Shares in accordance with this Agreement.

2.6 Balance Shares.

- (a) The Lead Manager covenants that all Balance Shares will either be acquired by the Lead Manager (or its Affiliates or related bodies corporate) or third parties through trades on ASX.
- (b) Where acquisition of the Balance Shares by the Lead Manager is prohibited or restricted by the application of the Corporations Act or the Foreign Acquisitions and Takeovers Act 1975 (Cth), SEHAL agrees to retain such number of Balance Shares as the Lead Manager advises it are required to prevent the Lead Manager breaching the Corporations Act or the Foreign Acquisitions and Takeovers Act 1975 (Cth).
- (c) The Lead Manager may, during a period of six Business Days from the date of this Agreement, issue a notice or notices instructing SEHAL to transfer some or all of the Balance Shares to the Lead Manager or to a third-party nominated by the Lead Manager. The Lead Manager may issue the notice referred to in the preceding sentence on more than one occasion.
- (d) The sale of any Balance Shares must be affected through trades on the ASX prior to 7.00pm on the date that is the sixth Business Day after the Business Day

immediately following the date of this Agreement ("**End Date**"). Settlement of all sales of Balance Shares must occur on the Second Settlement Date.

- (e) For the avoidance of doubt, the Lead Manager must make the payment required by clause 2.9 on the Settlement Date notwithstanding that all of the Balance Shares may not have been transferred by that date.

2.7 Manner of Sale. The Lead Manager will conduct the Sale in accordance with the terms of this Agreement by way of an offer only:

- (a) in Australia, and then only to persons who do not need disclosure under Part 6D.2 of the Corporations Act;
- (b) in the United States, in accordance with clauses 2.8 and 5.4; and
- (c) in those jurisdictions listed in Schedule 2, and then only in accordance with the selling restrictions specified in Schedule 2

provided in each case (a) and (c) above that such persons may not be in the United States or U.S. Persons or acting for the account or benefit of U.S. Persons unless such persons are QIBs (in each case, as defined in clause 2.8).

Any investor that purchases Underwritten Shares (other than Balance Shares) will be required to execute a confirmation letter prior to the Settlement Date in the form agreed in writing by SEHAL and the Lead Manager (and as may be amended by mutual agreement in writing, such agreement not to be unreasonably withheld or delayed) (the "**Confirmation Letter**") confirming, among other things:

- (a) its status as an investor meeting the requirements of this clause 2.7 and clause 2.8;
- (b) its compliance with all relevant laws and regulations (including the takeover and insider trading provisions of the Corporations Act and the Foreign Acquisitions and Takeovers Act 1974 (Ch)); and
- (c) its agreement to certain resale restrictions.

2.8 U.S. Securities Act. The Underwritten Shares shall only be offered and sold:

- (a) to persons that are:
- (i) not in the United States;
- (ii) not "U.S. persons" (as defined in Rule 902(k) under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**")) ("**U.S. Persons**"); and
- (iii) not acting for the account or benefit of U.S. Persons,
- in each case, in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**"); and

- (b) to persons that are:

- (i) in the United States;
- (ii) U.S. Persons; or
- (iii) acting for the account or benefit of U.S. Persons,

each of whom is a qualified institutional buyer ("**QIB**"), as defined in Rule 144A under the U.S. Securities Act, in transactions exempt from the registration requirements of the U.S. Securities Act thereunder. Moreover, the Lead Manager shall only sell the Underwritten Shares (other than Balance Shares) to persons that have executed the Confirmation Letter.

2.9 Effecting of Sale and settlement.

The Lead Manager shall procure that the sale of the Underwritten Shares (other than of the Balance Shares) shall be effected on the Trade Date (as defined in the Timetable in Schedule 1), by way of a special crossing (in accordance with the ASX Operating Rules) at the Sale Price, with settlement to follow on a T+4 basis in accordance with the ASX Settlement Operating Rules ("**Settlement Date**"). Subject to clauses 2.2 and 10, by no later than 3.00pm on the Settlement Date, the Lead Manager must pay to SEHAL, or as SEHAL directs, an amount equal to the Sale Price multiplied by the number of Underwritten Shares less any fees payable under clause 3 by transfer to SEHAL's account for value (in cleared funds) against delivery of the Underwritten Shares (excluding the Balance Shares).

3. Fees

In consideration of performing its obligations under this Agreement the Lead Manager shall be entitled to such fees as the parties agree.

4. GST

4.1 Input Tax Credit. Any fees which the parties agree to be payable to the Lead Manager and any other amounts payable to the Lead Manager under this Agreement are to be agreed and calculated to be exclusive of GST. However, if any amounts payable to the Lead Manager under this Agreement are calculated by reference to a cost or expense incurred by the Lead Manager, the amount payable to the Lead Manager under any other provision of this Agreement must be reduced by the amount of any input tax credit to which the Lead Manager reasonably determines it is entitled for an acquisition in connection with that cost or expense.

4.2 Tax invoice. If any supply made under this Agreement is a taxable supply, the entity making the taxable supply ("**Supplier**") must issue a valid tax invoice to the party providing the consideration for that taxable supply ("**Recipient**"). The tax invoice issued by the Supplier must set out in detail the nature of the taxable supply, the consideration

attributable to the taxable supply, the amount of GST payable by the Supplier in connection with the taxable supply and any other details reasonably requested by the Recipient. The GST amount means, in relation to a taxable supply, the amount of GST for which the Supplier is liable in respect of the taxable supply ("GST Amount").

4.3 Timing of Payment. The Recipient must pay the GST Amount in connection with a taxable supply at the same time that the Recipient must provide the consideration for that taxable supply (under the other provisions of this Agreement), or if later, within 5 business days of the Recipient receiving a tax invoice for that taxable supply.

4.4 Payment Differences. If the GST payable by the Supplier in connection with the taxable supply differs from the GST Amount paid by the Recipient under this clause, the Supplier must repay any excess to the Recipient or the Recipient must pay any deficiency to the Supplier, as appropriate within 5 business days of the Supplier providing the Recipient with a written notification regarding the difference in the GST payable. Where the difference in the GST payable results from an adjustment event, the written documentation provided by the Supplier under this clause must include an adjustment note or tax invoice as required by the GST law.

4.5 Defined Terms. The references to "GST" and other terms used in this clause 4 (except Recipient and GST Amount) have the meanings given to those terms by the A New Tax System (Goods and Services Tax) Act 1999 (as amended from time to time). However, any part of a supply that is treated as a separate supply for GST purposes (including attributing GST payable to tax periods) will be treated as a separate supply for the purposes of this clause 4.

4.6 References. A reference to something done (including a supply made) by a party includes a reference to something done by any entity through which that party acts.

5. Undertakings

5.1 Restricted Activities. SEHAL undertakes to the Lead Manager:

(a) to not, prior to settlement on the Settlement Date commit, be knowingly involved in or acquiesce in writing to in any activity which, in connection with the Sale, breaches:

- (i) the Corporations Act and any other applicable laws;
- (ii) its constitution; and
- (iii) any legally binding requirement of ASIC;

but excluding any act or omission by the Lead Manager pursuant to or in connection with this Agreement except for an act or omission caused by a breach by SEHAL of the representations, warranties and undertakings in clause 6.1 or the Lead Manager's reliance on final written legal advice provided by or on behalf of SEHAL and which is addressed to the Lead Manager;

- (b) immediately to notify the Lead Manager of any breach of any warranty or undertaking given by it under this Agreement; and
- (c) unless it exercises its right to terminate under clause 10.3, not to withdraw the Sale,

each of these undertakings being material terms of this Agreement.

5.2 U.S. Opinion. SEHAL will procure that Cravath, Swaine & Moore, special United States counsel to SEHAL, provide the Lead Manager with an opinion on the Settlement Date and dated as of that date and expressed to be for its benefit, such opinion to be substantially in the form of the draft provided to the Lead Manager prior to the execution of this Agreement and in a form acceptable to it, to the effect that no registration of the Underwritten Shares is required under the U.S. Securities Act for the offer, sale and delivery of the Underwritten Shares in the manner contemplated by this Agreement (the "US Opinion").

5.3 Moratorium.

SEHAL warrants and represents that it will not without the prior written consent of the Lead Manager at any time, in the 365 days after completion of the transfer of the Underwritten Shares on the Settlement Date, Deal in all or any Ordinary Shares held by it after the sale of the Underwritten Shares pursuant to this Agreement excluding:

- (a) in order to satisfy demand from eligible shareholders under a Company initiated dividend reinvestment plan (if any);
- (b) any acceptance by SEHAL of a bona fide takeover offer for the Company in accordance with Chapter 6 of the Corporations Act or transfer pursuant to a scheme of arrangement under Part 5.1 of the Corporations Act;
- (c) a sale, transfer or disposal to a third party where it is a condition of the sale that the third party announce an intention to acquire, or propose a transaction to acquire, greater than 50% of all Ordinary Shares;
- (d) a sale, transfer or disposal to a strategic third party purchaser (subject to the purchaser being confirmed as a strategic third party by the Lead Manager) where the consideration received by SEHAL (or an Affiliate of SEHAL) includes an interest in a business, venture or asset in which the strategic buyer (or its Affiliate) owns an interest and the third party agrees to a representation and warranty on substantially the same terms as this clause 5.3 in respect of the Ordinary Shares sold, transferred or disposed to it; and
- (e) a sale, transfer or disposal of a number of ordinary shares that represents greater than 3% of the issued share capital of the Company to a strategic third party purchaser (subject to the purchaser being confirmed as a strategic third party by the Lead Manager) that is subject to a representation and warranty on substantially the same terms as this clause 5.3.

Each party to this agreement acknowledges that the representation and warranty in clause 5.3 is not intended to and does not give the Lead Manager any power to dispose of, or control the disposal of, the ordinary shares the subject of the representation and warranty to the extent that the Lead Manager would be in breach of applicable laws to have such power, and a breach of the representation and warranty in those circumstances will only give rise to a right to damages and the parties acknowledge that, in such circumstances damages are an adequate remedy for a breach of the representation and warranty. Each party acknowledges that this representation and warranty has been provided to only address the financial consequences of SEHAL disposing of, or dealing with, any Ordinary Shares held by it. Each party to this agreement acknowledges that the Lead Manager is not entitled to a remedy of specific performance for a breach of the representation and warranty set out in clause 5.3.

For the purposes of the clause 5.3, "Deal", in respect of the "Ordinary Shares", means:

- (a) sell, assign, transfer or otherwise dispose of;
- (b) agree or offer to sell, assign, transfer or otherwise dispose of;
- (c) enter into any option which, if exercised (whether such exercise is subject to conditions or otherwise), enables or requires SEHAL to sell, assign, transfer or otherwise dispose of, or
- (d) decrease or agree to decrease an economic interest.

5.4

Conduct of sale. The Lead Manager undertakes to SEHAL that:

- (a) **(Sale Jurisdictions only)** it will only conduct the Sale in Australia, the United States of America, and the jurisdictions specified in Schedule 2;
- (b) **(compliance with law)** it will, and will procure that its relevant Affiliates do, conduct the Sale in accordance with this Agreement (including this clause 5.4), including:
 - (i) for offers in Australia, in accordance with the Corporations Act;
 - (ii) for offers in the United States of America, in accordance with the procedures set out in clauses 2.7 and 2.8; and
 - (iii) for offers in the jurisdictions specified in Schedule 2, in accordance with the selling restrictions specified in Schedule 2,

provided that the Lead Manager shall not be in breach of this undertaking to the extent any breach is caused by an act or omission which constitutes a breach by SEHAL of the representations, warranties and undertakings in clause 6.1 or the Lead Manager's reliance on final written legal advice provided by or on behalf of SEHAL and which is addressed to the Lead Manager;

- (c) **(filings)** if required it will make, and promptly provide SEHAL with, any Form 45-106F filing it makes in Canada in connection with the Sale;
- (d) **(conduct and methodology)** the Sale will be conducted by the Lead Manager, in consultation with SEHAL and its advisers, as follows:
 - (i) SEHAL and its advisers are to be given all reasonable access to feedback from prospective and targeted participants;
 - (ii) the Lead Manager must give regular information to SEHAL and its advisers about the progress of the Sale, including information as to the Lead Manager's current views on demand and allocation, through meetings or teleconferences, and in any event must provide such information upon reasonable request by SEHAL; and
 - (iii) allocations of Underwritten Shares to purchasers must be made by the Lead Manager in consultation with SEHAL; and
- (e) **(confirmation letter)**, the Lead Manager will only sell Underwritten Shares (other than Balance Shares) to persons that execute a Confirmation Letter, each of these undertakings being material terms of this Agreement.

6. Representations, Warranties and Undertakings

6.1 Representations, warranties and undertakings by SEHAL.

With the exception of the representation and warranty in clause 6.1(i) which is made only at the time of execution of this Agreement by SEHAL, as at the date of this Agreement and, on each day until and including the Settlement Date, SEHAL represents and warrants to the Lead Manager that each of the following statements is true, accurate and not misleading and undertakes that:

- (a) **(body corporate)** SEHAL is a body corporate validly existing and duly established under the laws of its place of incorporation;
- (b) **(capacity)** SEHAL has full legal capacity and power to enter into this Agreement and to carry out the transactions that this Agreement contemplates;
- (c) **(authority)** SEHAL has taken, or will have taken by the time required, all corporate action that is necessary or desirable to authorise its entry into this Agreement and its carrying out of the transactions that this Agreement contemplates;
- (d) **(agreement effective)** this Agreement constitutes SEHAL's legal, valid and binding obligation, enforceable against it in accordance with its terms;
- (e) **(ownership, encumbrances)** SEHAL is the registered holder and sole legal owner of the Underwritten Shares. SEHAL will transfer the full legal and beneficial ownership of the Underwritten Shares free and clear of all liens,

- charges, security interests, claims, equities and pre-emptive rights, subject to registration of the transferee(s) in the register of shareholders of the Company;
- (Underwritten Shares)** so far as SEHAL is aware, immediately following sale by SEHAL, the Underwritten Shares will rank equally in all respects with all other outstanding ordinary shares of the Company, including their entitlement to dividends;
- (f) **(control)** SEHAL does not control the Company ("control" having the meaning given in s50AA of the Corporations Act);
- (g) **(power to sell)** SEHAL has the corporate authority and power to sell the Underwritten Shares under this Agreement and no person has a conflicting right, whether contingent or otherwise, to purchase or to be offered for purchase the Underwritten Shares, or any of them;
- (h) **(no insider trading offence)** at the time of execution of this Agreement by SEHAL, the sale of the Underwritten Shares will not constitute a violation by SEHAL of Division 3 of Part 7.10 of the Corporations Act.
- (i) **(no general solicitation or general advertising)** none of SEHAL, any of its Affiliates or any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on behalf of any of them, as to whom SEHAL makes no representation) has offered or sold, or will offer or sell, any of the Underwritten Shares in the United States using any form of "general solicitation" or "general advertising" within the meaning of Rule 502(c) under the U.S. Securities Act;
- (j) **(no directed selling efforts)** with respect to those Underwritten Shares sold in reliance on Regulation S, none of SEHAL, any of its Affiliates, or any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on behalf of any of them, as to whom SEHAL makes no representation) has engaged or will engage in any "directed selling efforts" (as that term is defined in Rule 902(c) under the U.S. Securities Act);
- (k) **(foreign private issuer and no substantial U.S. market interest)** SEHAL reasonably believes the Company is a "foreign private issuer" as defined in Rule 405 under the U.S. Securities Act and SEHAL reasonably believes there is no "substantial U.S. market interest" (as defined in Rule 902(j) under the U.S. Securities Act) in the Underwritten Shares or any security of the same class or series as the Underwritten Shares;
- (l) **(no stabilisation or manipulation)** neither SEHAL nor any of its Affiliates has taken or will take, directly or indirectly, any action designed to, or that might reasonably be expected to, cause or result in the stabilisation or manipulation of the price of the Underwritten Shares in violation of any applicable law;

- (o) **(no integrated offers)** none of SEHAL, any of its Affiliates or any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on behalf of any of them, as to whom no representation or warranty is made), has solicited any offer to buy, offered to sell or sold, and none of them will solicit any offer to buy, offer to sell or sell in the United States or to, or for the account or benefit of, any U.S. person any security which could be integrated with the sale of the Underwritten Shares in a manner that would require the offer and sale of the Underwritten Shares to be registered under the U.S. Securities Act;
- (p) **(no registration required)** subject to compliance by the Lead Manager with its obligations, representations, warranties and undertakings under clauses 5.4 and 6.2 of this Agreement, it is not necessary in connection with the offer and sale of the Underwritten Shares to purchasers or the Lead Manager or the initial resale to purchasers by the Lead Manager to register the offer and sale of the Underwritten Shares under the U.S. Securities Act, it being understood that SEHAL makes no representation or warranty about any subsequent resale of the Underwritten Shares;
- (q) **(not an investment company)** SEHAL reasonably believes the Company is not and, solely after giving effect to the offering and sale of the Underwritten Shares, will not be, required to register as an "investment company" under U.S. Investment Company Act of 1940;
- (r) **(breach of law)** it will perform its obligations under this Agreement so as to comply with all applicable laws, including all applicable laws in Australia (including in particular the Corporations Act and the Foreign Acquisitions and Takeovers Act 1975 (Cth)), the United States of America and the jurisdictions specified in Schedule 2.
- 6.1A During the period beginning on the Settlement Date and ending on the Second Settlement Date, SEHAL represents and warrants to the Lead Manager that each of the statements contained in clauses 6.1(a) – (h) is true, accurate and not misleading but only in so far as those statements relate to the sale of any Balance Shares.
- 6.2 **Representations, warranties and undertakings of Lead Manager.** As at the date of this Agreement and on each day until and including the Settlement Date (or in the case where clause 2.6 applies in respect of the Lead Manager, the Second Settlement Date), the Lead Manager represents to SEHAL that each of the following statements is true, accurate and not misleading and undertakes that:
- (a) **(body corporate)** it is duly incorporated under the laws of its place of incorporation;

- (b) (capacity) it has full legal capacity and power to enter into this Agreement and to carry out the transactions that this Agreement contemplates;
- (c) (authority) it has taken, or will have taken by the time required, all corporate action that is necessary or desirable to authorize its entry into this Agreement and its carrying out of the transactions that this Agreement contemplates;
- (d) (agreement effective) this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms; and
- (e) (status) it is a QIB or is not a U.S. person (as defined in Regulation S under the U.S. Securities Act);
- (f) (compliance) the Sale will be conducted by the Lead Manager and its Affiliates in accordance with all applicable laws and regulations in any jurisdiction (including all applicable laws and regulations in Australia, United States, and the jurisdictions specified in Schedule 2), provided that the Lead Manager shall not be in breach of this warranty to the extent any breach is caused by an act or omission which constitutes a breach by SEHAL of its representations, warranties and undertakings in clause 6.1 or the Lead Manager's reliance on final written legal advice provided by or on behalf of SEHAL and which is addressed to the Lead Manager;
- (g) (foreign private issuer and not substantial U.S. market interest) the Lead Manager reasonably believes the Company is a "foreign private issuer" as defined in Rule 405 under the U.S. Securities Act and the Lead Manager reasonably believes there is no "substantial U.S. market interest" (as defined in Rule 902(j) under the U.S. Securities Act) in the Underwritten Shares or any security of the same class or series as the Underwritten Shares;
- (h) (no registration) it acknowledges that the Underwritten Shares have not been and will not be registered under the U.S. Securities Act and that the Lead Manager and its Affiliates may not in respect of such shares, offer them for sale in the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
- (i) (no general solicitation or general advertising) none of the Lead Manager nor its Affiliates nor any person acting on behalf of any of them has solicited offers for or offered to sell, and none of them will solicit offers for, or offer or sell, the Underwritten Shares in the United States using any form of "general solicitation" or "general advertising" within the meaning of Rule 502(c) under the U.S. Securities Act;
- (j) (confirmation or notice) until 40 days after the Settlement Date, the Lead Manager and its Affiliates and any person acting on behalf of any of them, at or

prior to confirmation of sales of the Underwritten Shares will have sent to each non-U.S. Person that is a distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Underwritten Shares from it (in accordance with Regulations S under the U.S. Securities Act), a confirmation or notice to substantially the following effect:

"The Underwritten Shares covered hereby have not been registered under the U.S. Securities Act of 1933 as amended (the "Securities Act") and may not be offered and sold within the United States or to, or for the account or benefit of, any U.S. person (i) as part of their distribution at any time or (ii) otherwise until 40 days after the Settlement Date, except in either case in accordance with Regulation S or Rule 144A under the Securities Act. Terms used above have the meaning given to them by Regulation S under the Securities Act";

(k) (broker-dealer requirements) all offers and sales of the Underwritten Shares in the United States by the Lead Manager and any of its Affiliates will be effected by its registered broker-dealer affiliate;

(l) (U.S. selling restrictions) the Lead Manager and its Affiliates and any person acting on behalf of any of them has offered and sold the Underwritten Shares, and will offer and sell the Underwritten Shares:

(i) to persons that are:

a not in the United States;

b not U.S. Persons; and

c not acting for the account or benefit of U.S. Persons,

in each case, in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S; and

(ii) to persons that are:

a in the United States;

b U.S. Persons; or

c acting for the account or benefit of U.S. Persons,

each of whom is a QIB, as defined in Rule 144A under the U.S.

Securities Act, in transactions exempt from the registration requirements of the U.S. Securities Act thereunder,

and in each case, has only sold and will only sell the Underwritten Shares (other than Balance Shares) to persons that have executed a Confirmation Letter; provided that any Balance Shares may only be offered and sold solely to

persons that are not in the United States and are not, and are not acting for the account or benefit of, U.S. Persons in "offshore transactions" in accordance with Regulation S, provided, however, that the Lead Manager may sell Balance Shares in a regular brokered transaction on the ASX if neither it, nor any person acting on its behalf, knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and

- (m) **(no directed selling efforts)** with respect to those Underwritten Shares sold in reliance on Regulation S, none of Lead Manager, its Affiliates nor any person acting on behalf of any of them has engaged or will engage in any "directed selling efforts" (as that term is defined in Rule 902(c) under the U.S. Securities Act).

6.3 Reliance. Each party giving a representation, covenant, undertaking or warranty under this Agreement acknowledges that the other party has relied on such representations, covenants, undertakings and warranties in entering into this Agreement and will continue to rely on these representations, covenants, undertakings and warranties in performing its obligations under this Agreement.

6.4 Notification. Each party agrees that it will tell the other parties promptly upon becoming aware of any of the following occurring prior to the completion of the sale of the Underwritten Shares:

- (a) any material change affecting any of the representation, covenant or warranty made or given under this Agreement; or
- (b) any representation or warranty made or given under this Agreement becoming materially untrue or materially incorrect or being breached.

7. Indemnity

7.1 SEHAL agrees with the Lead Manager that it will keep the Lead Manager and its Related Bodies Corporate (as that term is defined in the Corporations Act), and their respective directors, officers and employees ("**Indemnified Parties**") indemnified against any losses, damages, liabilities, costs, claims, actions and demands (including any reasonable expenses arising in connection therewith) ("**Losses**") to the extent that such Losses are incurred or made as a result of a breach of this Agreement by SEHAL, including any breach of any of the above representations or warranties given by SEHAL, and will reimburse the Lead Manager for all reasonable out of pocket costs, charges and expenses which it may pay or incur in connection with investigating, disputing or defending any such action, demand or claim for which it is indemnified under this Agreement.

7.2 The indemnity in clause 7.1 does not extend to and is not to be taken as an indemnity against any Losses of an Indemnified Party to the extent any Losses which result from:

- (a) any fraud, recklessness, wilful misconduct, breach of applicable law, breach of this Agreement or gross negligence of the Indemnified Party but excluding any such matter to the extent it is caused by an act or omission which constitutes a breach by SEHAL of the representations, warranties and undertakings in clause 6.1 or the Lead Manager's reliance on final written legal advice provided by or on behalf of SEHAL and which is addressed to the Lead Manager;
- (b) any penalty or fine which the Indemnified Party is required to pay for any contravention of any law;
- (c) any amount in respect of which the indemnity would be illegal, void or unenforceable under any applicable law.

7.3 Both SEHAL and an Indemnified Party must not settle any action, demand or claim to which the indemnity in clause 7.1 relates without the prior written consent of SEHAL or UBS, as applicable, such consent not to be unreasonably withheld.

7.4 The indemnity in clause 7.1 is a continuing obligation, separate and independent from the other obligations of the parties under this Agreement and survives termination or completion of this Agreement. It is not necessary for the Lead Manager to incur expense or make payment before enforcing that indemnity.

7.5 The indemnity in clause 7.1 is granted to the Lead Manager both for itself and on trust for each of the Indemnified Parties.

7.6 Subject to clause 7.7, the parties agree that if for any reason the indemnity in clause 7.1 is unavailable or insufficient to hold harmless any Indemnified Party against any Losses against which the Indemnified Party is stated to be indemnified (other than expressly excluded), the respective proportional contributions of SEHAL and the Indemnified Party or the Indemnified Parties in relation to the relevant Losses will be as agreed, or failing agreement as determined by a court of competent jurisdiction, having regard to the participation in, instigation of or other involvement of SEHAL and the Indemnified Party or the Indemnified Parties in the act complained of, having particular regard to relative intent, knowledge, access to information and opportunity to correct any untrue statement or omission.

7.7 SEHAL agrees with each of the Indemnified Parties that in no event will the Lead Manager and its associated Indemnified Parties be required to contribute under clause 7.6 to any Losses in an aggregate amount that exceeds the aggregate of the fees paid to the Lead Manager under this Agreement.

7.8 If an Indemnified Party pays an amount in relation to Losses where it is entitled to contribution from SEHAL under clause 7.6 SEHAL agrees promptly to reimburse the Indemnified Party for that amount.

7.9 If SEHAL pays an amount to the Indemnified Parties in relation to Losses where it is entitled to contribution from the Indemnified Parties under clause 7.6 the Lead Manager must promptly reimburse SEHAL for that amount.

7.10 Notwithstanding the limitations on the indemnity and limitation of liability expressed in clause 7.2, such limitations shall not apply in respect of any action, demand or claim under U.S. Law (as defined below) to the extent that such Losses arise out of or are based upon any untrue statement of material fact in the information related to the Company:

- (a) made public by SEHAL; or
- (b) otherwise provided by SEHAL to one or more investors (either specifically or generally).

in connection with the Sale (the "Information") or any omission by SEHAL to state a material fact necessary to make statements in the Information, in light of the circumstances under which they were made, not misleading, provided, however, that SEHAL will not be liable in any such case to the extent that any such Losses arise out of or are based upon any such untrue statements or omissions made in reliance upon and in conformity with written information furnished to SEHAL by or on behalf of the Lead Manager.

For the purposes of this clause 7.10, "U.S. Law" means all applicable laws, rules and regulations of the United States and any State or governmental authority or agency thereof or therein.

8. Announcements

8.1 SEHAL and the Lead Manager will consult each other in respect of any written material public releases by any of them concerning the Sale. The prior written consent of SEHAL must be obtained prior to the Lead Manager making any release or announcement or engaging in publicity in relation to the Sale (which for the avoidance of doubt shall not include any equity research report published by the Lead Manager or an Affiliate of the Lead Manager) and such release, announcement or engagement must be in compliance with all applicable laws, including the securities laws of Australia, the United States and any other jurisdiction.

8.2 The Lead Manager may, after completion of its other obligations under this Agreement, place advertisements in financial and other newspapers and journals at its own expense describing their service to SEHAL provided such advertisements are in compliance with all applicable laws, including the securities laws of Australia, the United States and any other jurisdiction.

9. Intentionally left blank

10. Events of Termination

10.1 **Right of termination of Lead Manager.** If any of the following events occurs at any time during the Risk Period (as defined in clause 10.6), then the Lead Manager may terminate this Agreement without cost or liability to itself at any time before the expiry of the Risk Period by giving written notice to SEHAL:

- (a) **ASX actions.** ASX does any of the following:
 - (i) announces that the Company will be removed from the official list of ASX or ordinary shares in the Company will be suspended from quotation;
 - (ii) removes the Company from the official list; or
 - (iii) suspends the trading of ordinary shares in the Company for any period of time (excluding any voluntary suspension requested by the Company in connection with the Sale and, to avoid doubt, any period of time when the Company is in trading halt).
- (b) **ASIC inquiry.** ASIC issues or publicly announces its intention to issue proceedings in relation to the Sale or commences, or publicly announces its intention to commence, any inquiry or investigation in relation to the Sale but excluding any proceeding or inquiry or investigation the subject matter of which is any act or omission or conduct of the Lead Manager or any of its Affiliates.
- (c) **Other termination events.** Subject to clause 10.2, any of the following occurs:
 - (i) **Banking moratorium.** A general moratorium on commercial banking activities in Australia, United States or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries.
 - (ii) **Breach of Agreement.** SEHAL is in default of any of the terms and conditions of this Agreement or breaches any representation or warranty given or made by it under this Agreement.
- (d) **Change in law.** There is introduced, or there is a public announcement of a specific proposal to introduce, into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a new law (other than a law or policy which has been announced before the date of this agreement), which makes it illegal for the Lead Manager to satisfy an obligation under the agreement.

10.2 **Materiality.** No event listed in clause 10.1(c) entitles the Lead Manager to exercise its termination rights unless it:

- (a) has, or would reasonably be expected to have, a material adverse effect on:

- (i) the success or settlement of the Sale; or
- (ii) the price at which ordinary shares in the Company are sold on the ASX; or
- (b) would reasonably be expected to give rise to a liability of the Lead Manager under the Corporations Act or any other applicable law.
- 10.3 Right of Termination of SEHAL.** Subject to clause 10.4, SEHAL may terminate this Agreement without cost or liability to itself at any time prior to the allocation of the Underwritten Shares to transferee(s) by giving written notice to the Lead Manager if the Lead Manager or any of its Affiliates is in breach or default of any provision of this Agreement.
- 10.4 Materiality.** SEHAL is not entitled to exercise its termination rights under clause 10.3 unless the relevant breach or default by UBS or any of its Affiliates:
- (a) has, or would reasonably be expected to have, a material adverse effect on:
- (i) the success or settlement of the Sale; or
- (ii) the price at which ordinary shares in the Company are sold on the ASX or may be sold pursuant to the Sale; or
- (b) would reasonably be expected to give rise to a liability of SEHAL or any of its Affiliates under the Corporations Act or any other applicable law.
- 10.5 Effect of termination.** Where, in accordance with this clause 10, a party gives a notice to terminate this Agreement:
- (a) this Agreement will immediately terminate; and
- (b) any entitlements or rights of a party accrued under this Agreement, including the right to be indemnified, up to the date of termination survive.
- 10.6 Risk Period.** For the purposes of this clause, the "Risk Period" means the period commencing on the execution of this Agreement and ending at 10.00am on the Settlement Date.
- 11. Miscellaneous**
- 11.1 Entire agreement.** This Agreement constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that matter.
- 11.2 Governing law.** This Agreement is governed by the laws of New South Wales, Australia.
- Each party submits to the exclusive jurisdiction of courts exercising jurisdiction in New South Wales, and waives any right to claim that those courts are an inconvenient forum.

- 11.3 Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will be ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this Agreement nor affect the validity or enforceability of that provision in any other jurisdiction.
- 11.4 Waiver and variation.** A provision of or right vested under this Agreement may not be:
- (a) waived except in writing signed by the party granting the waiver; or
- (b) varied except in writing signed by the parties.
- 11.5 No merger.** The rights and obligations of the parties will not merge on the termination or expiration of this Agreement. Any provision of this Agreement remaining to be performed or observed by a party, or having effect after the termination of this Agreement for whatever reason remains in full force and effect and is binding on that party.
- 11.6 No assignment.** No party may assign its rights or obligations under this Agreement without the prior written consent of the other parties.
- 11.7 Notices.** Any notice, approval, consent, agreement, waiver or other communication in connection with this Agreement must be in writing.
- 11.8 Affiliates.** In this Agreement the term "Affiliates" means any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, a person; "control" (including the terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management, policies or activities of a person, whether through the ownership of securities by contract or agency or otherwise and the term "person" is deemed to include a partnership.
- 11.9 Business Day.** In this Agreement "Business Day" means a day on which:
- (a) ASX is open for trading in securities; and
- (b) banks are open for general banking business in Sydney, Australia.
- 11.10 No Fiduciary Relationship.** SEHAL acknowledges and agrees that the Lead Manager has been engaged solely as an independent contractor to provide the services set out in this Agreement. In rendering such services the Lead Manager will be acting solely pursuant to a contractual relationship with SEHAL on an arm's length basis with respect to the Sale (including in connection with determining the terms of the Sale) and will not act as a fiduciary to SEHAL or any other person. Additionally, SEHAL acknowledges that the Lead Manager is not advising SEHAL or any other person as to any legal, tax, accounting or regulatory matters in any jurisdiction. SEHAL shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and,

save as provided by the terms of this Agreement, the Lead Manager shall have no responsibility or liability to SEHAL with respect thereto.

11.11 Interpretation. In this Agreement:

- (a) headings and sub-headings are for convenience only and do not affect interpretation;
- (b) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;
- (c) a reference to "dollars" and "\$" is to Australian currency; and
- (d) all references to time are to Sydney, New South Wales, Australia time.

11.12 Counterparts. This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one agreement.

Yours sincerely,

SIGNED on behalf of
UBS AG, Australia Branch

by its duly authorised signatories

[Signed by Andrew Defina]
Signature of Authorised Signatory

Andrew Defina
Print name

8 November 2010
Date

[Signed by Campbell Stewart]
Signature of Authorised Signatory

Campbell Stewart
Print name

8 November 2010
Date

Accepted and agreed to as of the date of this Agreement.

Signed for **Shell Energy Holdings Australia Limited**
under power of attorney dated 8 November 2010 in the presence of:

[Signed by Michael Coates]
Signature of witness

Michael Coates
Name of witness (print)

[Signed by Guy Outen]
Signature of attorney

Guy Outen
Name of attorney (print)

**Schedule 1
Timetable**

	Time (AEDST)	Date
SEHAL's ultimate parent releases announcement in relation to Sale	4.30pm	8 November 2010
Books open	4.30pm	8 November 2010
Final books close	7.30am (or such earlier time as the Lead Manager may determine)	9 November 2010
Trade Date (T)		9 November 2010
Settlement Date (T + 4)		15 November 2010
Second Settlement Date for Balance Shares (if any) (T + 6)		17 November 2010

**Schedule 2
Foreign Jurisdictions and Selling Restrictions**

Canada

This document constitutes an offering of the Ordinary Shares only in the Provinces of British Columbia, Ontario and Québec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such Ordinary Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – *Prospectus and Registration Exemptions*, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the Ordinary Shares or the offering of the Ordinary Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of the Ordinary Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the Ordinary Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements.

SEHAL, and the directors and officers of SEHAL, may be located outside Canada, and as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon SEHAL or its directors or officers. All or a substantial portion of the assets of SEHAL and such persons may be located outside Canada, and as a result, it may not be possible to satisfy a judgment against SEHAL or such persons in Canada or to enforce a judgment obtained in Canadian courts against SEHAL or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board.

Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

STATUTORY RIGHTS OF ACTION FOR DAMAGES OR RESCISSION

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario.

In Ontario, every purchaser of the Ordinary Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-

106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against SEHAL if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against SEHAL. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the *Securities Act* (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the Ordinary Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against SEHAL, provided that:

- (a) SEHAL will not be liable if it proves that the purchaser purchased the Ordinary Shares with knowledge of the misrepresentation;
- (b) in an action for damages, SEHAL is not liable for all or any portion of the damages that SEHAL proves does not represent the depreciation in value of the Ordinary Shares as a result of the misrepresentation relied upon; and
- (c) in no case shall the amount recoverable exceed the price at which the Ordinary Shares were offered.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than:

- (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action.

These rights are in addition to and not in derogation from any other right the purchaser may have.

CERTAIN CANADIAN INCOME TAX CONSIDERATIONS

Prospective purchasers of the Ordinary Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding, or disposition of the Ordinary Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

LANGUAGE OF DOCUMENTS IN CANADA

Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Ordinary Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents fassent foi ou se rapportent de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

China

The information in this document does not constitute a public offer of the Ordinary Shares, whether by way of sale or subscription, in the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The Ordinary Shares may not be offered or sold directly or indirectly in the PRC to legal or natural persons other than directly to "qualified domestic institutional investors".

European Economic Area - Belgium, Germany and Netherlands

The information in this document has been prepared on the basis that all offers of the Ordinary Shares will be made pursuant to an exemption under the Directive 2003/71/EC ("Prospectus Directive"), as implemented in Member States of the European Economic Area (each, a "Relevant Member State"), from the requirement to produce a prospectus for offers of securities.

An offer to the public of the Ordinary Shares has not been made, and may not be made, in a Relevant Member State except pursuant to one of the following exemptions under the Prospectus Directive as implemented in that Relevant Member State:

- (a) to legal entities that are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity that has two or more of: (i) an average of at least 250 employees during its last fiscal year; (ii) a total balance sheet of more than €43,000,000 and (iii) an annual net turnover of more than €50,000,000;
- (c) to fewer than 100 natural or legal persons (other than qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive) subject to obtaining the prior consent of SEHAL and any underwriter for any such offer; or
- (d) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of the Ordinary Shares shall result in a requirement for the publication by SEHAL of a prospectus pursuant to Article 3 of the Prospectus Directive.

France

This document is not being distributed in the context of a public offering of financial securities (*offre au public de titres financiers*) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (*Code monétaire et financier*) and Articles 211-1 et seq. of the General Regulation of the French *Autorité des marchés financiers* ("AMF"). The Ordinary Shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

This document and any other offering material relating to the Ordinary Shares have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed or caused to be distributed, directly or indirectly, to the public in France.

Such offers, sales and distributions have been and shall only be made in France to (i) qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in and in accordance with Articles L.411-2(1)-(2) and D.411-1 to D.411-3, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation and/or (ii) a restricted number of non-qualified investors (*cercle restreint d'investisseurs*) acting for their own account,

as defined in and in accordance with Articles L.411-2-II-2° and D.411-4, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the Ordinary Shares cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies Ordinance (Cap. 32) of Hong Kong (the "Companies Ordinance"), nor has it been authorised by the Securities and Futures Commission (the "SFC") in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Ordinary Shares have not been and will not be offered or sold in Hong Kong by means of any document, other than:

- to "professional investors" (as defined in the SFO and any rules made under that ordinance); or
- in other circumstances that do not result in this document being a "prospectus" (as defined in the Companies Ordinance) or that do not constitute an offer to the public within the meaning of that ordinance.

No advertisement, invitation or document relating to the Ordinary Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Ordinary Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted the Ordinary Shares may sell, or offer to sell, such shares in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such shares.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Italy

The offering of the Ordinary Shares in the Republic of Italy has not been authorized by the Italian Securities and Exchange Commission (Commissione Nazionale per le Società e la Borsa, "CONSOB") pursuant to the Italian securities legislation and, accordingly, no offering material relating to the Ordinary Shares may be distributed in Italy and the Ordinary Shares may not be offered or sold in Italy in a public offer within the meaning of Article 1.1(f) of Legislative Decree No. 58 of 24 February 1998 ("Decree No. 58"), other than:

- to Italian qualified investors, as defined in Article 100 of Decree no.58 by reference to Article 34-ter of CONSOB Regulation no. 11971 of 14 May 1999 ("Regulation no. 11971") as amended ("Qualified Investors"); and

- in other circumstances that are exempt from the rules on public offer pursuant to Article 100 of Decree No. 58 and Article 34-ter of Regulation No. 11971 as amended.

Any offer, sale or delivery of the Ordinary Shares or distribution of any offer document relating to the Ordinary Shares in Italy under the paragraphs above must be:

- made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of 1 September 1993 (as amended), Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007 and any other applicable laws; and
- in compliance with all relevant Italian securities, tax and exchange controls and any other applicable laws.

Any subsequent distribution of the Ordinary Shares in Italy must be made in compliance with the public offer and prospectus requirement rules provided under Decree No. 58 and the Regulation No. 11971 as amended, unless an exception from those rules applies. Failure to comply with such rules may result in the sale of such Ordinary Shares being declared null and void and in the liability of the entity transferring the Ordinary Shares for any damages suffered by the investors.

Japan

The Ordinary Shares have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires the Ordinary Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of the Ordinary Shares is conditional upon the execution of an agreement to that effect.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Securities Act 1978 (New Zealand). The Ordinary Shares are not being offered or sold within New Zealand, or allotted with a view to being offered for sale in New Zealand, and no person in New Zealand may accept a placement of the Ordinary Shares other than to:

- persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money; or
- persons who are each required to (i) pay a minimum subscription price of at least NZ\$500,000 for the securities before allotment or (ii) have previously paid a minimum subscription price of at least NZ\$500,000 for securities of the Company ("initial securities") in a single transaction before the allotment of such initial securities and such allotment was not more than 18 months prior to the date of this document.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator pursuant to the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document

shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The Ordinary Shares may not be offered or sold, directly or indirectly, in Norway except:

- to "professional investors" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876);
- any natural person who is registered as a professional investor with the Oslo Stock Exchange (No. Oslo Børs) and who fulfils two or more of the following: (i) any natural person with an average execution of at least ten transactions in securities of significant volume per quarter for the last four quarters; (ii) any natural person with a portfolio of securities with a market value of at least €500,000; and (iii) any natural person who works, or has worked for at least one year, within the financial markets in a position which presuppose knowledge of investing in securities;
- to fewer than 100 natural or legal persons (other than "professional investors"); or
- in any other circumstances provided that no such offer of the Ordinary Shares shall result in a requirement for the registration, or the publication by SEHAL or an underwriter, of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.

Singapore

This document and any other materials relating to the Ordinary Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of the Ordinary Shares, may not be issued, circulated or distributed, nor may the Ordinary Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Ordinary Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire the Ordinary Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

Sweden

This document has not been, and will not be, registered with or approved by Finansinspektionen (the Swedish Financial Supervisory Authority). Accordingly, this document may not be made available, nor may the Ordinary Shares be offered for sale in Sweden, other than under circumstances that are deemed not to require a prospectus under the Swedish Financial Instruments Trading Act (1991:980) (Sw. lag (1991:980) om handel med finansiella instrument). Any offering of the Ordinary Shares in Sweden is limited to persons who are "qualified investors" (as defined in the Financial Instruments Trading Act). Only such investors may

receive this document and they may not distribute it or the information contained in it to any other person.

Switzerland

The Ordinary Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering material relating to the Ordinary Shares may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering material relating to the Ordinary Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of the Ordinary Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This document is personal to the recipient only and not for general circulation in Switzerland.

Taiwan

The Ordinary Shares have not been registered in Taiwan nor approved by the Financial Supervisory Commission, Executive Yuan, the Republic of China. Holders of the Ordinary Shares cannot resell the Ordinary Shares or interests thereto in Taiwan nor solicit any other purchasers in Taiwan for this offering.

United Arab Emirates

Neither this document nor the Ordinary Shares have been approved, disapproved or passed on in any way by the Central Bank of the United Arab Emirates or any other governmental authority in the United Arab Emirates, nor has the Seller received authorization or licensing from the Central Bank of the United Arab Emirates or any other governmental authority in the United Arab Emirates to market or sell the Ordinary Shares within the United Arab Emirates. This document does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the Ordinary Shares may be rendered within the United Arab Emirates by SEHAL.

No offer or invitation to subscribe for the Ordinary Shares is valid or permitted in the Dubai International Financial Centre.

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the Ordinary Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA). This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of s.21 FSMA) received in connection with the sale of the Ordinary Shares has only been

communicated, and will only be communicated, in the United Kingdom in circumstances in which s 21(1) FSMA does not apply to SEHAL.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"); (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO; or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

PRIME BROKERAGE AGREEMENT

Details

Interpretation – definitions are at the end of the General terms

Parties	UBS and Customer	
UBS	Name	UBS AG, Australia Branch
	ABN	47 088 129 613
	AFSL	231 087
	Address	Level 16 Chifley Tower, 2 Chifley Square, Sydney, NSW, 2000
	Telephone	+61 2 9324 2000
	Fax	+61 2 9324 2558
	Attention	General Counsel
Customer	Name	
	ABN	
	AFSL	
	Address	
	Telephone	
	Fax	
	Attention	
	Scheme	

ARSN	
Recitals	A The Customer wishes to appoint UBS to provide a prime brokerage service to the Customer in its capacity as trustee and manager of the Scheme.
	B UBS wishes to accept that appointment.
Governing law	New South Wales
Date of agreement	See Signing page

10.2 Custodial Assets

UBS may request the Custodian at any time to pay or deliver to UBS any of the Custodial Assets, provided that UBS may only request the Custodian to deliver to UBS Custodial Assets which are ASX listed securities if such delivery would not cause UBS to have a 'relevant interest' for the purposes of the Corporations Act 2001 (Cth) of greater than 18% in any ASX listed entity. Subject to clauses 10.3, 10.4, 10.5 and 10.6 the Customer agrees that any Custodial Assets which UBS requests the Custodian to pay or deliver to UBS, or any Collateral, may be used by UBS for UBS's own account (including to borrow, lend, charge, re-hypothecate, dispose of or otherwise use for its own purposes) and in respect of UBS's obligations (or those of other customers of UBS) and, as a consequence, those Assets are not held by UBS for the Customer or the Custodian. UBS will have a contractual obligation to return equivalent Custodial Assets to the Custodian in accordance with clause 10.6. The Customer and the Custodian will in relation to the obligation to return equivalent Custodial Assets rank as one of UBS's general creditors in the event of UBS becoming Insolvent. Subject to clause 4.2 of the ASLA, UBS may retain all fees, profits and other benefits received in connection with such activities.

10.3 Express Authorisation for Collateral

Without limiting UBS's right to request transfer of any of the Custodial Assets under clause 10.2, the Customer expressly authorises UBS in its discretion to:

- identify any Collateral as being held as margin or security against a particular obligation of the Customer under this agreement or against an UBS Transaction;
- subject to clauses 10.2 and 10.5, transfer any Custodial Assets to UBS expressly as Collateral for any obligations of the Customer under this agreement or an UBS Transaction; and
- transfer the proceeds of a cash advance made to the Customer to any Related Entity to satisfy any margin or security requirement of a Related Entity in relation to a Transaction (provided that the Customer and UBS have previously agreed in writing that the Transaction is a Transaction to which this clause 10.3 applies).

10.4 No Derogation from Liability to provide Collateral

The authorisation of UBS set out in clause 10.3 does not derogate from the Customer's obligation to meet a demand for Outstanding Margin Requirement under clause 5.3 or any margin or security requirement owed to a Related Entity. Unless UBS agrees otherwise in a particular case, UBS is only deemed to have agreed to transfer Custodial Assets to meet an Outstanding Margin Requirement or transferring the proceeds of a cash advance to the Customer to meet a margin or security requirement of a Related Entity upon it actually transferring those Custodial Assets or proceeds (as applicable) and is not liable for failure to do so.

10.5 Provision of Collateral

Subject to UBS's rights under clause 10.2, Collateral which is required by UBS pursuant to clause 5, if provided to the Custodian, will be held by the Custodian as bare trustee for the Customer subject to the Security. Any other Collateral provided to UBS in accordance with clause 5 will be provided to UBS in accordance with the terms and conditions of the ASLA and with the Rules. Securities delivered by the Custodian to UBS under clause 10.2 will be deemed to be provided by the Customer to UBS in accordance with the terms and conditions of the ASLA and with the Rules. UBS will become the legal and beneficial owner of those securities upon taking delivery of them from the Custodian.

10.6 Custodial Assets to be borrowed by UBS

Any Custodial Assets which UBS has the Custodian pay or deliver to it, will be borrowed by UBS from the Customer in accordance with the terms and conditions of the ASLA and with the Rules. If any of the terms of the ASLA are inconsistent with any of the terms of this agreement, this agreement prevails to the extent of the inconsistency.

10.7 Withholding Taxes on Income

If a law requires UBS to deduct an amount in respect of Taxes in relation to any income or other payments to the Customer under this agreement, the Customer authorises UBS to make such deductions without any further express instructions. UBS will pay to the Customer the amount of income or other payments net of Taxes.

11 Representations, Warranties and Acknowledgment

11.1 Customer's representations and warranties

The Customer represents and warrants to UBS that:

- (a) it has the power to enter into and perform its obligations under this agreement and has duly executed this agreement so as to constitute valid and binding obligations of the Customer;
- (b) it has duly executed this agreement in its capacity as trustee and manager of the Scheme and for the benefit of the beneficiaries of the Scheme;
- (c) it holds such licences and authorities as are necessary to lawfully perform its obligations under this agreement;
- (d) in giving any instructions under this agreement, the Customer will act as principal;
- (e) in giving any instructions under this agreement, the Customer will act in accordance with the provisions of its constitution, the constitution of the Scheme or other constituent documents, any applicable laws and regulations and comply with any investment restrictions in any prospectus, information memorandum, investment management

UBS AG

AND

[INSERT COUNTERPARTY NAME]

MASTER PRIME BROKERAGE AGREEMENT

b) if UBS considers it desirable (i) in order to facilitate Transactions or (ii) that UBS has collateral (or additional collateral) in relation to your obligations to UBS under this Agreement and the Customer Agreements, credit the Assets to the Transferred Assets Account.

6.3 UBS will credit all Cash to the Banking Account, and hold the Cash as banker and not as trustee, and so will not hold the Cash in accordance with the FSA's client money rules.

6.4 Assets are delivered to UBS at your risk. In the case of registrable Assets, you must deliver, together with the Assets, transfers duly executed in blank in the manner and form UBS requires.

6.5 UBS may in its absolute discretion decline to accept (in whole or in part) any securities, cash or other property tendered to it for credit to the Custody Account, Transferred Assets Account or Banking Account. UBS is not obliged to give any reason for its refusal.

6.6 If, on the relevant settlement or income payment date, UBS credits the Custody Account, Transferred Assets Account or Banking Account with Assets, Income or the proceeds of a sale, purchase or exchange of any Assets, or debits the Custody Account, Transferred Assets Account or Banking Account with the Assets or cost of any Assets, UBS may reverse any credit or debit if the relevant transaction fails to settle, or the Income is not received, on a timely basis.

6.7 Subject to the terms of this Agreement, UBS is authorised and agrees to act on all instructions. UBS acts upon instructions at your sole risk. UBS may for any reason refuse to act on any instructions, including to deliver any Assets from the Custody Account or Transferred Assets Account or make any payments of Cash from the Banking Account.

7. TRANSFERRED ASSETS ACCOUNT

7.1 If UBS credits Assets to the Transferred Assets Account, all right, title and interest in those Assets passes to UBS free of all liens, charges, encumbrances and all third-party interests and rights, and UBS is obliged to deliver to you Equivalent Assets in accordance with, and subject to, the terms of this Agreement. UBS may retain for its own account all fees, profits and other benefits received in connection with any Assets credited to the Transferred Assets Account. Equivalent Assets will be delivered to you, pursuant to clause 10.1 or, at UBS's discretion, earlier, by crediting them to the Custody Account, and this Agreement applies to those assets as if they were

Assets credited to the Custody Account pursuant to clause 6.2, and UBS will debit the Transferred Assets Account accordingly.

7.2 Following any record date for payment or distribution of Income on any Assets credited to the Transferred Assets Account, UBS will credit an amount equal to or securities equivalent to the Income, after deduction of any taxes and duties payable, to either the Banking Account or Custody Account, as appropriate, as soon as reasonably practical after UBS receives the Income.

8. CUSTODY ACCOUNT

8.1 Subject to the terms of this Agreement, in relation to Assets credited by UBS to the Custody Account, UBS will:

- (a) on your behalf, hold or procure to be held to UBS's order those Assets; and
- (b) as soon as practicable after receipt of any necessary documents, procure registration of any registrable Assets in a manner permitted by the FSA Rules, which may include registration in the name of (i) due to the law or market practice of particular jurisdictions, UBS or a sub-custodian, (ii) UBS's or a sub-custodian's nominee, or (iii) any other person as you notify to UBS in writing.

At your request, UBS will notify you of those jurisdictions where registrable Assets credited to the Custody Account are currently registered in the name of UBS or a sub-custodian, and, in relation to the latter, of the name of the sub-custodian.

8.2 Subject to this Agreement, Assets credited to the Custody Account are held by UBS at your risk. Where Assets credited to the Custody Account are registered in the name of UBS, those Assets might not be segregated from UBS's own assets and, if UBS defaults, may not be as well protected from claims made on behalf of the general creditors of UBS. The consequences of you instructing UBS regarding the registration of Assets credited to the Custody Account are at your risk. You may instruct UBS in writing to hold documents of title for Assets credited to the Custody Account other than in UBS's physical possession or with an eligible custodian and you acknowledge that the consequences of doing so or of instructing UBS pursuant to clause 8.1(b)(iii) are at your risk.

8.3 In respect of Assets credited to the Custody Account which are held by a sub-custodian, UBS will, wherever possible, require that sub-custodian to record

them in its books to an account the title of which makes it clear that those Assets belong to a client of UBS.

8.4 Unless UBS has received contrary instructions in sufficient time for UBS to act on them, UBS will, subject to this Agreement, in relation to Assets credited to the Custody Account and on your behalf:

- (a) collect, as they become payable, all interest, cash dividends and securities dividends and all other cash and securities income and cash and securities payments, with respect to such Assets, and credit the Banking Account or Custody Account on receipt, as appropriate, and, for this purpose, execute in your name any declarations of ownership or other documentation as may be required;
- (b) present for payment all such Assets which are called, redeemed or otherwise become payable and all coupons and other income items which call for payment upon presentation, in any case provided that UBS is actually aware of the opportunities, and credit the Cash, when received, to the Banking Account;
- (c) credit, on receipt, to the Custody Account all Assets received by UBS as a result of a share sub-division or re-organisation, capitalisation of reserves or otherwise with respect to Assets credited to the Custody Account; and
- (d) to the extent the issuer of the relevant assets permits, exchange interim or temporary receipts or certificates for definitive certificates, and old or overstamped certificates for new certificates.

8.5 In accordance with Instructions, UBS will, subject to this Agreement, execute and deliver, or procure to be executed and delivered, to you or as you may direct, any powers of attorney or proxies as may reasonably be required, authorising those attorneys or proxies to exercise any rights conferred by, or otherwise act in respect of, any Assets credited to the Custody Account.

8.6 UBS will use its reasonable efforts to notify you, as soon as reasonably practicable after receipt, of any notice relating to the Assets credited to the Custody Account, including, without limitation, notice of a tender or exchange offer or of a rights entitlement or a fractional interest resulting from a rights issue, stock dividend or stock split, but excluding notice of any general meeting of holders of securities. Unless

agreed otherwise with you, UBS is not responsible for taking any action with respect to any such notice, or for the exchange of any Asset credited to the Custody Account even if purely administrative, or for the exercise of any rights to subscribe for securities, conversion rights, voting rights or any other rights relating to those Assets or for dealing with any takeover, offer or capital re-organisation affecting those Assets. However, for the avoidance of doubt, you have no right to vote in respect of Assets credited to the Custody Account to the extent that they are Settlement Securities that have not yet been delivered to third parties.

8.7 You authorise UBS to transfer Assets credited to the Custody Account from such account to the Transferred Assets Account (so that UBS may borrow, lend, charge, sell, transfer or otherwise use those Assets for its own purposes or the purposes of its other clients) without giving notice of this to you, and clause 7.1 applies accordingly.

8.8 You authorise UBS and UBS's sub-custodians, agents and other delegates to hold Assets credited to the Custody Account in accounts in which those Assets are commingled with assets of the same class held by the relevant person for its other clients. Where Assets are held in such an account, your rights to those Assets is not in relation to any separately identifiable securities, but rather is in relation to the same number, class, denomination and issue as those delivered to UBS, and you confirm you accept this. Where Assets credited to the Custody Account are pooled on this basis, UBS:

- (a) acknowledges that you have an equitable interest in that pool of assets (or in UBS' interest in respect of that pool) equal to the proportion which from time to time the number of Assets credited to the Custody Account (or which should have been credited) which have been pooled bears to the total number of assets in the pool (or in that part of the pool in respect of which UBS has an interest); and
- (b) may, if those Assets are called for partial redemption by their issuer, and subject to the rules or regulations pertaining to allocation of any Securities System in which those Assets have been deposited, allot or procure to be allotted the called portion to the respective beneficial holders of that class of investment in any manner UBS considers fair and equitable.

For the purposes of this clause 8.8, assets are of the same class as other assets if they are (i) of the same

light or which UBS may suffer or incur in respect of past Transactions.

PART D: SECURITY

11. CHARGE

11.1 The charge created by this clause 11 is given by you to UBS as continuing security for the payment and discharge of all your Liabilities. As security for your Liabilities, you charge to UBS by way of first fixed charge, with full title guarantee and free from any adverse interest:

- (a) all your right, title and interest, in respect of the Assets (other than assets falling within paragraph (c) below) for the time being credited to the Custody Account, including without limitation any rights against any custodian, banker or other person;
- (b) all your right, title and interest in respect of assets which, or the certificates or documents of title to which, are from time to time deposited with or held by a member of UBS Group, including without limitation any rights against any custodian, banker or other person;
- (c) all your rights under this Agreement and the Customer Agreements including without limitation all rights that you have to the delivery of Equivalent Assets; and
- (d) all of your rights and interest in any amount payable to you by UBS under a Customer Agreement following termination of that Customer Agreement.

11.2 The Charge is a continuing security and is not affected in any way by any settlement of account (whether or not any Liabilities remain outstanding thereafter) or other matter and is in addition to any other current or future security, guarantee or indemnity held by UBS or any other person in respect of any or all of the Liabilities.

11.3 You acknowledge that UBS may file or register details of the Charge in appropriate jurisdictions. You must do everything commercially reasonable requested by UBS to perfect the Charge, including without limitation executing and signing promptly all documents required to vest the Charged Property in UBS or a nominee of UBS.

11.4 You undertake not to allow to continue or to create any encumbrance or security interest over the Charged Property, other than any security interests arising by operation of law, the Charge and any

interests created in favour of parties appointed under clause 23.

11.5 You by way of security irrevocably appoint UBS as your attorney on your behalf and in your name or otherwise to execute all transfers, assignments, further assurances or other documents as may reasonably be required to vest any of the Charged Property in UBS or in a person acting as nominee or otherwise on behalf of UBS or to perfect or preserve the rights and interests in respect of the Charge (including, without limitation, the institution and conduct of legal proceedings) or for the exercise by UBS of all or any of the powers, authorities and discretions conferred on UBS by this Agreement.

11.6 For all purposes, including any legal proceedings, a certificate by any officer of UBS as to the sums or Liabilities for the time being due to or incurred by UBS is conclusive in the absence of fraud or manifest error.

11.7 Sections 93 (restriction on consolidation of mortgages) and 103 (regulation of exercise of power of sale) of the Law Property Act 1925 shall not apply to this Agreement. The Liabilities shall become due for the purposes of section 101 (mortgage powers) of the Law of Property Act 1925, and the statutory power of sale and of appointing a receiver conferred under that Act (as varied or extended under this Agreement) and all other powers shall be deemed to arise immediately after execution of this Agreement.

11.8 All rights charged by you to UBS shall secure your obligations to UBS under this Agreement and your obligations to UBS under the relevant Customer Agreements between you and UBS and under any other agreement or transaction between you and UBS. In the event of an enforcement of the Charge, UBS shall have absolute discretion to determine the order and manner in which the proceeds of sale are applied to discharge Liabilities under Customer Agreements and any other agreement or transaction between you and UBS.

PART E: MARGIN

12. MARGIN REQUIREMENT

12.1 You must at all times maintain with UBS Margin equal to or greater than the aggregate of the Liabilities and any applicable Initial Margin.

12.2 Where the Margin Requirement exists and is greater than the Minimum Call amount specified in the Schedule, UBS may require you to deliver to it Acceptable Collateral of a Value (in aggregate) at least equal to or greater than the Margin Requirement by giving notice in writing to you at the address specified

another as provided for in this Agreement, the Party obtaining such title being obliged to redeliver Equivalent Securities or Equivalent Collateral as the case may be.

2.4 Currency conversions

For the purposes of determining any prices, sums or values (including Market Value, Required Collateral Value, Relevant Value, Bid Value and Offer Value for the purposes of paragraphs 5 and 10 of this Agreement) prices, sums or values stated in currencies other than the Base Currency shall be converted into the Base Currency at the latest available spot rate of exchange quoted by a bank selected by Lender (or if an Event of Default has occurred in relation to Lender, by Borrower) in the London interbank market for the purchase of the Base Currency with the currency concerned on the day on which the calculation is to be made or, if that day is not a Business Day the spot rate of exchange quoted at Close of Business on the immediately preceding Business Day.

2.5 The parties confirm that introduction of and/or substitution (in place of an existing currency) of a new currency as the lawful currency of a country shall not have the effect of altering, or discharging, or excusing performance under, any term of the Agreement or any Loan thereunder, nor give a party the right unilaterally to alter or terminate the Agreement or any Loan thereunder. Securities will for the purposes of this Agreement be regarded as equivalent to other securities notwithstanding that as a result of such introduction and/or substitution those securities have been redenominated into the new currency or the nominal value of the securities has changed in connection with such redenomination.

2.6 Modifications etc to legislation

Any reference in this Agreement to an act, regulation or other legislation shall include a reference to any statutory modification or re-enactment thereof for the time being in force.

3. LOANS OF SECURITIES

Lender will lend Securities to Borrower, and Borrower will borrow Securities from Lender in accordance with the terms and conditions of this Agreement. The terms of each Loan shall be agreed prior to the commencement of the relevant Loan either orally or in writing (including any agreed form of electronic communication) and confirmed in such form and on such basis as shall be agreed between the Parties. Any confirmation produced by a Party shall not supersede or prevail over the prior oral, written or electronic communication (as the case may be).

4. DELIVERY

4.1 Delivery of Securities on commencement of Loan

Lender shall procure the delivery of Securities to Borrower or deliver such Securities in accordance with this Agreement and the terms of the relevant Loan. Such Securities shall be deemed to have been delivered by Lender to Borrower on delivery to Borrower or as it shall direct of the relevant instruments of transfer, or in the case of Securities held by an agent or within a clearing or settlement system on the effective instructions to such

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CLIFFORD CHANCE

agent or the operator of such system which result in such Securities being held by the operator of the clearing system for the account of the Borrower or as it shall direct, or by such other means as may be agreed.

4.2 Requirements to effect delivery

The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in:

- (a) any Securities borrowed pursuant to paragraph 3;
- (b) any Equivalent Securities redelivered pursuant to paragraph 8;
- (c) any Collateral delivered pursuant to paragraph 5;
- (d) any Equivalent Collateral redelivered pursuant to paragraphs 5 or 8;

shall pass from one Party to the other subject to the terms and conditions set out in this Agreement, on delivery or redelivery of the same in accordance with this Agreement with full title guarantee, free from all liens, charges and encumbrances. In the case of Securities, Collateral, Equivalent Securities or Equivalent Collateral title to which is registered in a computer based system which provides for the recording and transfer of title to the same by way of book entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time. The Party acquiring such right, title and interest shall have no obligation to return or redeliver any of the assets so acquired but, in so far as any Securities are borrowed or any Collateral is delivered to such Party, such Party shall be obliged, subject to the terms of this Agreement, to redeliver Equivalent Securities or Equivalent Collateral as appropriate.

4.3 Deliveries to be simultaneous unless otherwise agreed

Where under the terms of this Agreement a Party is not obliged to make a delivery unless simultaneously a delivery is made to it, subject to and without prejudice to its rights under paragraph 8.6 such Party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities, Collateral and cash transfers waive its right under this Agreement in respect of simultaneous delivery and/or payment provided that no such waiver (whether by course of conduct or otherwise) in respect of one transaction shall bind it in respect of any other transaction.

4.4 Deliveries of Income

In respect of Income being paid in relation to any Loaned Securities or Collateral, Borrower in the case of Income being paid in respect of Loaned Securities and Lender in the case of Income being paid in respect of Collateral shall provide to the other Party, as the case may be, any endorsements or assignments as shall be customary and appropriate to effect the delivery of money or property equivalent to the type and amount of such Income to Lender, irrespective of whether Borrower received the same in respect of any

Loaned Securities or to Borrower, irrespective of whether Lender received the same in respect of any Collateral.

5. COLLATERAL

5.1 Delivery of Collateral on commencement of Loan

Subject to the other provisions of this paragraph 5, Borrower undertakes to deliver to or deposit with Lender (or in accordance with Lender's instructions) Collateral simultaneously with delivery of the Securities to which the Loan relates and in any event no later than Close of Business on the Settlement Date. In respect of Collateral comprising securities, such Collateral shall be deemed to have been delivered by Borrower to Lender on delivery to Lender or as it shall direct of the relevant instruments of transfer, or in the case of such securities being held by an agent or the clearing or settlement system, on the effective instructions to such agent or the operator of such system, which result in such securities being held by the operator of the clearing system for the account of the Lender or as it shall direct, or by such other means as may be agreed.

5.2 Deliveries through payment systems generating automatic payments

Unless otherwise agreed between the Parties, where any Securities, Equivalent Securities, Collateral or Equivalent Collateral (in the form of securities) are transferred through a book entry transfer or settlement system which automatically generates a payment or delivery, or obligation to pay or deliver, against the transfer of such securities, then:-

- (i) such automatically generated payment, delivery or obligation shall be treated as a payment or delivery by the transferee to the transferor, and except to the extent that it is applied to discharge an obligation of the transferee to effect payment or delivery, such payment or delivery, or obligation to pay or deliver, shall be deemed to be a transfer of Collateral or redelivery of Equivalent Collateral, as the case may be, made by the transferee until such time as the Collateral or Equivalent Collateral is substituted with other Collateral or Equivalent Collateral if an obligation to deliver other Collateral or redeliver Equivalent Collateral existed immediately prior to the transfer of Securities, Equivalent Securities, Collateral or Equivalent Collateral; and
- (ii) the party receiving such substituted Collateral or Equivalent Collateral, or if no obligation to deliver other Collateral or redeliver Equivalent Collateral existed immediately prior to the transfer of Securities, Equivalent Securities, Collateral or Equivalent Collateral, the party receiving the deemed transfer of Collateral or redelivery of Equivalent Collateral, as the case may be, shall cause to be made to the other party for value the same day either, where such transfer is a payment, an irrevocable payment in the amount of such transfer or, where such transfer is a delivery, an irrevocable delivery of securities (or other property, as the case may be) equivalent to such property.

5.3 Substitutions of Collateral

Borrower may from time to time call for the repayment of Cash Collateral or the redelivery of Collateral equivalent to any Collateral delivered to Lender prior to the date on which the same would otherwise have been repayable or redeliverable provided that at the time of such repayment or redelivery Borrower shall have delivered or delivers Alternative Collateral acceptable to Lender and Borrower is in compliance with paragraph 5.4 or paragraph 5.5, as applicable.

5.4 Marking to Market of Collateral during the currency of a Loan on aggregated basis
 Unless paragraph 1.3 of the Schedule indicates that paragraph 5.5 shall apply in lieu of this paragraph 5.4, or unless otherwise agreed between the Parties:-

- (i) the aggregate Market Value of the Collateral delivered to or deposited with Lender (excluding any Equivalent Collateral repaid or redelivered under Paragraphs 5.4(ii) or 5.5(i)) (as the case may be) ("Posted Collateral") in respect of all Loans outstanding under this Agreement shall equal the aggregate of the Market Value of the Loaned Securities and the applicable Margin (the "Required Collateral Value") in respect of such Loans;
- (ii) if at any time on any Business Day the aggregate Market Value of the Posted Collateral in respect of all Loans outstanding under this Agreement exceeds the aggregate of the Required Collateral Values in respect of such Loans, Lender shall (on demand) repay and/or redeliver, as the case may be, to Borrower such Equivalent Collateral as will eliminate the excess;
- (iii) if at any time on any Business Day the aggregate Market Value of the Posted Collateral in respect of all Loans outstanding under this Agreement falls below the aggregate of Required Collateral Values in respect of all such Loans, Borrower shall (on demand) provide such further Collateral to Lender as will eliminate the deficiency.

5.5 Marking to Market of Collateral during the currency of a Loan on a Loan by Loan basis

If paragraph 1.3 of the Schedule indicates this paragraph 5.5 shall apply in lieu of paragraph 5.4, the Posted Collateral in respect of any Loan shall bear from day to day and at any time the same proportion to the Market Value of the Loaned Securities as the Posted Collateral bore at the commencement of such Loan. Accordingly:

- (i) the Market Value of the Posted Collateral to be delivered or deposited while the Loan continues shall be equal to the Required Collateral Value;
- (ii) if at any time on any Business Day the Market Value of the Posted Collateral in respect of any Loan exceeds the Required Collateral Value in respect of such Loan, Lender shall (on demand) repay and/or redeliver, as the case may be, to Borrower such Equivalent Collateral as will eliminate the excess; and
- (iii) if at any time on any Business Day the Market Value of the Posted Collateral falls below the Required Collateral Value, Borrower shall (on demand) provide such further Collateral to Lender as will eliminate the deficiency.

5.6 Requirements to redeliver excess Collateral

Where paragraph 5.4 applies, unless paragraph 1.4 of the Schedule indicates that this paragraph 5.6 does not apply, if a Party (the "first Party") would, but for this paragraph 5.6, be required under paragraph 5.4 to provide further Collateral or redeliver Equivalent Collateral in circumstances where the other Party (the "second Party") would, but for this paragraph 5.6, also be required to or provide Collateral or redeliver Equivalent Collateral under paragraph 5.4, then the Market Value of the Collateral or Equivalent Collateral deliverable by the first Party ("X") shall be set-off against the Market Value of the Collateral or Equivalent Collateral deliverable by the second Party ("Y") and the only obligation of the Parties under paragraph 5.4 shall be, where X exceeds Y, an obligation of the first Party, or where Y exceeds X, an obligation of the second Party to repay and/or (as the case may be) redeliver Equivalent Collateral or to deliver further Collateral having a Market Value equal to the difference between X and Y.

5.7 Where Equivalent Collateral is repaid or redelivered (as the case may be) or further Collateral is provided by a Party under paragraph 5.6, the Parties shall agree to which Loan or Loans such repayment, redelivery or further provision is to be attributed and failing agreement it shall be attributed, as determined by the Party making such repayment, redelivery or further provision to the earliest outstanding Loan and, in the case of a repayment or redelivery up to the point at which the Market Value of Collateral in respect of such Loan equals the Required Collateral Value in respect of such Loan, and then to the next earliest outstanding Loan up to the similar point and so on.

5.8 Timing of repayments of excess Collateral or deliveries of further Collateral

Where any Equivalent Collateral fails to be repaid or redelivered (as the case may be) or further Collateral is to be provided under this paragraph 5, unless otherwise agreed between the Parties, it shall be delivered on the same Business Day as the relevant demand. Equivalent Collateral comprising securities shall be deemed to have been delivered by Lender to Borrower on delivery to Borrower or as it shall direct of the relevant instruments of transfer, or in the case of such securities being held by an agent or within a clearing or settlement system on the effective instructions to such agent or the operator of such system which result in such securities being held by the operator of the clearing system for the account of the Borrower or as it shall direct or by such other means as may be agreed.

5.9 Substitutions and extensions of Letters of Credit

Where Collateral is a Letter of Credit, Lender may by notice to Borrower require that Borrower, on the Business Day following the date of delivery of such notice, substitute Collateral consisting of cash or other Collateral acceptable to Lender for the Letter of Credit. Prior to the expiration of any Letter of Credit supporting Borrower's obligations hereunder, Borrower shall, no later than 10.30a.m. UK time on the second Business Day prior to the date such Letter of Credit expires, obtain an extension of the expiration of such Letter of Credit or replace such Letter of Credit by providing Lender with a substitute Letter of Credit in an amount at least equal to the amount of the Letter of Credit for which it is substituted.

7. RATES APPLICABLE TO LOANED SECURITIES AND CASH COLLATERAL

7.1 Rates in respect of Loaned Securities

In respect of each Loan, Borrower shall pay to Lender, in the manner prescribed in sub-paragraph 7.3, sums calculated by applying such rate as shall be agreed between the Parties from time to time to the daily Market Value of the Loaned Securities.

7.2 Rates in respect of Cash Collateral

Where Cash Collateral is deposited with Lender in respect of any Loan, Lender shall pay to Borrower, in the manner prescribed in paragraph 7.3, sums calculated by applying such rates as shall be agreed between the Parties from time to time to the amount of such Cash Collateral. Any such payment due to Borrower may be set-off against any payment due to Lender pursuant to paragraph 7.1.

7.3 Payment of rates

In respect of each Loan, the payments referred to in paragraph 7.1 and 7.2 shall accrue daily in respect of the period commencing on and inclusive of the Settlement Date and terminating on and exclusive of the Business Day upon which Equivalent Securities are redelivered or Cash Collateral is repaid. Unless otherwise agreed, the sums so accruing in respect of each calendar month shall be paid in arrear by the relevant Party not later than the Business Day which is one week after the last Business Day of the calendar month to which such payments relate or such other date as the Parties shall from time to time agree.

8. REDELIVERY OF EQUIVALENT SECURITIES

8.1 Delivery of Equivalent Securities on termination of a Loan

Borrower shall procure the redelivery of Equivalent Securities to Lender or redeliver Equivalent Securities in accordance with this Agreement and the terms of the relevant Loan on termination of the Loan. Such Equivalent Securities shall be deemed to have been delivered by Borrower to Lender on delivery to Lender or as it shall direct of the relevant instruments of transfer, or in the case of Equivalent Securities held by an agent or within a clearing or settlement system on the effective instructions to such agent or the operator of such system which result in such Equivalent Securities being held by the operator of the clearing system for the account of the Lender or as it shall direct, or by such other means as may be agreed. For the avoidance of doubt any reference in this Agreement or in any other agreement or communication between the Parties (howsoever expressed) to an obligation to redeliver or account for or act in relation to Loaned Securities shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Securities.

8.2 Lender's right to terminate a Loan

Subject to paragraph 10 and the terms of the relevant Loan, Lender shall be entitled to terminate a Loan and to call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through

which the Loaned Securities were originally delivered. Borrower shall redeliver such Equivalent Securities not later than the expiry of such notice in accordance with Lender's instructions.

8.3 Borrower's right to terminate a Loan

Subject to the terms of the relevant Loan, Borrower shall be entitled at any time to terminate a Loan and to redeliver all and any Equivalent Securities due and outstanding to Lender in accordance with Lender's instructions and Lender shall accept such redelivery.

8.4 Redelivery of Equivalent Collateral on termination of a Loan

On the date and time that Equivalent Securities are required to be redelivered by Borrower on the termination of a Loan, Lender shall simultaneously (subject to paragraph 5.4 if applicable) repay to Borrower any Cash Collateral or, as the case may be, redeliver Collateral equivalent to the Collateral provided by Borrower pursuant to paragraph 5 in respect of such Loan. For the avoidance of doubt any reference in this Agreement or in any other agreement or communication between the Parties (howsoever expressed) to an obligation to redeliver or account for or act in relation to Collateral shall accordingly be construed as a reference to an obligation to redeliver or account for or act in relation to Equivalent Collateral.

8.5 Redelivery of Letters of Credit

Where a Letter of Credit is provided by way of Collateral, the obligation to redeliver Equivalent Collateral is satisfied by Lender redelivering for cancellation the Letter of Credit so provided, or where the Letter of Credit is provided in respect of more than one Loan, by Lender consenting to a reduction in the value of the Letter of Credit.

8.6 Redelivery obligations to be reciprocal

Neither Party shall be obliged to make delivery (or make a payment as the case may be) to the other unless it is satisfied that the other Party will make such delivery (or make an appropriate payment as the case may be) to it. If it is not so satisfied (whether because an Event of Default has occurred in respect of the other Party or otherwise) it shall notify the other party and unless that other Party has made arrangements which are sufficient to assure full delivery (or the appropriate payment as the case may be) to the notifying Party, the notifying Party shall (provided it is itself in a position, and willing, to perform its own obligations) be entitled to withhold delivery (or payment, as the case may be) to the other Party.

9. FAILURE TO REDELIVER

9.1 Borrower's failure to redeliver Equivalent Securities

- (i) If Borrower does not redeliver Equivalent Securities in accordance with paragraph 8.1 or 8.2, Lender may elect to continue the Loan (which Loan, for the avoidance of doubt, shall continue to be taken into account for the purposes of paragraph 5.4 or 5.5 as applicable) provided that if Lender does not elect to continue the Loan, Lender may either by written notice to Borrower terminate

"Offer Price" in relation to Equivalent Securities or Equivalent Collateral means the best available offer price on the most appropriate market in a standard size;

"Offer Value" subject to paragraph 10.5 means:-

- (a) in relation to Collateral equivalent to Collateral in the form of a Letter of Credit zero and in relation to Cash Collateral the amount of the currency concerned; and
- (b) in relation to Equivalent Securities or Collateral equivalent to all other types of Collateral the amount it would cost to buy such Equivalent Securities or Equivalent Collateral at the Offer Price at Close of Business on the relevant Business Day together with all costs, fees and expenses that would be incurred in connection therewith, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction and adding thereto the amount of any interest, dividends, distributions or other amounts, in the case of Equivalent Securities, paid to Borrower and in respect of which equivalent amounts have not been paid to Lender and in the case of Equivalent Collateral, paid to Lender and in respect of which equivalent amounts have not been paid to Borrower, in accordance with paragraph 6.1 prior to such time in respect of such Equivalent Securities, Equivalent Collateral or the original Securities or Collateral held, gross of all and any tax deducted or paid in respect thereof;

10.2 Termination of delivery obligations upon Event of Default

Subject to paragraph 9, if an Event of Default occurs in relation to either Party, the Parties' delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the "Termination Date" for the purposes of this clause) so that performance of such delivery and payment obligations shall be effected only in accordance with the following provisions:

- (i) the Relevant Value of the securities which would have been required to be delivered but for such termination (or payment to be made, as the case may be) by each Party shall be established in accordance with paragraph 10.3; and
- (ii) on the basis of the Relevant Values so established, an account shall be taken (as at the Termination Date) of what is due from each Party to the other and (on the basis that each Party's claim against the other in respect of delivery of Equivalent Securities or Equivalent Collateral or any cash payment equals the Relevant Value thereof) the sums due from one Party shall be set-off against the sums due from the other and only the balance of the account shall be payable (by the Party having the claim valued at the lower amount pursuant to the foregoing) and such balance shall be payable on the Termination Date.

If the Bid Value is greater than the Offer Value, and the Non-Defaulting Party had delivered to the Defaulting Party a Letter of Credit, the Defaulting Party shall draw on

the Letter of Credit to the extent of the balance due and shall subsequently redeliver for cancellation the Letter of Credit so provided.

If the Offer Value is greater than the Bid Value, and the Defaulting Party had delivered to the Non-Defaulting Party a Letter of Credit, the Non-Defaulting Party shall draw on the Letter of Credit to the extent of the balance due and shall subsequently redeliver for cancellation the Letter of Credit so provided.

In all other circumstances, where a Letter of Credit has been provided to a Party, such Party shall redeliver for cancellation the Letter of Credit so provided.

10.3 Determination of delivery values upon Event of Default

For the purposes of paragraph 10.2 the "Relevant Value":-

- (i) of any securities to be delivered by the Defaulting Party shall, subject to paragraph 10.5 below, equal the Offer Value of such securities; and
- (ii) of any securities to be delivered to the Defaulting Party shall, subject to paragraph 10.5 below, equal the Bid Value of such securities.

10.4 For the purposes of paragraph 10.3, but subject to paragraph 10.5, the Bid Value and Offer Value of any securities shall be calculated for securities of the relevant description (as determined by the Non-Defaulting Party) as of the first Business Day following the Termination Date, or if the relevant Event of Default occurs outside the normal business hours of such market, on the second Business Day following the Termination Date (the "Default Valuation Time");

10.5 Where the Non-Defaulting Party has following the occurrence of an Event of Default but prior to the close of business on the fifth Business Day following the Termination Date purchased securities forming part of the same issue and being of an identical type and description to those to be delivered by the Defaulting Party or sold securities forming part of the same issue and being of an identical type and description to those to be delivered by him to the Defaulting Party, the cost of such purchase or the proceeds of such sale, as the case may be, (taking into account all reasonable costs, fees and expenses that would be incurred in connection therewith) shall (together with any amounts owing pursuant to paragraph 6.1) be treated as the Offer Value or Bid Value, as the case may be, of the amount of securities to be delivered which is equivalent to the amount of the securities so bought or sold, as the case may be, for the purposes of this paragraph 10, so that where the amount of securities to be delivered is more than the amount so bought or sold as the case may be, the Offer Value or Bid Value as the case may be, of the balance shall be valued in accordance with paragraph 10.4.

10.6 Any reference in this paragraph 10 to securities shall include any asset other than cash provided by way of Collateral.

10.7 Other costs, expenses and interest payable in consequence of an Event of Default

The Defaulting Party shall be liable to the Non-Defaulting Party for the amount of all reasonable legal and other professional expenses incurred by the Non-Defaulting Party in

connection with or as a consequence of an Event of Default, together with interest thereon at the one-month London Inter Bank Offered Rate as quoted on a reputable financial information service ("LIBOR") as of 11.00 am, London Time, on the date on which it is to be determined or, in the case of an expense attributable to a particular transaction and where the parties have previously agreed a rate of interest for the transaction, that rate of interest if it is greater than LIBOR. The rate of LIBOR applicable to each month or part thereof that any sum payable pursuant to this paragraph 10.7 remains outstanding is the rate of LIBOR determined on the first Business Day of any such period of one month or any part thereof. Interest will accrue daily on a compound basis and will be calculated according to the actual number of days elapsed.

11. TRANSFER TAXES

Borrower hereby undertakes promptly to pay and account for any transfer or similar duties or taxes chargeable in connection with any transaction effected pursuant to or contemplated by this Agreement, and shall indemnify and keep indemnified Lender against any liability arising as a result of Borrower's failure to do so.

12. LENDER'S WARRANTIES

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Lender:

- (a) it is duly authorised and empowered to perform its duties and obligations under this Agreement;
- (b) it is not restricted under the terms of its constitution or in any other manner from lending Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (c) it is absolutely entitled to pass full legal and beneficial ownership of all Securities provided by it hereunder to Borrower free from all liens, charges and encumbrances; and
- (d) it is acting as principal in respect of this Agreement or, subject to paragraph 16, as agent and the conditions referred to in paragraph 16.2 will be fulfilled in respect of any Loan which it makes as agent.

13. BORROWER'S WARRANTIES

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Borrower:

- (a) it has all necessary licenses and approvals, and is duly authorised and empowered, to perform its duties and obligations under this Agreement and will do nothing prejudicial to the continuation of such authorisation, licences or approvals;

- (b) it is not restricted under the terms of its constitution or in any other manner from borrowing Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (c) it is absolutely entitled to pass full legal and beneficial ownership of all Collateral provided by it hereunder to Lender free from all liens, charges and encumbrances; and
- (d) it is acting as principal in respect of this Agreement.

14. EVENTS OF DEFAULT

14.1 Each of the following events occurring in relation to either Party (the "Defaulting Party", the other Party being the "Non-Defaulting Party") shall be an Event of Default for the purpose of paragraph 10 but only (subject to sub-paragraph (v) below) where the Non-Defaulting Party serves written notice on the Defaulting Party:-

- (i) Borrower or Lender failing to pay or repay Cash Collateral or deliver Collateral or re-deliver Equivalent Collateral or Lender failing to deliver Securities upon the due date;
- (ii) Lender or Borrower failing to comply with its obligations under paragraph 5;
- (iii) Lender or Borrower failing to comply with its obligations under paragraph 6.1;
- (iv) Borrower failing to comply with its obligations to deliver Equivalent Securities in accordance with paragraph 8;
- (v) an Act of Insolvency occurring with respect to Lender or Borrower, an Act of Insolvency which is the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party not requiring the Non-Defaulting Party to serve written notice on the Defaulting Party;
- (vi) any representation or warranty made by Lender or Borrower being incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated;
- (vii) Lender or Borrower admitting to the other that it is unable to, or it intends not to, perform any of its obligations under this Agreement and/or in respect of any Loan;
- (viii) Lender (if applicable) or Borrower being declared in default or being suspended or expelled from membership of or participation in, any securities exchange or association or suspended or prohibited from dealing in securities by any regulatory authority;
- (ix) any of the assets of Lender or Borrower or the assets of investors held by or to the order of Lender or Borrower being transferred or ordered to be transferred to a trustee (or a person exercising similar functions) by a regulatory authority pursuant to any securities regulating legislation, or

(x) Lender or Borrower failing to perform any other of its obligations under this Agreement and not remedying such failure within 30 days after the Non-Defaulting Party serves written notice requiring it to remedy such failure.

14.2 Each Party shall notify the other (in writing) if an Event of Default or an event which, with the passage of time and/or upon the serving of a written notice as referred to above, would be an Event of Default, occurs in relation to it.

14.3 The provisions of this Agreement constitute a complete statement of the remedies available to each Party in respect of any Event of Default.

14.4 Subject to paragraph 9.3 and 10.7, neither Party may claim any sum by way of consequential loss or damage in the event of failure by the other party to perform any of its obligations under this Agreement.

15. INTEREST ON OUTSTANDING PAYMENTS

In the event of either Party failing to remit sums in accordance with this Agreement such Party hereby undertakes to pay to the other Party upon demand interest (before as well as after judgment) on the net balance due and outstanding, for the period commencing on and inclusive of the original due date for payment to (but excluding) the date of actual payment, in the same currency as the principal sum and at the rate referred to in paragraph 10.7. Interest will accrue daily on a compound basis and will be calculated according to the actual number of days elapsed.

16. TRANSACTIONS ENTERED INTO AS AGENT

16.1 Power for Lender to enter into Loans as agent

Subject to the following provisions of this paragraph, Lender may (if so indicated in paragraph 6 of the Schedule) enter into Loans as agent (in such capacity, the "Agent") for a third person (a "Principal"), whether as custodian or investment manager or otherwise (a Loan so entered into being referred to in this paragraph as an "Agency Transaction").

16.2 Conditions for agency loan

A Lender may enter into an Agency Transaction if, but only if:-

- (i) it specifies that Loan as an Agency Transaction at the time when it enters into it;
- (ii) it enters into that Loan on behalf of a single Principal whose identity is disclosed to Borrower (whether by name or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal) at the time when it enters into the Loan or as otherwise agreed between the Parties; and
- (iii) it has at the time when the Loan is entered into actual authority to enter into the Loan and to perform on behalf of that Principal all of that Principal's obligations under the agreement referred to in paragraph 16.4(i).



Australian Securities Lending Association Limited

(ACN 054 944 482)
www.asla.com.au
 Registered Office
 Level 50, MLC Centre
 19-29 Martin Place
 Sydney NSW 2000

AUSTRALIAN MASTER SECURITIES LENDING AGREEMENT *

(Version: December 2002)

Dated as of:

Between: (1) (Name of Company) UBS Securities Australia Ltd

(ACN or ARBN (as applicable)) 62 008 586 481

a company incorporated under the laws of the ACT, Australia

of (Business address) Level 16 Chifley Tower, 2 Chifley Square,
 Sydney, NSW, 2000

And:

(2) (Name of Company) _____

(ACN or ARBN (as applicable)) _____

a company incorporated under the laws of _____

of (Business address) _____

* The original (Version: 4 April 1997) version of this agreement was adapted from the ISLA Overseas Securities Lender's Agreement (Version: December 1995, as amended by 1996 UK Tax Addendum), prepared by Clifford Chance, London, England for use by parties required to meet UK Inland Revenue tax requirements. The 4 April 1997 version has been updated in December 2002 to take account of, among other things, intervening Australian tax, stamp duty and regulatory changes, and also to better reflect Australian market practice.

* The original and updated versions of this agreement are both also subject to the "Warning and Disclaimer" on the cover sheet to the original (Version: 4 April 1997) and updated (Version: December 2002) "User's Guide" relating to this agreement.

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("title") shall pass from one Party to the other free and clear of any liens, claims, charges or encumbrances or any other interest of the Transferring Party or of any third party (other than a lien routinely imposed on all securities in a relevant clearance system), the Party obtaining such title being obliged to redeliver Equivalent Securities or Equivalent Collateral, as the case may be. Each Transfer under this Agreement will be made so as to constitute or result in a valid and legally effective transfer of the Transferring Party's legal and beneficial title to the recipient.

(c) Where, in respect of any transaction, any distribution is made, or Income or fee is paid, other than in cash, the provisions of this agreement (other than clause 4.2(b)) shall apply, with necessary modifications, to the same extent as if the distribution, income or fee had been made or paid in cash, and terms such as "pay" and "amount" shall be construed accordingly.

1.5 [Headings] All headings appear for convenience only and shall not affect the interpretation of this Agreement.

1.6 [Currency conversion] For the purposes of clauses 6, 8.3 and 8.4, when a conversion into the Base Currency is required, all prices, sums or values (including any Value, Offer Value and Bid Value) of Securities, Equivalent Securities, Collateral or Equivalent Collateral (including Cash Collateral) stated in currencies other than the Base Currency shall be converted into the Base Currency at the rate quoted by an Australian bank selected by the Lender (or, if an Event of Default has occurred in relation to the Lender, by the Borrower) at or about 11.00am (Sydney time) on the day of conversion as its spot rate for the sale by the bank of the Base Currency in exchange for the relevant other currency.

1.7 [Other agreements] Where at any time there is in existence any other agreement between the Parties the terms of which make provision for the lending of Securities (as defined in this Agreement) as well as other securities, the terms of this Agreement shall apply to the lending of such Securities to the exclusion of any other such agreement.

1.8 [Nominees] If payment is made or Securities, Equivalent Securities, Collateral or Equivalent Collateral is Transferred to a Party's nominee or otherwise in accordance with the directions of a Party (whether by the other Party or by a third party), it shall be deemed, for the purposes of this agreement, to have been paid or made or Transferred to the first mentioned Party.

2 Loans of Securities

2.1 [Borrowing Request and acceptance thereof] The Lender will lend Securities to the Borrower, and the Borrower will borrow Securities from the Lender, in accordance with the terms and conditions of this Agreement and with the Rules. The terms of each Loan should be agreed prior to the commencement of the relevant Loan, either orally or in writing (including any agreed form of electronic communication) and confirmed in such form and on such basis as is agreed between the Parties. Any confirmation produced by a Party shall not supersede or prevail over the prior oral, written or electronic communication (as the case may be).

2.2 [Changes to a Borrowing Request] The Borrower has the right to reduce the amount of Securities referred to in, or otherwise vary, a Borrowing Request provided that:

(a) the Borrower has notified the Lender of such reduction or variation no later than midday Australian Eastern standard or summer (as appropriate) time on

the day which is two Business Days prior to the Settlement Date, unless otherwise agreed between the Parties, and

- (b) the Lender shall have accepted such reduction or variation (by whatever means).

3 Delivery of Securities

[Delivery of Securities] The Lender shall procure the delivery of Securities to the Borrower or deliver such Securities in accordance with the relevant agreement together with appropriate instruments of transfer (where necessary) duly stamped (where necessary) and such other instruments (if any) as may be requisite to vest title thereto in the Borrower. Such Securities shall be deemed to have been delivered by the Lender to the Borrower on delivery to the Borrower, or as it shall direct of the relevant instruments of transfer and certificates or other documents of title (if any), or in the case of Securities title to which is registered in a computer based system which provides for the recording and transfer of title to the same by way of electronic entries (such as CHES), on the transfer of title in accordance with the rules and procedures of such system as in force from time to time, or by such other means as may be agreed.

4 Title, Distributions and Voting

4.1 **[Passing of title]** The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in:

- (a) any Securities borrowed pursuant to clause 2;
- (b) any Equivalent Securities redelivered pursuant to clause 7;
- (c) any Collateral delivered pursuant to clause 6;
- (d) any Equivalent Collateral redelivered pursuant to clauses 6 or 7,

shall pass from one Party to the other, free from all liens, charges, equities and encumbrances, on delivery or redelivery of the same in accordance with this Agreement. In the case of Securities, Collateral, Equivalent Securities or Equivalent Collateral title to which is registered in a computer based system which provides for the recording and transfer of title to the same by way of electronic entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time.

4.2 **[Distributions]**

- (a) **[Cash distributions]** Unless otherwise agreed, where Income is paid by the issuer in relation to any Securities on or by reference to an Income Payment Date on which such Securities are the subject of a loan under this Agreement, the Borrower shall, on the date of the payment of such Income, or on such other date as the Parties may from time to time agree, (the "Relevant Payment Date") pay to the Lender a sum of money (a "Substitute payment") equivalent to the amount that the Lender would have been entitled to receive (after any deduction, withholding or payment for or on account of any tax made by the relevant issuer (or on its behalf) in respect of such Income) had such Securities not been loaned to the Borrower and been held by the Lender on the Income Payment Date, irrespective of whether the Borrower received the same.

- (b) **[Corporate actions]** Subject to paragraph (c) (unless otherwise agreed), where, in respect of any borrowed Securities or any Collateral, any rights relating to conversion, sub-division, consolidation, pre-emption, rights arising under a takeover offer or other rights, including those requiring election by the holder for the time being of such Securities or Collateral, become exercisable prior to the redelivery of Equivalent Securities or Equivalent Collateral, then the Lender or Borrower, as the case may be, may, within a reasonable time before the latest time for the exercise of the right or option, give written notice to the other Party that, on redelivery of Equivalent Securities or Equivalent Collateral, as the case may be, it wishes to receive Equivalent Securities or Equivalent Collateral in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.

- (c) **[1936 Tax Act ss 26BC(3)(c)(ii) and (v) requirements]** Notwithstanding paragraph (b), where, in respect of any borrowed Securities or any Collateral, the relevant issuer company, trustee, government or government authority issues any right or option in respect of the borrowed Securities or Collateral, as the case may be, the Borrower or the Lender, respectively, must deliver or make available, as the case may be, to the other Party on the date of such issue or on such other date as the Parties may from time to time agree:

- (i) the right, or option; or
- (ii) an identical right or option; or
- (iii) a payment equal to the value to the Lender or the Borrower, respectively, of the right or option;

together with any such endorsements or assignments as shall be customary and appropriate.

- (d) **[Manner of payment]** Any payment to be made by the Borrower under this clause shall be made in a manner to be agreed between the Parties.

4.3 **[Voting]** Unless paragraph 4 in Schedule 1 specifies that this clause 4.3 does not apply, each Party undertakes that, where it holds Securities of the same description as any Securities borrowed by it or transferred to it by way of Collateral at a time when a right to vote arises in respect of such Securities, it will use its best endeavours to arrange for the voting rights attached to such Securities to be exercised in accordance with the instructions of the other Party provided always that each Party shall use its best endeavours to notify the other of its instructions in writing no later than seven Business Days prior to the date upon which such votes are exercisable, or as otherwise agreed between the Parties, and that the Party concerned shall not be obliged so to exercise the votes in respect of the number of Securities greater than the number so lent or transferred to it. For the avoidance of doubt, the Parties agree that, subject as hereinbefore provided, any voting rights attaching to the relevant Securities, Equivalent Securities, Collateral and/or Equivalent Collateral shall be exercisable by the persons in whose name they are registered, or in the case of Securities, Equivalent Securities, Collateral and/or Equivalent Collateral in bearer form by the persons by or on behalf of whom they are held, and not necessarily by the Borrower or the Lender (as the case may be).

5 Fees

5.1 **[Fees]** In respect of each loan of Securities:

- (a) for which the Collateral is cash:
- (i) the Lender must pay a fee to the Borrower in respect of the amount of that Collateral, calculated at the rate agreed between them; and
 - (ii) unless the Parties otherwise agree, the Borrower is not obliged to pay a fee to the Lender;
- (b) for which there is no Cash Collateral, the Borrower must pay a fee to the Lender, calculated at the rate agreed between them.
- 5.2 [Where there are different types of Collateral] Where the Collateral comprises only partly cash, clause 5.1 is to be construed as if there were separate loans of Securities, one secured solely by Cash Collateral and the other secured solely by non-cash Collateral.
- 5.3 [Calculation of fees] In respect of each loan of Securities, the payments referred to in clause 5.1 of this clause shall accrue daily in respect of the period commencing on and inclusive of the Settlement Day and terminating on and exclusive of the Business Day upon which Equivalent Securities are redelivered or Cash Collateral is repaid. Unless otherwise agreed, the sums so accruing in respect of each calendar month shall be paid in arrears by the Borrower to the Lender or to the Borrower by the Lender (as the case may be) not later than the Business Day which is one week after the last Business Day of the calendar month to which such payment relates or such other date as the Parties from time to time agree. Any payment made pursuant to clause 5.1 shall be in Australian currency, unless otherwise agreed, and shall be paid in such manner and at such place as shall be agreed between the Parties.

6 Collateral

- 6.1 [Borrower's obligation to provide Collateral] Unless otherwise agreed, subject to the other provisions of this clause 6, the Borrower undertakes to deliver to or deposit with the Lender (or in accordance with the Lender's instructions) Collateral of the kind specified in the relevant Borrowing Request or as otherwise agreed between the Parties (together with appropriate instruments of transfer duly stamped (where necessary) and such other instruments as may be requisite to vest title thereto in the Lender) simultaneously with delivery of the Borrowed Securities by the Lender.
- 6.2 [Global margining]
- (a) [Adjustments to Collateral] Unless otherwise agreed between the Parties, subject to paragraph (b), clause 6.4 and paragraph 1.5 in Schedule 1:
- (i) The aggregate Value of the Collateral delivered to or deposited with the Lender or its nominated bank or depository (excluding any Collateral repaid or redelivered under paragraph (ii) below (as the case may be)) in respect of all loans of Securities outstanding under this Agreement ("Posted Collateral") shall from day to day and at any time be at least the aggregate of the Required Collateral Values in respect of such loans.
 - (ii) If at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement exceeds the aggregate of the Required Collateral Values in respect of such loans, the Lender shall (on demand) repay such Cash Collateral and/or redeliver to the Borrower such Equivalent Collateral as will eliminate the excess.

- (iii) If at any time the aggregate Value of the Posted Collateral in respect of all loans of Securities outstanding under this Agreement falls below the aggregate of Required Collateral Values in respect of all such loans, the Borrower shall (on demand) provide such further Collateral to the Lender as will eliminate the deficiency.
- (b) [Netting of Collateral obligations where a Party is both Lender and Borrower] Unless otherwise agreed between the Parties, subject to clause 6.4 and paragraph 1.5 in Schedule 1, where paragraph (a) applies, if a Party (the "first Party") would, but for this paragraph, be required under paragraph (a) to repay Cash Collateral, redeliver Equivalent Collateral or provide further Collateral in circumstances where the other Party (the "second Party") would, but for this paragraph, also be required to repay Cash Collateral, redeliver Equivalent Collateral or provide further Collateral under paragraph (a), then the Value of the Cash Collateral, Equivalent Collateral or further Collateral deliverable by the first Party ("X") shall be set-off against the Value of the Cash Collateral, Equivalent Collateral or further Collateral deliverable by the second Party ("Y") and the only obligation of the Parties under paragraph (a) shall be, where X exceeds Y, an obligation of the first Party, or where Y exceeds X, an obligation of the second Party, (on demand) to repay Cash Collateral, redeliver Equivalent Collateral or deliver further Collateral having a Value equal to the difference between X and Y.
- 6.3 [Required Collateral Value] For the purposes of clause 6.2(a), the Value of the Posted Collateral to be delivered or deposited in respect of any loan of Securities, while the loan of Securities continues, shall be equal to the aggregate of the Value of the borrowed Securities and the Margin applicable thereto (the "Required Collateral Value").
- 6.4 [Time for payment/repayment of Collateral] Except as provided in clause 6.1 or clause 6.6 or as otherwise agreed, where any Cash Collateral is to be repaid, Equivalent Collateral is to be redelivered or further Collateral is to be provided under this clause 6, it shall be paid or delivered as stated in paragraph 1.4 in Schedule 1.
- 6.5 [Substitution of Alternative Collateral] The Borrower may from time to time call for the repayment of Cash Collateral or the redelivery of Equivalent Collateral prior to the date on which the same would otherwise have been repayable or redeliverable, provided that, at the time of such repayment or redelivery, the Borrower shall have delivered or delivers Alternative Collateral acceptable to the Lender.
- 6.6 [Return of Collateral/Equivalent Collateral on redelivery of Equivalent Securities]
- (a) Cash Collateral shall be repaid and Equivalent Collateral shall be redelivered at the same time as Equivalent Securities in respect of the Securities borrowed are redelivered.
 - (b) Where Collateral is provided through a book entry transfer system (such as Austraclear or RTTS), the obligation of the Lender shall be to redeliver Equivalent Collateral through such book entry transfer system in accordance with this Agreement. If the loan of Securities in respect of which Collateral was provided has not been discharged when the Equivalent Collateral is redelivered, any payment obligation generated within the book entry transfer system on such redelivery shall, until the loan of Securities is discharged or further Collateral is provided, be deemed to constitute an obligation to pay Cash Collateral.

6.7 [Receipt by Lender of Income on Collateral] Where Collateral (other than Cash Collateral) is delivered in respect of which any Income may become payable and an Income Payment Date in respect of that Collateral occurs prior to the redelivery of Equivalent Collateral, then, unless such Income is paid directly to the Borrower, the Lender shall, on the date on which such Income is paid or on such other date as the Parties may from time to time agree, pay to the Borrower a sum of money (a "Substitute payment") equivalent to the amount of such Income that (after any deduction, withholding or payment for or on account of any tax made by the relevant issuer (or on its behalf) in respect of such Income) the Lender either actually received, or would have been entitled to receive had such Collateral been held by the Lender on the Income Payment Date, irrespective of whether the Lender received the same. If the Lender is required by law, as modified by the practice of any relevant taxing authority, to make any deduction or withholding from any Substitute payment to be made under the preceding sentence, then the Lender must:

- (a) promptly pay to the relevant taxing authority the full amount of the deduction or withholding; and
- (b) forward to the Borrower on request a copy of any official receipt or other evidence showing that the full amount of any such deduction or withholding has been paid over to the relevant taxing authority.

6.8 [Borrower's rights re Collateral are not assignable] The Borrower may not assign, transfer or otherwise dispose of, or mortgage, charge or otherwise encumber, or otherwise deal with its rights in respect of any Collateral without the prior written consent of the Lender.

6.9 [Lender may set off obligation to repay or return Equivalent Collateral] If the Borrower fails to comply with its obligation to redeliver Equivalent Securities, the obligation of the Lender in respect of any Collateral may be the subject of a set-off in accordance with clause 8.

6.10 [Collateral provided to Lender's Nominee] Without limiting clause 1.8, where Collateral is provided to the Lender's nominee, any obligation under this Agreement to repay or redeliver or otherwise account for Equivalent Collateral shall be an obligation of the Lender, notwithstanding that any such repayment or redelivery may be effected in any particular case by the nominee.

6.11 [Letters of Credit] If the Collateral in respect of one or more loans of Securities is or includes a letter of credit, the Lender may only draw down under that letter of credit when an Event of Default occurs in relation to the Borrower and, upon the Lender drawing down, whether or not permitted under this clause 6.11, the Collateral (or that part of it represented by the letter of credit) becomes cash Collateral.

6.12 [Non-Cash Collateral] If the Collateral in respect of one or more loans of Securities is or includes other Securities and either the Borrower is a taxpayer to whom the Tax Act applies in respect of the disposal of those other Securities or in any other case the Parties so agree:

- (a) The Parties acknowledge that the provision of those other Securities is by way of a loan of Securities under this Agreement, to which section 26BC(3)(a) of the 1936 Tax Act may apply (subject to the re-acquisition time being less than 12 months after the original disposal time).
- (b) For the purposes of section 26BC(3)(d) of the 1936 Tax Act, the notifiable consideration in respect of the provision of those Securities by way of loan is specified as follows:

(i) There is no fee.

(ii) There is no adjustment for variations in the market value of the Collateral or Equivalent Collateral.

(iii) There is other consideration: see the obligations of the recipient of the Collateral under clauses 4.2(b), 4.2(c), 4.3 and 6.7.

(c) For the avoidance of doubt, this clause 6.12 is directed solely at clarifying either or both of the following issues: that the provision of the other Securities as Collateral is eligible for the application of first section 26BC and secondly, where applicable, the successor to sections 160AQUA and 160AQUD of the 1936 Tax Act. Accordingly, clauses 2, 4.2(a), 5, 6.1 to 6.11, 7, 8, 9.1, 9.2 (unless otherwise agreed), 9.4 and 12 do not apply to any loan of Securities under paragraph (a). Instead, those Securities are simply to be regarded as Collateral for the purposes of those clauses.

7 Redelivery of Equivalent Securities

7.1 [Borrower's obligation to redeliver Equivalent Securities] The Borrower undertakes to redeliver Equivalent Securities in accordance with this Agreement and the terms of the relevant Borrowing Request.

7.2 [Lender may call for redelivery of Equivalent Securities] Subject to clause 8 and the terms of the relevant Borrowing Request, the Lender may call for the redelivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the Standard Settlement Time for such Equivalent Securities or the equivalent time on the exchange or in the clearing organisation through which the relevant borrowed Securities were originally delivered. The Borrower shall as hereinafter provided redeliver such Equivalent Securities not later than the expiry of such notice in accordance with the Lender's instructions.

7.3 [Lender may terminate loan if Borrower defaults] If the Borrower does not redeliver Equivalent Securities in accordance with such call, the Lender may elect to continue the loan of Securities; provided that, if the Lender does not elect to continue the loan, the Lender may by written notice to the Borrower elect to terminate the relevant loan. Upon the expiry of such notice the provisions of clauses 8.2 to 8.5 shall apply as if upon the expiry of such notice an Event of Default had occurred in relation to the Borrower (who shall thus be the Defaulting Party for the purposes of this Agreement) and as if the relevant loan were the only loan outstanding.

7.4 [Consequence of exercise of "buy-in" against Lender as a result of Borrower default] In the event that, as a result of the failure of the Borrower to redeliver Equivalent Securities to the Lender in accordance with this Agreement, a "buy-in" is exercised against the Lender, then, provided that reasonable notice has been given to the Borrower of the likelihood of such a "buy-in", the Borrower shall account to the Lender for the total costs and expenses reasonably incurred by the Lender as a result of such "buy-in".

7.5 [Right of Borrower to terminate loan early] Subject to the terms of the relevant Borrowing Request, the Borrower shall be entitled at any time to terminate a particular loan of Securities and to redeliver all and any Equivalent Securities due and outstanding to the Lender in accordance with the Lender's instructions.



Master Securities Loan Agreement

2000 Version

Dated as of:

Between: UBS Securities LLC

and

1. Applicability.

From time to time the parties hereto may enter into transactions in which one party ("Lender") will lend to the other party ("Borrower") certain Securities (as defined herein) against a transfer of Collateral (as defined herein). Each such transaction shall be referred to herein as a "Loan" and, unless otherwise agreed in writing, shall be governed by this Agreement, including any supplemental terms or conditions contained in an Annex or Schedule hereto and in any other annexes identified herein or therein as applicable hereunder. Capitalized terms not otherwise defined herein shall have the meanings provided in Section 2.5.

2. Loans of Securities.

2.1 Subject to the terms and conditions of this Agreement, Borrower or Lender may, from time to time, seek to initiate a transaction in which Lender will lend Securities to Borrower. Borrower and Lender shall agree on the terms of each Loan (which terms may be amended during the Loan), including the issuer of the Securities, the amount of Securities to be lent, the basis of compensation, the amount of Collateral to be transferred by Borrower, and any additional terms. Such agreement shall be confirmed (a) by a schedule and receipt listing the Loan Securities provided by Borrower to Lender in accordance with Section 3.2, (b) through any system that compares Loans and in which Borrower and Lender are participants, or (c) in such other manner as may be agreed by Borrower and Lender in writing. Such confirmation (the "Confirmation"), together with the Agreement, shall constitute conclusive evidence of the terms agreed between Borrower and Lender with respect to the Loan to which the Confirmation relates, unless with respect to the Confirmation specific objection is made promptly after receipt thereof. In the event of any inconsistency between the terms of such Confirmation and this Agreement, this Agreement shall prevail unless each party has executed such Confirmation.

2.2 Notwithstanding any other provision in this Agreement regarding when a Loan commences, unless otherwise agreed, a Loan hereunder shall not occur until the Loan Securities and the Collateral therefor have been transferred in accordance with Section 1.5.

3. Transfer of Loan Securities.

3.1 Unless otherwise agreed, Lender shall transfer Loan Securities to Borrower hereunder on or before the Cutoff Time on the date agreed to by Borrower and Lender for the commencement of the Loan.

3.2 Unless otherwise agreed, Borrower shall provide Lender, for each Loan in which Lender is a Customer, with a schedule and receipt listing the Loan Securities. Such schedule and receipt may consist of (a) a schedule provided to Borrower by Lender and executed and returned by Borrower when the Loan Securities are received, (b) in the case of Securities transferred through a Clearing Organization which provides transfers with a notice evidencing such transfer, such notice, or (c) a confirmation or other document provided to Lender by Borrower.

3.3 Notwithstanding any other provision in this Agreement, the parties hereto agree that they intend the Loans hereunder to be loans of Securities. If, however, any Loan is deemed to be a loan of money by Borrower to Lender, then Borrower shall have, and Lender shall be deemed to have granted, a security interest in the Loan Securities and the proceeds thereof.

4. Collateral.

4.1 Unless otherwise agreed, Borrower shall, prior to or concurrently with the transfer of the Loan Securities to Borrower, but in no case later than the Close of Business on the day of such transfer, transfer to Lender Collateral with a Market Value at least equal to the Margin Percentage of the Market Value of the Loan Securities.

4.2 The Collateral transferred by Borrower to Lender, as adjusted pursuant to Section 9, shall be security for Borrower's obligations in respect of such Loan and for any other obligations of Borrower to Lender hereunder. Borrower hereby pledges with, assigns to, and grants Lender a continuing first priority security interest in, and a lien upon, the Collateral, which shall attach upon the transfer of the Loan Securities by Lender to Borrower and which shall cease upon the transfer of the Loan Securities by Borrower to Lender. In addition to the rights and remedies given to Lender hereunder, Lender shall have all the rights and remedies of a secured party under the UCC. It is understood that Lender may use or invest the Collateral, if such consists of cash, at its own risk, but that (unless Lender is a Broker-Dealer) Lender shall, during the term of any Loan hereunder, segregate Collateral from all securities or other assets in its possession. Lender may Retransfer Collateral only (a) if Lender is a Broker-Dealer or (b) in the event of a Default by Borrower. Segregation of Collateral may be accomplished by appropriate identification on the books and records of Lender if it is a "securities intermediary" within the meaning of the UCC.

4.3 Except as otherwise provided herein, upon transfer to Lender of the Loan Securities on the day a Loan is terminated pursuant to Section 6, Lender shall be obligated to transfer the Collateral (as adjusted pursuant to Section 9) to Borrower no later than the Cutoff Time on such day or, if such day is not a day on which a transfer of such Collateral may be effected under Section 1.5, the next day on which such a transfer may be effected.

4.4 If Borrower transfers Collateral to Lender, as provided in Section 4.1, and Lender does not transfer the Loan Securities to Borrower, Borrower shall have the absolute right to the return of the Collateral; and if Lender transfers Loan Securities to Borrower and

Borrower does not transfer Collateral to Lender as provided in Section 4.1, Lender shall have the absolute right to the return of the Loaned Securities.

4.5 Borrower may, upon reasonable notice to Lender (taking into account all relevant factors, including industry practice), the type of Collateral to be substituted, and the applicable method of transfer), substitute Collateral for Collateral securing any Loan or Loans; provided, however, that such substituted Collateral shall (a) consist only of cash, securities or other property that Borrower and Lender agreed would be acceptable Collateral prior to the Loan or Loans and (b) have a Market Value such that the aggregate Market Value of such substituted Collateral, together with all other Collateral for Loans in which the party substituting such Collateral is acting as Borrower, shall equal or exceed the agreed upon Margin Percentage of the Market Value of the Loaned Securities.

4.6 Prior to the expiration of any letter of credit supporting Borrower's obligations hereunder, Borrower shall, no later than the Extension Deadline, (a) obtain an extension of the expiration of such letter of credit, (b) replace such letter of credit by providing Lender with a substitute letter of credit in an amount at least equal to the amount of the letter of credit for which it is substituted, or (c) transfer such other Collateral to Lender as may be acceptable to Lender.

5. Fees for Loan.

5.1 Unless otherwise agreed, (a) Borrower agrees to pay Lender a loan fee (a "Loan Fee"), computed daily on each Loan to the extent such Loan is secured by Collateral other than cash, based on the aggregate Market Value of the Loaned Securities on the day for which such Loan Fee is being computed, and (b) Lender agrees to pay Borrower a fee or rebate (a "Cash Collateral Fee") on Collateral consisting of cash, computed daily based on the amount of cash held by Lender as Collateral, in the case of each of the Loan Fee and the Cash Collateral Fee at such rates as Borrower and Lender may agree. Except as Borrower and Lender may otherwise agree (in the event that cash Collateral is transferred by clearing house funds or otherwise), Loan Fees shall accrue from and including the date on which the Loaned Securities are transferred to Borrower to, but excluding, the date on which such Loaned Securities are returned to Lender, and Cash Collateral Fees shall accrue from and including the date on which the cash Collateral is transferred to Lender to, but excluding, the date on which such cash Collateral is returned to Borrower.

5.2 Unless otherwise agreed, any Loan Fee or Cash Collateral Fee payable hereunder shall be payable:

(a) in the case of any Loan of Securities other than Government Securities, upon the earlier of (i) the fifteenth day of the month following the calendar month in which such fee was incurred and (ii) the termination of all Loans hereunder (or, if a transfer of cash in accordance with Section 1.5 may not be effected on such fifteenth day or the day of such termination, as the case may be, the next day on which such a transfer may be effected); and

(b) in the case of any Loan of Government Securities, upon the termination of such Loan and at such other times, if any, as may be customary in accordance with market practice.

Notwithstanding the foregoing, all Loan Fees shall be payable by Borrower immediately in the event of a Default hereunder by Borrower and all Cash Collateral Fees shall be payable immediately by Lender in the event of a Default by Lender.

6. Termination of the Loan.

6.1 (a) Unless otherwise agreed, either party may terminate a Loan on a termination date established by notice given to the other party prior to the Close of Business on a Business Day. The termination date established by a termination notice shall be a date no earlier than the standard settlement date that would apply to a purchase or sale of the Loaned Securities (in the case of a notice given by Lender) or the non-cash Collateral securing the Loan (in the case of a notice given by Borrower) entered into at the time of such notice, which date shall, unless Borrower and Lender agree to the contrary, be (i) in the case of Government Securities, the next Business Day following such notice and (ii) in the case of all other Securities, the third Business Day following such notice.

(b) Notwithstanding paragraph (a) and unless otherwise agreed, Borrower may terminate a Loan on any Business Day by giving notice to Lender and transferring the Loaned Securities to Lender before the Cutoff Time on such Business Day if (i) the Collateral for such Loan consists of cash or Government Securities or (ii) Lender is not permitted, pursuant to Section 4.2, to Re-transfer Collateral.

6.2 Unless otherwise agreed, Borrower shall, on or before the Cutoff Time on the termination date of a Loan, transfer the Loaned Securities to Lender; provided, however, that upon such transfer by Borrower, Lender shall transfer the Collateral (as adjusted pursuant to Section 9) to Borrower in accordance with Section 4.3.

7. Rights in Respect of Loaned Securities and Collateral.

7.1 Except as set forth in Sections 8.1 and 8.2 and as otherwise agreed by Borrower and Lender, until Loaned Securities are required to be redelivered to Lender upon termination of a Loan hereunder, Borrower shall have all of the incidents of ownership of the Loaned Securities, including the right to transfer the Loaned Securities to others. Lender hereby waives the right to vote, or to provide any consent or to take any similar action with respect to, the Loaned Securities in the event that the record date or deadline for such vote, consent or other action falls during the term of the Loan.

7.2 Except as set forth in Sections 8.3 and 8.4 and as otherwise agreed by Borrower and Lender, if Lender may, pursuant to Section 4.2, Re-transfer Collateral, Borrower hereby waives the right to vote, or to provide any consent or take any similar action with respect to, any such Collateral in the event that the record date or deadline for such vote, consent or other action falls during the term of a Loan and such Collateral is not required to be returned to Borrower pursuant to Section 4.5 or Section 9.

8. Distributions.

8.1 Lender shall be entitled to receive all Distributions made on or in respect of the Loaned Securities which are not otherwise received by Lender, to the full extent it would be so entitled if the Loaned Securities had not been lent to Borrower.

Opening a New Account

Terms and Conditions

Terms and Conditions

55. In respect of your credit facilities secured by the Portfolio or any part thereof, you acknowledge and accept the requirement to maintain sufficient collateral in respect of such credit facilities.

Discretionary Management Agreement

This Discretionary Management Agreement applies in addition to the General Terms and Conditions, the Sponsorship Terms (as applicable) and the Terms and Conditions for Safe Custody (as applicable). In the event of any inconsistency between the General Terms and Conditions, the Terms and Conditions for Safe Custody and this Discretionary Management Agreement, this Discretionary Management Agreement will prevail to the extent of the inconsistency.

56. Appointment and Function of UBS Wealth Management

56.1 You appoint UBS Wealth Management to manage the Portfolio on your behalf with full authority, subject to any special written instructions which you may from time to time give to UBS Wealth Management, and which are accepted by UBS Wealth Management, to deal with all or part of the Portfolio (including acquire, realise, sell, subscribe for, purchase, withdraw or otherwise dispose of the Portfolio's assets), exercise (or not exercise) any rights attached to the Portfolio, establish, operate or access any accounts in connection with the Portfolio, request distributions received in connection with the Portfolio and do anything else in connection with the Portfolio which UBS Wealth Management considers proper, necessary or convenient.

56.2 You agree to pay the fees and charges determined in accordance with clause 3 in relation to the services UBS Wealth Management provides under this Discretionary Management Agreement, and UBS Wealth Management may debit any of your accounts, apply any cash held in the Portfolio or sell or dispose of any assets in the Portfolio to raise the necessary funds to pay the fees and charges.

56.3 In performing its obligations under this Discretionary Management Agreement, UBS Wealth Management will provide the service in accordance with the criteria laid down in the description of the Offered Portfolio and Investment Strategy selected by you (referred to as the Investment Program).

56.4 Without limiting the discretion or authority of UBS Wealth Management under clause 56.1, but having regard to the Investment Program under clause 56.3, you authorise UBS Wealth Management to:

- (a) place, subject to the Relief, funds in a current account and/or deposits of any kind with any financial institution including itself and its branches, subsidiaries, affiliates and associates in any jurisdiction and on such terms as UBS Wealth Management deems appropriate including to place any such funds on any account jointly with the moneys of any other client or clients and to enter into any transaction jointly on your behalf for your account and for any other account of any other client or clients for UBS Wealth Management, provided that the same will be recorded in UBS Wealth Management's books in such manner as to distinguish the portion attributable to the Portfolio and provided also that all interests on such deposits and all moneys, rights or property which may at any time accrue or be offered (whether by way of bonus, redemption, dividends, conversion, preference, option or otherwise) in respect of such property will be apportioned proportionally amongst you and such other client or clients of UBS Wealth Management;
- (b) arrange on your behalf for UBS Securities to execute ASX Transactions in relation to the Portfolio;

- (c) deposit for safe custody any certificate, scrip or other documents of title in relation to any investments in the Portfolio with such persons or institutions including UBS Wealth Management and UBS Wealth Management's subsidiaries, affiliates and associates in any jurisdiction and on such terms as UBS Wealth Management deems appropriate;
- (d) enforce rights in or in connection with the Portfolio with full power to initiate or discontinue any such proceedings, make any settlement and comply with or submit to arbitration any matter in dispute or doubt and recover any expenses in enforcing such rights from any cash held in the Portfolio or by selling or disposing of any assets in the Portfolio to fund the payment of these expenses;

- (e) apply for short term bridging finance in the form of temporary overdrafts not exceeding 30 days at UBS Wealth Management's prevailing rates and upon terms and conditions acceptable to UBS Wealth Management. UBS Wealth Management may create a security interest over or in respect of all or part of the Portfolio to secure such overdrafts and you will execute any document UBS Wealth Management may require to give effect to that security interest; and

- (f) in its sole discretion appoint a person as an Asset Adviser to advise it on the investments in the Portfolio. UBS Wealth Management is not bound to follow the advice of any Asset Adviser and may in its sole discretion terminate an appointment of an Asset Adviser under this clause 56.4(e) and will notify you of such a termination and alternative arrangements.

- (g) in its sole discretion appoint a person as an Asset Adviser to advise it on the investments in the Portfolio. UBS Wealth Management is not bound to follow the advice of any Asset Adviser and may in its sole discretion terminate an appointment of an Asset Adviser under this clause 56.4(e) and will notify you of such a termination and alternative arrangements.

57. Credit facilities

57.1 If UBS Wealth Management provides you with a credit facility to fund the Portfolio, you acknowledge that:

- (a) the credit facility will be subject to separate documentation; and
- (b) the provision of any collateral in connection with the credit facility may affect investment decisions of UBS Wealth Management under this Discretionary Management Agreement. If UBS Wealth Management, in its absolute discretion, determines that there is insufficient collateral, UBS Wealth Management may, without notice to or consent from you, liquidate the Portfolio to the extent UBS Wealth Management considers appropriate and apply the proceeds to reduce your liability to UBS Wealth Management.

57.2 Without limiting clause 57.1, if you choose to gear your portfolio through Geared DPM (ie using funds drawn under a margin loan facility with UBS AG), then you agree that:

- (a) you will establish a margin loan facility with UBS AG using UBS AG's standard margin lending documents; and
- (b) you authorise UBS Wealth Management in its absolute discretion to exercise your rights and perform on your behalf your obligations under that loan facility in whatever way UBS Wealth Management considers appropriate.

You acknowledge that the terms of the Geared DPM, as well as some additional risks associated with it, are described in the Investment Program. You agree to be bound by those terms.

If you choose to gear your portfolio through Geared DPM, the nominee who holds Financial Products under the terms and Conditions for Safe Custody will enter into a sponsorship arrangement with a Controlling Participant on substantially same terms as those set out in UBS AG's standard margin lending documents. The Sponsorship Terms will not apply to