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THE PROSPECTUS ATTACHED TO THIS DISCLAIMER IS AVAILABLE ONLY TO INVESTORS WHO ARE LOCATED OUTSIDE THE UNITED STATES AND EITHER (A) “QUALIFIED INVESTORS” (AS DEFINED IN THE PROSPECTUS DIRECTIVE, INCLUDING THE 2010 PD AMENDING DIRECTIVE) (“**QUALIFIED INVESTORS**”) IN THE EUROPEAN ECONOMIC AREA (THE “**EEA**”) OR (B) OUTSIDE THE EEA, IN EACH CASE IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), AND AS OTHERWISE PERMITTED UNDER APPLICABLE SECURITIES LAWS.

**IMPORTANT:** You must read the following before continuing. The following disclaimer applies to the attached Prospectus (the “**Prospectus**”), which has been accessed via internet or otherwise received and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, any time you receive any information, as the case may be, as a result of such access. Capitalised terms used but not defined in this notice have the meanings assigned to such terms in the Prospectus.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. NO ACTION HAS BEEN OR WILL BE TAKEN THAT WOULD, OR IS INTENDED TO, PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN THE PROSPECTUS IN ANY JURISDICTION OTHER THAN SWITZERLAND. IN PARTICULAR, THE OFFERING HAS NOT BEEN AND WILL NOT BE REGISTERED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY IN THE UNITED STATES AND, SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES DESCRIBED IN THE PROSPECTUS MAY NOT BE OFFERED, SOLD, RESOLD, DELIVERED, ALLOTTED, TAKEN UP, TRANSFERRED OR RENOUNCED, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT).

The Prospectus is being provided to you on a confidential basis for informational use solely in connection with your consideration of the purchase of the securities referred to therein. Its use for any other purpose is not authorised, and you may not, nor are you authorised to, copy or reproduce the Prospectus in whole or in part in any manner whatsoever or deliver, distribute or forward the Prospectus or disclose any of its contents to any other person. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. If you are not the intended recipient of the Prospectus, you are hereby notified that any dissemination, distribution or copying of the Prospectus is strictly prohibited.

**Confirmation of your representation:** In order to be eligible to view the Prospectus or make an investment decision with respect to the securities described therein, potential investors must be located outside the United States and either (a) Qualified Investors or (b) outside the EEA. By accessing the attached Prospectus, you shall be deemed to have confirmed and represented to the relevant parties that (i) you and any customers that you represent are not U.S. Persons (within the meaning of Regulation S under the Securities Act), (ii) the electronic mail (or e-mail) address to which it has been delivered is not located in the United States, its territories and possessions, any State of the United States or the District of Columbia (where “possessions” include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), (iii) you consent to delivery by electronic transmission, and (iv) if you are a person in the United Kingdom, then you are a person who (i) is an investment professional within the meaning of article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**FPO**”) or (ii) is a high net worth entity falling under Article 49(2)(a) to (d) of the FPO.

You are reminded that the Prospectus has been delivered to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Prospectus to any other person.

This disclaimer does not constitute or contain any offer to sell or invitation to subscribe or make commitments for or in respect of any security in any jurisdiction where such an offer or invitation would be unlawful. There are restrictions on the distribution of this disclaimer and the Prospectus and/or the offer or sale of the securities described in the Prospectus in certain jurisdictions. If a jurisdiction requires that the offering be made by a licensed broker or dealer and a bank involved in the offering or any affiliate of such bank is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such bank or any affiliate of such bank on behalf of the Issuer in such jurisdiction.

The Prospectus has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and, consequently, none of the involved parties in the offering, or their respective affiliates, directors, officers, employees or agents accepts any liability or responsibility whatsoever in respect of

any difference between the Prospectus distributed to you in electronic format and any hard copy version that may have been delivered to you by third parties.

You are responsible for protecting against viruses and other destructive items. Your receipt of the Prospectus via electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

**SWISS CREDIT CARD ISSUANCE 2016-1 AG**  
(a stock corporation incorporated under the laws of Switzerland)

**CHF 190,000,000 0.130 per cent. Asset-Backed Class A Notes, 2016-1 due 2021**

**CHF 6,000,000 1.250 per cent. Asset-Backed Class B Notes, 2016-1 due 2021**

**CHF 4,000,000 2.500 per cent. Asset-Backed Class C Notes, 2016-1 due 2021**

The asset-backed notes to be issued by Swiss Credit Card Issuance 2016-1 AG, a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Switzerland with register number CHE-193.199.639 (the “**Issuer**”), will be comprised of CHF 190,000,000 Class A notes, 2016-1 due June 2021 (the “**Class A Notes**”), CHF 6,000,000 Class B notes, 2016-1 due June 2021 (the “**Class B Notes**”) and CHF 4,000,000 Class C notes, 2016-1 due June 2021 (the “**Class C Notes**”) and together with the Class A Notes and the Class B Notes, the “**Notes**” and each separately designated class, a “**Class**”). The Notes will be issued on or about 15 June 2016 or such other date as may be agreed between the Issuer and the Arranger (the “**Closing Date**”). Notes of the same Class will rank *pari passu* and *pro rata* among themselves. The Notes are expected to be assigned the credit ratings set out below by each of Fitch Ratings Limited (“**Fitch Ratings**”) and Standard & Poor’s Credit Market Services Europe Limited (“**S&P**”).

| 2016-1                                 | Class A Notes                             | Class B Notes                             | Class C Notes                             |
|--|---|---|---|
| <b>Principal Amount</b>                | CHF 190,000,000                           | CHF 6,000,000                             | CHF 4,000,000                             |
| <b>Issue Price</b>                     | 100.00 per cent.                          | 100.00 per cent.                          | 100.00 per cent.                          |
| <b>Interest Rate</b>                   | 0.130 per cent.                           | 1.250 per cent.                           | 2.500 per cent.                           |
| <b>Interest Payment Date</b>           | 15 <sup>th</sup> day of June of each year | 15 <sup>th</sup> day of June of each year | 15 <sup>th</sup> day of June of each year |
| <b>Ratings (Fitch Ratings/S&amp;P)</b> | “AAAsf”/“AAA(sf)”                         | “A+sf”/“A+(sf)”                           | “BBBsf”/“BBB+(sf)”                        |
| <b>Scheduled Redemption Date</b>       | 15 June 2019                              | 15 June 2019                              | 15 June 2019                              |
| <b>Final Redemption Date</b>           | 15 June 2021                              | 15 June 2021                              | 15 June 2021                              |
| <b>ISIN Code</b>                       | CH0326371389                              | CH0326371397                              | CH0326371405                              |
| <b>Common Code</b>                     | 142389746                                 | 142389819                                 | 142389894                                 |
| <b>Swiss Security Code</b>             | 32 637 138                                | 32 637 139                                | 32 637 140                                |

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension or withdrawal at any time by the assigning rating organisation.

The Issuer’s primary source of funds to make payments on the Notes will be derived from, among other things, payments made by Swiss Payments Assets AG (the “**Asset SPV**”) to the Issuer under Issuer Certificate No. 5. The ultimate source of payment on the Notes will be collections on designated credit card accounts originated and/or acquired in Switzerland by Swisscard AECS GmbH (“**Swisscard**”), subject to the satisfaction of certain conditions as specified in the transaction documents and described herein.

**The Notes will be obligations of the Issuer only. They will not be obligations or responsibilities of, nor will they be guaranteed by, any other party, including Credit Suisse (in any of its capacities), Lloyds Bank, Zürcher Kantonalbank (in either of its capacities), Swisscard, the Asset SPV or any of their affiliates or advisers, successors or assigns. Any suggestion otherwise, express or implied, is expressly excluded.**

Each Class of Notes is expected to be provisionally admitted to trading on the SIX Swiss Exchange with effect from 13 June 2016 and application will be made for the Notes to be listed in compliance with the standard for bonds on the SIX Swiss Exchange. The last day for trading will be the second Business Day on which the SIX Swiss Exchange is open for trading prior to the date on which the Notes will be fully redeemed.

Each Class of Notes will be represented by a permanent global certificate in accordance with Article 973b of the Swiss Code of Obligations (each a “**Global Note**”) in bearer form without interest coupons attached. Each Global Note will be deposited by the Principal Paying Agent on the Closing Date with SIX SIS Ltd, Baslerstrasse 100, CH-4600 Olten, as common depository or any other intermediary in Switzerland recognised in Switzerland for such purposes by the SIX Swiss Exchange (the “**Common Depository**”). Once each Global Note is deposited with the Common Depository and entered into the accounts of one or more participants of the Common Depository, the Notes will constitute intermediated securities (*Bucheffekten*) (the “**Intermediated Securities**”) within the meaning ascribed to the term in the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*). No physical delivery of individually certificated Notes will be made.

**Given the complexity of the terms and conditions of the Notes, an investment in the Notes is suitable only for experienced and financially sophisticated investors who understand and are in a position to evaluate the merits and risks inherent therein and who have sufficient resources to be able to bear any losses which may result from such investment. On 14 April 2016 the SIX Swiss Exchange granted an exemption from the minimum capitalisation requirement pursuant to article 10 of the additional rules for the listing of bonds with respect to the Class B Notes and the Class C Notes, which otherwise requires a minimum total nominal value of CHF 20 million for debt securities listed on the SIX Swiss Exchange. Due to their low total nominal value and high minimum denomination of CHF 100,000, the Class B Notes and the Class C Notes are illiquid instruments. Lack of liquidity increases risk. The Class B Notes and Class C Notes are, therefore, a suitable investment only for institutional or other qualified investors that have substantial experience in asset-backed securities and that are capable of understanding, and are able to bear, the risks associated with an investment in an illiquid security such as the Class B Notes and the Class C Notes. For the avoidance of any doubt the Class B Notes and the Class C Notes are not for retail investors.**

**For a discussion of other significant factors affecting investments in the Notes, see the section headed “**RISK FACTORS**” beginning on page 33.**

*Arranger*

**Lloyds Bank**

*Joint Lead Managers*

**Credit Suisse**

**Lloyds Bank**

**Zürcher Kantonalbank**

The date of this Prospectus is 13 June 2016 (the “**Prospectus**”)

## IMPORTANT INFORMATION

### Responsibility Statements

The Notes and interest thereon will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity referred to in this Prospectus. Any suggestion otherwise, express or implied, is expressly excluded.

Save for the information contained in the sections entitled “*CREDIT CARD PORTFOLIO*”, “*CREDIT SUISSE AG*”, “*SWISSCARD AECS GMBH*”, “*THE ASSET SPV*” and “*THE COLLATERAL TRUSTEE, THE NOTE TRUSTEE AND THE SECURITY TRUSTEE*” the Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit any material fact which is likely to affect the import of such information or which would make any statement in this Prospectus misleading.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arranger, the Joint Lead Managers, the Note Trustee, the Security Trustee, the Collateral Trustee, the Asset SPV Account Bank, the Issuer Account Bank, the Asset SPV Cash Manager, the Issuer Cash Manager, the Asset SPV Corporate Services Provider, the Issuer Corporate Services Provider or the Principal Paying Agent or any of their respective affiliates or advisors as to the accuracy or completeness of any information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution except to the extent set out below.

Swisscard as an Originator, as the Asset SPV Cash Manager, as the Issuer Cash Manager, as the Asset SPV Corporate Services Provider, as the Issuer Corporate Services Provider and in any additional capacities it may assume during the course of the Transaction, accepts responsibility for the information contained in the sections entitled “*CREDIT CARD PORTFOLIO*”, and “*SWISSCARD AECS GMBH*” (the “**Swisscard Information**”). To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such Swisscard Information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Swisscard as Originator, the Asset SPV Cash Manager, the Issuer Cash Manager, the Asset SPV Corporate Services Provider, the Issuer Corporate Services Provider or any other capacity as to the accuracy or completeness of any information contained in this Prospectus (other than the Swisscard Information) or any other information supplied in connection with the Notes or their distribution.

Credit Suisse as the Servicer, Asset SPV Account Bank and Principal Paying Agent accepts responsibility for the information contained in the section entitled “*CREDIT SUISSE AG*” (the “**Credit Suisse Information**”). To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such Credit Suisse Information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Credit Suisse as Servicer, Asset SPV Account Bank and Principal Paying Agent as to the accuracy or completeness of any information contained in this Prospectus (other than the Credit Suisse Information) or any other information supplied in connection with the Notes or their distribution.

Wells Fargo Trust Corporation Limited (“**WFTCL**”) as the Collateral Trustee, as the Note Trustee and as the Security Trustee accepts responsibility for the information contained in the section entitled “*THE COLLATERAL TRUSTEE, THE NOTE TRUSTEE AND THE SECURITY TRUSTEE*” (the “**WFTCL Information**”). To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of the WFTCL Information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by WFTCL as to the accuracy or completeness of any other information contained in this Prospectus (other than the WFTCL Information) or any other information supplied in connection with the Notes or their distribution.

Zürcher Kantonalbank (“**ZKB**”) as the Issuer Account Bank accepts responsibility for the information contained in the section entitled “*THE ISSUER ACCOUNT BANK*” (the “**ZKB Information**”). To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such ZKB

Information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by ZKB as Issuer Account Bank as to the accuracy or completeness of any information contained in this Prospectus (other than the ZKB Information) or any other information supplied in connection with the Notes or their distribution.

### **Subscription and Sale**

Each initial and subsequent purchaser of the Notes will be deemed, by its acceptance of such Notes, to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer thereof as set forth therein and described in this Prospectus and, in connection therewith, may be required to provide confirmation of its compliance with such resale and other transfer restrictions in certain cases (See “*SUBSCRIPTION AND SALE*”).

**THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS.**

Neither this Prospectus nor any other information supplied in connection with the issue and sale of the Notes constitutes, and is intended to be, an offer of, or an invitation by or on behalf of, the Issuer, the Joint Lead Managers, the Arranger or any other Transaction Party to subscribe for or purchase any of the Notes. No action has been, nor will be taken to permit a public offering of the Notes or the distribution of this Prospectus in any jurisdiction other than Switzerland. The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Arranger and the Joint Lead Managers to inform themselves about and to observe such restrictions.

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

**For a description of certain further restrictions on offers and sales of the Notes and distribution of this Prospectus, see the section entitled “*SUBSCRIPTION AND SALE*”.**

Neither the Arranger nor any of the Joint Lead Managers has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by or on behalf of the Arranger and Joint Lead Managers as to the accuracy, reasonableness or completeness of the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes. In making an investment decision, investors must rely on their own examination of the terms of this offering, including the merits and risks involved. The contents of this Prospectus should not be construed as providing legal, business, accounting or tax advice. Each prospective investor should consult its own legal, business, accounting and tax advisers prior to making a decision to invest in the Notes. Investment in the Notes may be not suitable for all recipients of this Prospectus. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

No person has been authorised to give any information or to make any representation concerning the issue of the Notes other than those contained in this Prospectus. Nevertheless, if any such information is given by any broker, Originator or any other person, it must not be relied upon as having been authorised by the Issuer, the Arranger, the Joint Lead Managers or any other entity referred to in this Prospectus. Neither the delivery of this Prospectus nor any offer, sale or solicitation made in connection herewith will, in any circumstances, imply that the information contained herein is correct at any time subsequent to the date of this Prospectus.

Payments of interest and principal in respect of the Notes will be subject to any applicable withholding taxes. The Issuer will not be obliged to pay additional amounts therefor. See “*TAXATION IN SWITZERLAND—Final Withholding Tax on Swiss Bank Accounts and Swiss Federal Withholding Tax*”.

### **Forward-Looking Statements**

Certain matters contained herein are forward-looking statements. Such statements appear in a number of places in this Prospectus, including with respect to assumptions on prepayment and certain other characteristics of the Receivables, and reflect significant assumptions and subjective judgments by the Issuer that may not prove to be

correct. Such statements may be identified by reference to a future period or periods and the use of forward-looking terminology such as “may”, “will”, “could”, “believes”, “expects”, “anticipates”, “continues”, “intends”, “plans” or similar terms. Consequently, future results may differ from the Issuer’s expectations due to a variety of factors, including (but not limited to) the economic environment and regulatory changes in or affecting the credit card industry in Switzerland. Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Notes are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. None of the Arranger or the Joint Lead Managers or any other entity referred to in this Prospectus has attempted to verify any such statements, nor does it make any representations, express or implied, with respect thereto. Prospective purchasers should therefore not place undue reliance on any of these forward-looking statements. None of the Issuer, Swisscard, Credit Suisse or any other entity referred to in this Prospectus assumes any obligation to update these forward-looking statements or to update the reasons for which actual results could differ materially from those anticipated in the forward-looking statements.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note will in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer, Swisscard or Credit Suisse since the date of this Prospectus.

### **Interpretation and Definitions**

All references in this document to “**Swiss Francs**” and “**CHF**” are to the lawful currency of Switzerland.

Capitalised terms used and not otherwise defined herein will have the meanings ascribed to them in the “*GLOSSARY OF DEFINED TERMS*”.

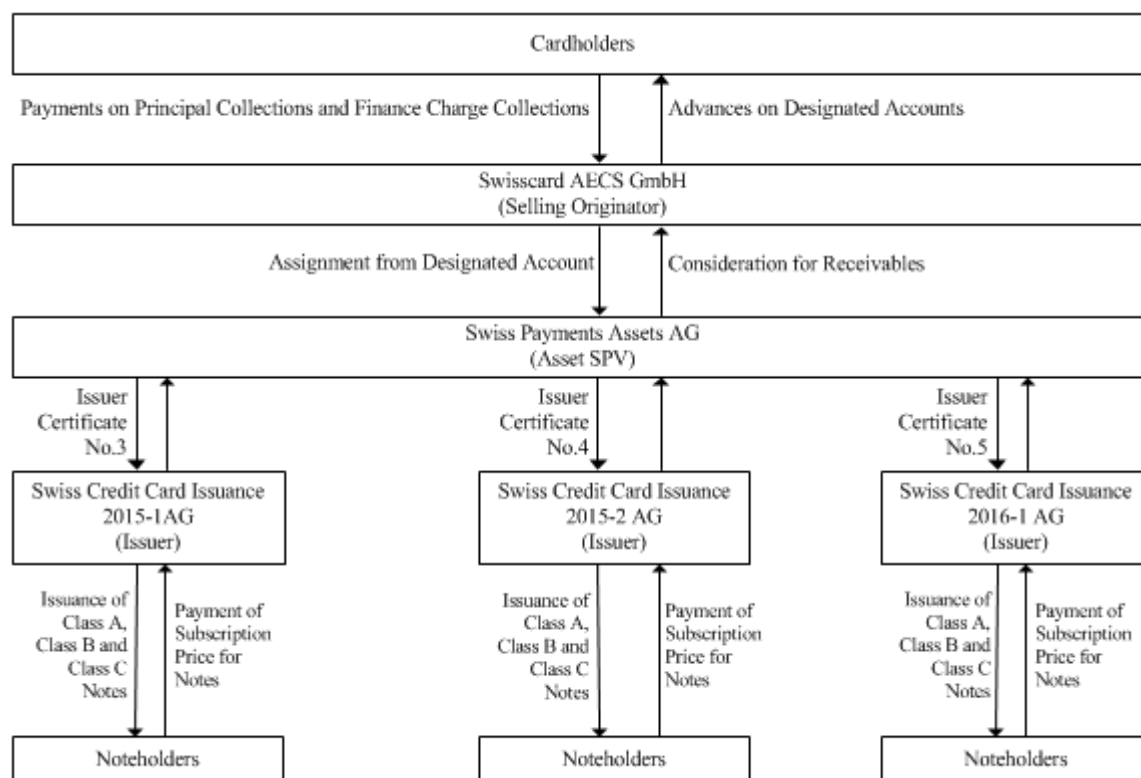
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## TRANSACTION STRUCTURE DIAGRAM

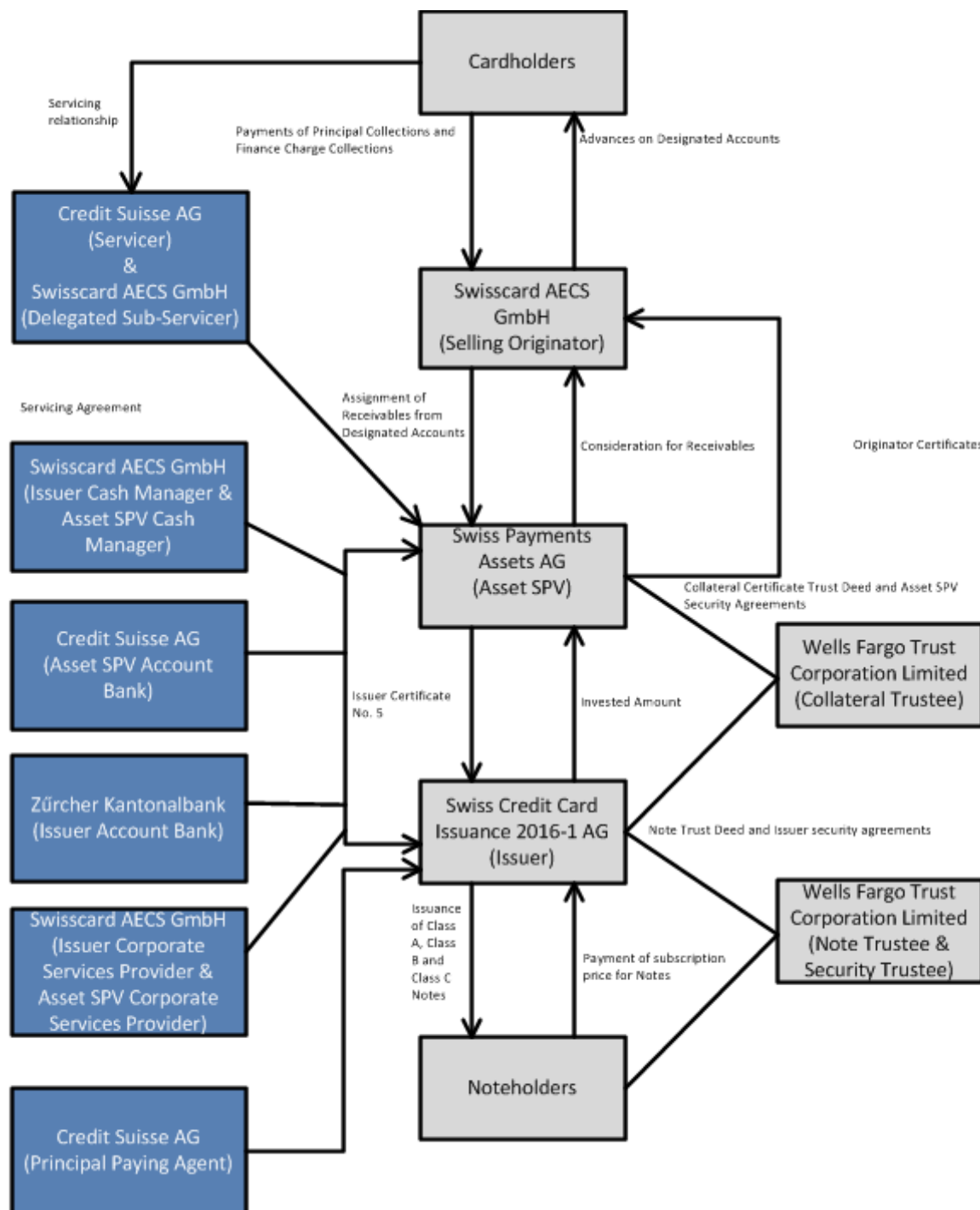
*Below is a transaction structure diagram. This transaction structure diagram is qualified in its entirety by the detailed information appearing elsewhere in this Prospectus. If there is any inconsistency between this transaction structure diagram and the information provided elsewhere in this Prospectus, such information will prevail.*

### Overall structure following the Closing Date



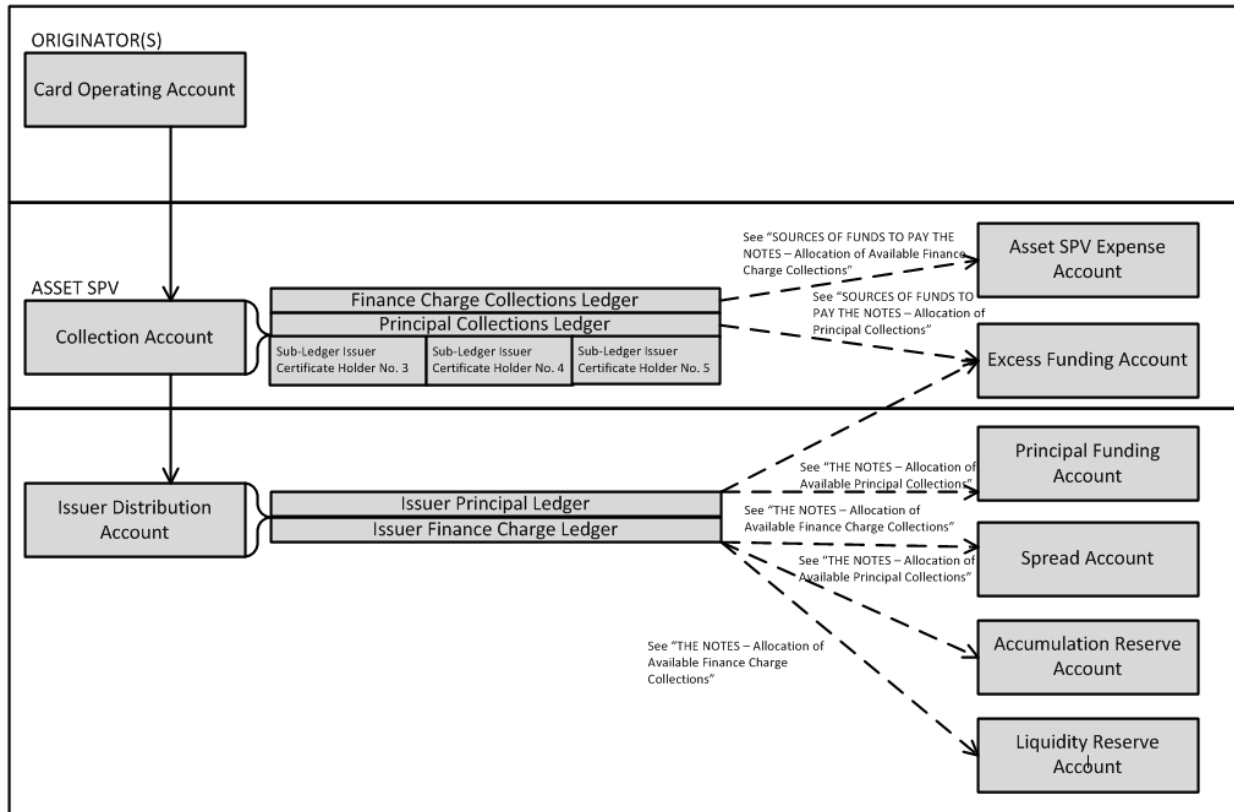


## Swiss Credit Card Issuance 2016-1 structure



## BANK ACCOUNT STRUCTURE DIAGRAM

*This bank account structure diagram is not intended to reflect all of the transaction banks accounts and ledgers but rather is illustrative of those bank accounts and ledgers which are integral to the transaction cashflows. This bank account structure diagram is qualified in its entirety by the detailed information appearing elsewhere in this Prospectus. If there is any inconsistency between this bank account structure diagram and the information provided elsewhere in this Prospectus, such information will prevail.*



## TRANSACTION SUMMARY

*The following paragraphs contain a brief overview of the structure of the Transaction. This overview is necessarily incomplete and prospective investors are urged to read the entire Prospectus carefully for more detailed information. This overview is qualified in its entirety by references to the detailed information presented in this Prospectus.*

On each Business Day from (and including) 21 June 2012 (the “**First Issue Date**”) until the Business Transfer Effective Date, Credit Suisse acted as sole Selling Originator and assigned and transferred (a) Principal Receivables and (b) Finance Charge Receivables that have arisen on Designated Accounts to Swiss Payments Assets AG (the “**Asset SPV**”) in accordance with the terms and conditions of the Receivables Sale and Purchase Agreement. Swisscard has been an Originator since the First Issue Date and prior to the Business Transfer Effective Date, Swisscard was not a Selling Originator and did not assign and transfer receivables. On the Business Transfer Effective Date, Credit Suisse transferred the credit card portfolio (including its interest in the Securitised Portfolio) and the related origination business to Swisscard under an asset deal (the “**Business Transfer**”) pursuant to an asset transfer agreement (the “**Business Transfer Agreement**”). On the Business Transfer Effective Date, Swisscard became a Selling Originator and Credit Suisse ceased to be a Selling Originator, though it remained an Originator under the Transaction. Following the Business Transfer Effective Date, Swisscard has assigned and transferred and, for so long as it remains a Selling Originator, will continue to assign and transfer and/or, in the case of any other Selling Originator, such other Selling Originator will assign and transfer on each Business Day from (and including) the date which it is so designated as further described in this Prospectus (a) Principal Receivables and (b) Finance Charge Receivables that have arisen on Designated Accounts to the Asset SPV in accordance with the terms and conditions of the Receivables Sale and Purchase Agreement. As consideration for such assignment and transfer, the Asset SPV pays the Principal Purchase Price for all Principal Receivables and the FC Purchase Price for all Finance Charge Receivables to the relevant Selling Originator. On the Closing Date, Credit Suisse shall cease to be an Originator (see further “*THE RECEIVABLES AND THE RECEIVABLES SALE AND PURCHASE AGREEMENT—The Originators*”).

Credit Suisse, in its capacity as Servicer, acts as servicing agent for the Asset SPV in relation to the Securitised Portfolio pursuant to the terms of the Servicing Agreement. The Servicer collects, amongst other things, payments in respect of the Receivables, administers the Securitised Portfolio and all related contracts, performs certain other administrative services (including, but not limited to, the provision of certain recovery services) and reports on the performance of the Securitised Portfolio. In accordance with the terms of the Servicing Agreement, Credit Suisse has delegated, for the most part, its servicing duties to Swisscard, although Credit Suisse remains liable for the performance of any duties that it delegates. During the term of the Notes, Swisscard may assume the role of Servicer in its own right provided that, *inter alia*, the Asset SPV has received Ratings Confirmations that its then existing rating of the outstanding Related Debt will not be adversely impacted as a result.

Pursuant to the Collateral Certificate Trust Deed, the Asset SPV has issued and may issue further Originator Certificates and Issuer Certificates to fund its acquisition of Receivables arising under the Designated Accounts.

Each Collateral Certificate, together with the Asset SPV Security granted to secure the Collateral Certificates, defines the rights, subject to certain limited recourse provisions, that each Certificateholder has with respect to the Receivables and other assets of the Asset SPV.

On the First Issue Date, the Asset SPV issued the Originator Certificates and Issuer Certificate No. 1 to fund its acquisition of Receivables arising under the Designated Accounts. Swiss Credit Card Issuance No. 1 AG, a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Switzerland with register number CHE-334.746.406 was the holder of Issuer Certificate No. 1. Swiss Credit Card Issuance No. 1 AG. funded its purchase of Issuer Certificate No. 1 through the issuance of the CHF 351,100,000 Class A notes, 2012-1 due June 2015 (the “**2012-1 Class A Notes**”), CHF 11,500,000 Class B notes, 2012-1 due June 2015 (the “**2012-1 Class B Notes**”) and CHF 7,400,000 Class C notes, 2012-1 due June 2015 (the “**2012-1 Class C Notes**” and together with the 2012-1 Class A Notes and the 2012-1 Class B Notes the “**2012-1 Notes**”) on the First Issue Date. The 2012-1 Notes (including all interest accrued thereon) were repaid in full on 15 June 2015 (the “**Third Issue Date**”) and Issuer Certificate No. 1 was cancelled by the Registrar.

On 19 April 2013 (the “**Second Issue Date**”), the Asset SPV issued Issuer Certificate No. 2 to fund its acquisition of Receivables arising under the Designated Accounts. Each Collateral Certificate, together with the Asset SPV Security granted to secure the Collateral Certificates, defines the rights, subject to certain limited recourse provisions, that each Certificateholder has with respect to the Receivables and other assets of the Asset

SPV. Swiss Credit Card Issuance No. 2 AG, a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Switzerland with register number CHE-184.675.256 is the holder of Issuer Certificate No. 2. Swiss Credit Card Issuance No. 2 AG, funded its purchase of Issuer Certificate No. 2 through the issuance of the CHF 189,800,000 Class A notes due June 2016 (the “**2013-1 Class A Notes**”), CHF 6,200,000 Class B notes due June 2016 (the “**2013-1 Class B Notes**”) and CHF 4,000,000 Class C notes due June 2016 (the “**2013-1 Class C Notes**”) and together with the 2013-1 Class A Notes and the 2013-1 Class B Notes the “**2013-1 Notes**”. The 2013-1 Notes (including all interest accrued thereon) are expected to be repaid in full on or prior to the Closing Date. Following the repayment in full of the Related Debt for Issuer Certificate No. 2 in accordance with the terms and conditions of Issuer Certificate No. 2 and upon confirmation from the Asset SPV, the Collateral Trustee, and the Asset SPV Cash Manager that the Invested Amount of Issuer Certificate No. 2 has been paid in full, the Registrar will cancel (or cause the cancellation of) Issuer Certificate No. 2.

On the Third Issue Date, the Asset SPV issued Issuer Certificate No. 3 and Issuer Certificate No. 4 to fund its acquisition of Receivables arising under the Designated Accounts. Swiss Credit Card Issuance 2015-1 AG a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Switzerland with register number CHE-356.922.350 is the holder of Issuer Certificate No. 3. Swiss Credit Card Issuance 2015-1 AG funded its purchase of Issuer Certificate No. 3 through the issuance of the CHF 190,000,000 Class A notes, 2015-1 due June 2020 (the “**2015-1 Class A Notes**”), CHF 6,000,000 Class B notes, 2015-1 due June 2020 (the “**2015-1 Class B Notes**”) and CHF 4,000,000 Class C notes, 2015-1 due June 2020 (the “**2015-1 Class C Notes**”) and together with the 2015-1 Class A Notes and the 2015-1 Class B Notes the “**2015-1 Notes**”) on the Third Issue Date. Swiss Credit Card Issuance 2015-2 AG a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Switzerland with register number CHE-184.859.767 is the holder of Issuer Certificate No. 4. Swiss Credit Card Issuance 2015-2 AG funded its purchase of Issuer Certificate No. 4 through the issuance of the CHF 190,000,000 Class A notes, 2015-2 due June 2022 (the “**2015-2 Class A Notes**”), CHF 6,000,000 Class B notes, 2015-2 due June 2022 (the “**2015-2 Class B Notes**”) and CHF 4,000,000 Class C notes, 2015-2 due June 2022 (the “**2015-2 Class C Notes**”) and together with the 2015-2 Class A Notes and the 2015-2 Class B Notes the “**2015-2 Notes**” and together with the 2013-1 Notes and the 2015-1 Notes, the “**Existing Notes**”) on the Third Issue Date. The Existing Notes have been listed with the SIX Swiss Exchange.

The parties involved in the issuance of the Existing Notes understood and agreed that additional notes could be issued to invest in additional Collateral Certificates issued subject to the terms and conditions of the Collateral Certificate Trust Deed. On the Closing Date, the Asset SPV will issue Issuer Certificate No. 5 to fund its acquisition of further Receivables arising under the Designated Accounts.

Swiss Credit Card Issuance 2016-1 AG a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Switzerland with register number CHE-193.199.639 (the “**Issuer**”) will be the holder of Issuer Certificate No. 5. Issuer Certificate No. 2, Issuer Certificate No. 3, Issuer Certificate No. 4 and Issuer Certificate No. 5 will rank *pari passu* subject to and in accordance with the terms of the relevant Transaction Documents. Additional Collateral Certificates may be issued, subject to certain terms and conditions, during the course of the Transaction.

The Issuer will fund its purchase of Issuer Certificate No. 5 through the issuance of the Notes on the Closing Date pursuant to the Note Trust Deed and Issuer Certificate No. 5 will be the primary source of funds for the payment of principal of and interest on the Notes. The Notes will constitute direct, secured and, subject to certain limited recourse provisions, unconditional obligations of the Issuer. The Class A Notes will rank in priority to the Class B Notes and the Class C Notes, and the Class B Notes will rank in priority to the Class C Notes in accordance with the applicable Priority of Payments. As the holder of Issuer Certificate No. 5, the Issuer will be entitled to a share of the Net Finance Charge Collections, Principal Collections, income from Permitted Investments and certain other amounts which are allocable to it. Such amounts (and any other amounts provided to the Issuer by way of support for the Notes) will be used on each Distribution Date to make payments on the Notes. If those sources are not sufficient for the payment of principal and/or interest on a particular Note, the Noteholder of that Note will have no recourse to any other assets of the Issuer, or any other person or entity for the payment of principal and/or interest on that Note.

As security for the payment of all monies payable in respect of the Notes, the Issuer will enter into a Swiss law governed claims assignment agreement to (a) assign by way of security (*Sicherungscession*) to the Security Trustee all of its title, interest and benefit in and to the Issuer Transaction Documents that are governed by Swiss law and the Issuer Bank Accounts (other than the Issuer Securities Account) and (b) create a security interest in accordance with Article 25 para. 2(b) FISA over all Intermediated Securities held by the Issuer in the Issuer Securities Account. In addition, pursuant to the terms of a security trust deed, the Issuer will grant an English law security interest over its title, interest and benefit in and to Issuer Certificate No. 5 and the Issuer

Transaction Documents that are governed by English law for the benefit of the Security Trustee (and the other Issuer Secured Creditors). The Security Trustee will declare a trust over the Issuer Security in favour of itself and for the benefit of, amongst others, the Noteholders.

The Issuer will enter into the Issuer Cash Management Agreement pursuant to which the Issuer Cash Manager will provide certain cash management and bank account operation services to the Issuer. On each Distribution Date, the Issuer, acting on the advice of the Issuer Cash Manager, will, amongst other things, cause an amount equal to the Monthly Interest Amount for each Class of Notes to be retained in the Interest Ledger of the Issuer Distribution Account by applying Available Finance Charge Collections credited to the Issuer Finance Charge Ledger in accordance with the Finance Charge Priority of Payments outlined in “*GENERAL DESCRIPTION OF THE NOTES—Allocations on the Notes—Allocation of Available Finance Charge Collections—The Finance Charge Priority of Payments*”. Furthermore, on each Distribution Date during the Revolving Period, Available Principal Collections will not be used to pay principal on the Notes but rather will be paid by the Issuer to the Asset SPV as a Reinvestment in Issuer Certificate No. 5 and such Reinvestment will be used by the Asset SPV to purchase, amongst other things, new Receivables. With effect from (but excluding) the last day of the Revolving Period, Available Principal Collections will be accumulated and/or used to pay principal of the Notes in accordance with the Principal Priority of Payments outlined in “*GENERAL DESCRIPTION OF THE NOTES—Allocations on the Notes—Allocation of Available Principal Collections*”.

Prospective investors in the Notes should consider, among other things, certain risks that may arise in connection with the purchase of the Notes including but not limited to risks relating to the Receivables, risks relating to the Notes and risks relating to the Transaction Parties as set out below under “*RISK FACTORS*”. Such risk factors together with other legal considerations described the section entitled “*CERTAIN MATTERS OF SWISS LAW*” may influence the ability of the Issuer to pay interest, principal and/or other amounts on or in connection with the Notes.

## TRANSACTION OVERVIEW

*The information set out below is an overview of various aspects of the Transaction. This overview does not purport to be complete and should be read in conjunction with, and is qualified in its entirety by reference to, the detailed information presented elsewhere in this Prospectus.*

### TRANSACTION PARTIES ON THE CLOSING DATE

The following parties are the “**Transaction Parties**” and each a “**Transaction Party**”:

|                   |  |
|-------------------|--|
| Originators ..... | Swisscard AECS GmbH (“ <b>Swisscard</b> ”) a limited liability company ( <i>Gesellschaft mit beschränkter Haftung</i> ) incorporated in and under the laws of Switzerland with register number CHE-104.684.150 and having its registered office at Neugasse 18, CH-8810 Horgen, Switzerland (an “ <b>Originator</b> ” and where the context so requires including any Additional Originators, the “ <b>Originators</b> ”). Pursuant to a receivables sale and purchase agreement dated 19 June 2012 (and as amended from time to time thereafter) (the “ <b>Receivables Sale and Purchase Agreement</b> ”), each Originator may, subject to the satisfaction of certain conditions precedent, sell Receivables to the Asset SPV that represent amounts owed by the holders of certain credit cards (the “ <b>Cardholders</b> ”) in respect of credit card accounts it has originated or acquired (a “ <b>Selling Originator</b> ”).  |
| Asset SPV .....   | Swiss Payments Assets AG (the “ <b>Asset SPV</b> ”), a stock corporation with limited liability ( <i>Aktiengesellschaft</i> ) incorporated in and under the laws of Switzerland with register number CHE-481.665.547 and having its registered office c/o Swisscard AECS GmbH at Neugasse 18, CH-8810 Horgen, Switzerland. The Asset SPV is a special purpose entity with limited permitted activities. Ninety eight per cent. of the shares of the Asset SPV are held by Swisscard and two per cent. of the shares are held by the independent shareholders (each holding one per cent.). In order to purchase Receivables, the Asset SPV uses the proceeds of the issue of collateral certificates (the “ <b>Collateral Certificates</b> ”) pursuant to a collateral certificate trust deed (the “ <b>Collateral Certificate Trust Deed</b> ”) entered into between, amongst others, the Asset SPV, the Collateral Trustee (as defined below) and the holders of the Collateral Certificates (the “ <b>Certificateholders</b> ”) on 20 June 2012 (as amended from time to time thereafter) and to be supplemented by a Supplement on the Closing Date. See “ <i>THE COLLATERAL CERTIFICATE TRUST DEED</i> ”. |
| Servicer .....    | Credit Suisse AG, a stock corporation with limited liability ( <i>Aktiengesellschaft</i> ) incorporated in and under the laws of Switzerland with register number CHE-106.831.974 and having its registered office at Paradeplatz 8, 8001 Zurich, Switzerland (“ <b>Credit Suisse</b> ”) in its capacity as servicer (the “ <b>Servicer</b> ”) services, manages and remits collections on the Securitised Portfolio pursuant to the terms of a servicing agreement entered into between the Servicer, the Collateral Trustee and the Asset SPV on 19 June 2012 (the “ <b>Servicing Agreement</b> ”). In consideration of these duties, the Servicer receives the Servicing Fee to be paid by the Asset SPV. Credit Suisse in its capacity as Servicer has, for the most part, delegated its tasks under the Servicing Agreement to Swisscard, however, during the term of the Notes, Swisscard may assume the role of Servicer in its own right provided that, <i>inter alia</i> , the Asset SPV has received Ratings Confirmations that its then existing rating of the outstanding Related Debt will not be adversely impacted as a result.   |

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| Collateral Trustee .....                   | Wells Fargo Trust Corporation Limited (“ <b>WFTCL</b> ”), a company incorporated in England and Wales (registered number 04409492) whose registered office is at One Plantation Place, 30 Fenchurch Street, London, EC3M 3BD, United Kingdom (in its capacity as the “ <b>Collateral Trustee</b> ”). The Collateral Trustee acts as trustee for the Certificateholders pursuant to the terms of the Collateral Certificate Trust Deed. The Collateral Trustee holds the security in respect of the Collateral Certificates pursuant to the Collateral Certificate Trust Deed and a claims assignment agreement (the “ <b>Asset SPV Claims Assignment Agreement</b> ”) entered into between, amongst others, the Collateral Trustee and the Asset SPV. See “ <i>THE COLLATERAL CERTIFICATE TRUST DEED</i> ” and “ <i>DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Asset SPV Transaction Documents—Asset SPV Claims Assignment Agreement</i> ”.  |
| Asset SPV Cash Manager.....                | Swisscard (in its capacity as the “ <b>Asset SPV Cash Manager</b> ”) provides the Asset SPV with certain cash management and bank account operation services pursuant to the Collateral Certificate Trust Deed. See “ <i>THE COLLATERAL CERTIFICATE TRUST DEED</i> ”.  |
| Asset SPV Corporate Services Provider .... | Swisscard (in its capacity as the “ <b>Asset SPV Corporate Services Provider</b> ”) provides the Asset SPV with certain corporate and administrative services pursuant to a corporate services agreement (the “ <b>Asset SPV Corporate Services Agreement</b> ”). See “ <i>DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Asset SPV Transaction Documents—Asset SPV Corporate Services Agreement</i> ”.  |
| Asset SPV Account Bank .....               | Credit Suisse (in its capacity as “ <b>Asset SPV Account Bank</b> ”) provides the Asset SPV with certain banking services including the establishment and operation of the Asset SPV Bank Accounts pursuant to an account bank agreement (the “ <b>Asset SPV Account Bank Agreement</b> ”) entered into between, among others, the Asset SPV and the Asset SPV Account Bank. See “ <i>DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS—Asset SPV Transaction Documents—Asset SPV Account Bank Agreement</i> ”. The Asset SPV Account Bank may resign and the Asset SPV may appoint another account bank provided it is a Qualifying Institution or as otherwise permitted in the Asset SPV Transaction Documents (see further “ <i>DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS—Asset SPV Transaction Documents—Asset SPV Account Bank Agreement—Termination and resignation</i> ”).   |
| Issuer .....                               | Swiss Credit Card Issuance 2016-1 AG (the “ <b>Issuer</b> ”), a stock corporation with limited liability ( <i>Aktiengesellschaft</i> ) incorporated in and under the laws of Switzerland with register number CHE-193.199.639 and having its registered office c/o Swisscard AECS GmbH at Neugasse 18, CH-8810 Horgen, Switzerland. Ninety eight per cent. of the shares of the Issuer are held by Swisscard and two per cent. of the shares are held by the Issuer Independent Shareholders (each Issuer Independent Shareholder holding one per cent.). The Issuer is a special purpose entity with limited permitted activities including, amongst other things, issuing the CHF 190,000,000 Class A notes, 2016-1 due June 2021 (the “ <b>Class A Notes</b> ”), the CHF 6,000,000 Class B notes, 2016-1 due June 2021 (the “ <b>Class B Notes</b> ”) and the CHF 4,000,000 Class C notes, 2016-1 due June 2021 (the “ <b>Class C Notes</b> ”) and together with the Class A Notes and the Class B Notes, the “ <b>Notes</b> ”). On the |

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|   | <p>Closing Date, the Issuer will utilise the proceeds of the issuance of the Notes to fund its initial investment under a Collateral Certificate (“<b>Issuer Certificate No. 5</b>”). See “<i>THE NOTE TRUST DEED</i>”.</p>   |
| Note Trustee and Security Trustee.....  | <p>WFTCL (in its capacities as the “<b>Note Trustee</b>” and the “<b>Security Trustee</b>”). The Note Trustee will act as trustee for the holders of the Notes (the “<b>Noteholders</b>”) pursuant to the terms of a note trust deed (the “<b>Note Trust Deed</b>”) to be entered into between the Issuer, the Note Trustee and the Security Trustee. The Security Trustee will hold (a) under a claims assignment agreement (the “<b>Issuer Claims Assignment Agreement</b>”) all assets assigned to it for security purposes (<i>Sicherungscession</i>) for itself and for the benefit of all other Issuer Secured Creditors and the security interest created over the Intermediated Securities held by it in the Issuer Securities Account for itself and on behalf of the other Issuer Secured Creditors as a direct representative (<i>direkter Stellvertreter</i>) and (b) all assets assigned to it pursuant to a security trust deed (the “<b>Security Trust Deed</b>”) for itself and the other Issuer Secured Creditors according to their respective interests. See “<i>THE NOTE TRUST DEED</i>”, “<i>DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS—Issuer Transaction Documents—Security Trust Deed</i>” and “<i>DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS—Issuer Transaction Documents—Issuer Claims Assignment Agreement</i>”.</p> |
| Issuer Cash Manager .....               | <p>Swisscard (in its capacity as the “<b>Issuer Cash Manager</b>”) will enter into a cash management agreement (the “<b>Issuer Cash Management Agreement</b>”) with the Issuer, the Note Trustee and the Security Trustee pursuant to which the Issuer Cash Manager will provide certain cash management and bank account operation services to the Issuer. See “<i>DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS—Issuer Transaction Documents—Issuer Cash Management Agreement</i>”.</p>  |
| Principal Paying Agent .....            | <p>Credit Suisse (in its capacity as “<b>Principal Paying Agent</b>”) will pursuant to the principal paying agency agreement (the “<b>Principal Paying Agency Agreement</b>”) act as agent for the Issuer to administer payments of principal and interest in respect of the Notes. In addition the Principal Paying Agent will act as agent for the Note Trustee for certain specified purposes in respect of the Notes. See “<i>DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS—Issuer Transaction Documents—Principal Paying Agency Agreement</i>”. Subject to the terms and conditions of the Principal Paying Agency Agreement, the Principal Paying Agent may transfer all of its rights and obligations as Principal Paying Agent to another person, including in connection with any corporate restructuring. In addition to the general resignation and termination rights (all of which are subject to the terms and conditions of the Principal Paying Agency Agreement), Credit Suisse as Principal Paying Agent has the right to transfer its contractual role under the Principal Paying Agency Agreement to another entity of the CS Group as part of a transfer of that business segment.</p>  |
| Issuer Corporate Services Provider..... | <p>Swisscard (in its capacity as the “<b>Issuer Corporate Services Provider</b>”) will provide the Issuer with certain corporate and administrative functions pursuant to a corporate services agreement (the “<b>Issuer Corporate Services Agreement</b>”). See “<i>DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—</i></p>  |



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|  | <i>Issuer Transaction Documents—Issuer Corporate Services Agreement”.</i>   |
| Issuer Account Bank.....   | Zürcher Kantonalbank (“ <b>ZKB</b> ”), a public-law institution incorporated in Switzerland under registered number CHE-108.954.607 whose registered head office is Bahnhofstrasse 9, CH-8001 Zurich, Switzerland (in its capacity as “ <b>Issuer Account Bank</b> ”) will provide the Issuer with certain banking services including the establishment and operation of the Issuer Bank Accounts pursuant to an account bank agreement (the “ <b>Issuer Account Bank Agreement</b> ”) to be entered into between, amongst others, the Issuer and the Issuer Account Bank. See “ <i>DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Issuer Transaction Documents—Issuer Account Bank Agreement</i> ”. The Issuer Account Bank may resign and the Issuer may appoint another account bank provided it is a Qualifying Institution or as otherwise permitted in the Issuer Transaction Documents (see further “ <i>DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Issuer Transaction Documents—Issuer Account Bank Agreement—Termination and resignation</i> ”). |
| Arranger and Joint Lead Manager .....  | Lloyds Bank plc (“ <b>Lloyds Bank</b> ”), a public limited company incorporated in England under registered number 2065 whose registered head office is 10 Gresham Street, London EC2V 7AE United Kingdom.  |
| Joint Lead Manager .....   | Credit Suisse.  |
| Joint Lead Managers.....   | ZKB and together with Lloyds Bank and Credit Suisse, the “ <b>Joint Lead Managers</b> ”.  |
| Listing Agent.....   | Credit Suisse.  |
| Common Depository.....   | SIX SIS Ltd, Baslerstrasse 100, CH-4600 Olten   |
| Rating Agencies.....   | Fitch Ratings Limited (“ <b>Fitch Ratings</b> ”) and Standard & Poor’s Credit Market Services Europe Limited (“ <b>S&amp;P</b> ”) (each a “ <b>Rating Agency</b> ” and together the “ <b>Rating Agencies</b> ”).  |
| <b>THE RECEIVABLES</b>   |   |
| <i>Please refer to the sections entitled “THE RECEIVABLES AND THE RECEIVABLES SALE AND PURCHASE AGREEMENT” and “DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS—ASSET SPV TRANSACTION DOCUMENTS Servicing Agreement” for further detail in respect of the characteristics of the Receivables and the sale and servicing arrangements in respect of the Securitised Portfolio.</i> |   |
| The Receivables.....   | <p>Amounts owing by Cardholders (the “<b>Receivables</b>”) on American Express®, MasterCard® and VISA® credit card accounts (the “<b>Accounts</b>”) (except VAT Loaded Receivables), which form part of the credit card account portfolios originated or acquired by the Originators (the “<b>Total Portfolio</b>”), may be sold, assigned and transferred to the Asset SPV pursuant to and in accordance with the terms of the Receivables Sale and Purchase Agreement.</p> <p>From the Total Portfolio, each Selling Originator, on the First Issue Date (but with effect as of the Initial Addition Date) designated, and from time to time thereafter may have designated or may designate Accounts that satisfy specified eligibility criteria (“<b>Eligible Accounts</b>”) as of the relevant Eligibility Determination Date to the Asset SPV (each, a “<b>Designated Account</b>”). Since the First Issue Date, all Receivables arising under the Designated</p>   |

Accounts have been and, other than VAT Loaded Receivables, will continue to be sold by the applicable Selling Originator to the Asset SPV, but of those Receivables only those that are Eligible Receivables will be applicable for determining the amounts available for payments on, and required to maintain, the Existing Notes and the Notes. All of the Receivables arising under the Designated Accounts and transferred to the Asset SPV comprise the “**Securitised Portfolio**”.

The Receivables arising under Designated Accounts consist of both Principal Receivables and Finance Charge Receivables. “**Principal Receivables**” are, generally, amounts charged under the Designated Accounts by Cardholders for goods and services and cash advances. “**Finance Charge Receivables**” are, generally (a) any periodic interest, fees and costs (but, for the avoidance of doubt, excluding Interchange) charged to the Designated Accounts, (b) Recoveries, (c) Transaction Fees, (d) FX Fee Receivables, (e) Insurance Fees, (f) Special Fees and (g) Annual Fees.

Eligible Receivables ..... An Eligible Receivable means a Receivable which, as at the point in time when the daily data processing (*Tagesdatenverarbeitung*) has been completed on the relevant Addition Date or, in the case of additional Receivables arising thereafter, the relevant Processing Date:

- (a) has arisen under an Eligible Account;
- (b) was otherwise created and complies with all other applicable laws and all consents, licences, approvals, authorisations, registrations or declarations required to be obtained, effected or given, and are in full force and effect as of the date of creation;
- (c) was originated in accordance with and is governed by the relevant Originator’s standard Credit Card Agreement without waiver or amendment in any material respect of the following matters: governing law, assignment and disclosure of information to persons who may assume rights under the Credit Card Agreement or else, if the related Designated Account was acquired by an Originator, under such terms without waiver or amendment in any material respect to the relevant Originator’s standard Credit Card Agreement in relation to those matters listed previously;
- (d) was originated in accordance with the Credit Card Guidelines and usual practices for the relevant Originator’s credit card business (or, in respect of a Receivable which has arisen on an Account acquired by an Originator prior to the date of acquisition by the Asset SPV, it was, to the best of the relevant Originator’s knowledge and belief, originated in accordance with the credit card guidelines of the originator of such Account);
- (e) is free and clear of any encumbrances exercisable against the Originators or the Asset SPV arising under or through the Originators (or any of its respective affiliates) and, to which, at the time of its creation (or, at the time of its acquisition by an Originator if such Receivable was originated by any person other than the relevant Originator) and at all times thereafter, the relevant Originator or the Asset SPV had good and marketable title;

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|                                      | <p>(f) is not a Receivable in a “closed” Defaulted Account or a Charged-Off Account;</p> <p>(g) constitutes a legal, valid, binding and enforceable payment obligation of the relevant Cardholder, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganisation, moratorium or other similar laws, now or hereafter in effect, affecting the enforcement of the creditors’ rights in general or by Article 2 of the Swiss Civil Code; and</p> <p>(h) is not currently subject to any claim for rescission, defence, dispute, set-off, counterclaim or enforcement order.</p>   |
| Principal Purchase Price .....       | <p>The Asset SPV is bound to pay the Principal Purchase Price to the relevant Originator as consideration for its purchase of the Principal Receivables. The Principal Purchase Price is payable by the Asset SPV to the relevant Selling Originator in relation to all Principal Receivables under any Designated Account (i) existing as of the end of the Initial Addition Date or any Additional Addition Date or the related Acceptance Date respectively or (ii) arising following the Initial Addition Date or any Additional Addition Date, within two Business Days after the Processing Date for such Transferred Principal Receivables (or within such longer period of time as may be agreed upon by the relevant Selling Originator and the Asset SPV). If on any date the Asset SPV does not have sufficient cash to pay the Principal Purchase Price then the amount of any such shortfall will be funded by each relevant Originator through a corresponding increase in the Originator Invested Amount of its Originator Certificate. The Purchase Price for any Ineligible Receivables will be funded solely by each Originator through a corresponding increase in the portion of its Originator Invested Amount that has been invested in Ineligible Receivables.</p> |
| FC Purchase Price.....               | <p>The Asset SPV is bound to pay the FC Purchase Price to the relevant Selling Originator as consideration for its purchase of the Finance Charge Receivables from such Selling Originator. Payment for Finance Charge Receivables is made from Finance Charge Collections deposited in the Collection Account and is made in separate instalments: an Initial FC Purchase Price and a Deferred FC Purchase Price. For each Monthly Period, the Asset SPV pays the Initial FC Purchase Price no later than, and the Deferred FC Purchase Price on, the Business Day immediately preceding each Distribution Date to the Selling Originators. The payment of the Deferred FC Purchase Price is subordinated to the payment of any Asset SPV Costs and any Issuer Disbursement Amount due in respect of on the Issuer Certificates.</p>   |
| Representations and warranties ..... | <p>Each sale of Receivables to the Asset SPV has included and will include representations and warranties by the relevant Selling Originator about the relevant Receivables and the related Designated Accounts. The representations and warranties in respect of (a) the Receivables existing under an Account to be designated are given as of the relevant Eligibility Determination Date and (b) every Receivable arising thereunder after the relevant Acceptance Date are given as of the relevant Acceptance Date and/or the relevant Processing Date of the Receivable concerned or otherwise in accordance with the Receivables Sale and Purchase Agreement.</p>   |

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|   | <p>If a representation in respect of any Principal Receivable proves to have been incorrect when made, and the Selling Originators are deemed to have received a collection of the face value of that Receivable, the Selling Originators are obliged to pay that amount to the Asset SPV not later than two Business Days following the day on which the representation becomes known to the Originators to have been incorrect when made. The Receivable will thereafter be treated as an Ineligible Receivable assigned to the Asset SPV by the Originators and, except upon a redesignation of the related Designated Account, the Receivable will not be re-assigned or released by the Asset SPV to the Selling Originators.</p>  |
| Addition of Designated Accounts.....                    | <p>Following the Closing Date, a Selling Originator may designate additional Eligible Accounts to the Securitised Portfolio, provided that the number of additional Accounts so designated will not cause the following limits to be exceeded:</p> <ul style="list-style-type: none"> <li>(a) the number of such additional Accounts does not exceed either: <ul style="list-style-type: none"> <li>(i) the product of (A) 15 per cent. and (B) the number of Designated Accounts as of the first day of the third preceding Monthly Period; or</li> <li>(ii) the product of (A) 20 per cent. and (B) the number of Designated Accounts as of the first day of the calendar year in which the addition is to occur,</li> </ul> </li> </ul> <p>less, in each case, the additional Designated Accounts designated to the Securitised Portfolio since the first day of the third preceding Monthly Period and the first day of the calendar year respectively ; and</p> <ul style="list-style-type: none"> <li>(b) the aggregate principal balance in the additional Accounts (as at the date such additional Accounts are designated to the Securitised Portfolio) does not exceed either: <ul style="list-style-type: none"> <li>(i) the product of (A) 15 per cent. and (B) the aggregate amount of Eligible Principal Receivables as of the first day of the third preceding Monthly Period; or</li> <li>(ii) the product of (A) 20 per cent. and (B) the aggregate amount of Eligible Principal Receivables as of the first day of the calendar year in which the addition is to occur,</li> </ul> </li> </ul> <p>less, in each case, the transferred Principal Receivables in the additional Designated Accounts designated to the Securitised Portfolio since the first day of the third preceding Monthly Period and the first day of the calendar year respectively .</p> <p>The Selling Originators may exceed these limitations if the Asset SPV has received a Ratings Confirmation in respect of such addition.</p> |
| Redesignation and removal of a Designated Account ..... | <p>A Designated Account will remain in the Securitised Portfolio until such time as (i) it becomes a Cancelled Account, a Zero Balance Account, a Realised Account or a Defaulted Collateralised Account and the Selling Originator exercises its option to request the redesignation of such Designated Account or (ii) the Asset SPV exercises its option to reclassify such Designated Account as being no longer a Designated Account provided that the removal of such</p>   |

Designated Account satisfies certain conditions, including amongst others, that a Ratings Confirmation is received and that no Early Redemption Event will occur as a result of such redesignation.

A “**Cancelled Account**” is a Designated Account that has had its charging privileges permanently withdrawn for reasons other than being a Defaulted Account.

A “**Zero Balance Account**” is a Designated Account which the relevant Originator has elected to reclassify as no longer being a Designated Account on the basis that it has been identified by the Servicer as having a nil balance for at least six consecutive months under its usual servicing procedures.

A “**Defaulted Account**” is a Designated Account where the related Cardholder has failed to make the required minimum payment for any due date and has not been re-classified as being either “current” or “closed” under the Servicer’s usual servicing procedures.

A “**Charged-Off Account**” is a Designated Account where all of the Receivables have been charged-off by the Servicer as uncollectable in line with its usual servicing procedures.

A “**Realised Account**” is a Designated Account that has been a “closed” Defaulted Account or Charged-Off Account for at least 48 calendar months and the relevant Originator determines that further Recoveries are unlikely to be material under the Servicer’s usual servicing procedures.

A “**Collateralised Account**” means an Account held by Swisscard which benefits or originally benefited from Account Security (i.e. security granted for the benefit of and/or to Credit Suisse taking the form of either (i) third party (bank) guarantees issued for the benefit of Credit Suisse and/or (ii) assets held by the Cardholders with Credit Suisse that are pledged to Credit Suisse).

A “**Defaulted Collateralised Account**” means a Collateralised Account where the related Cardholder has failed to make the required minimum payment for any due date.

Servicing of the Receivables .....

The Servicer is appointed pursuant to the Servicing Agreement to service the Securitised Portfolio. Among other things, the Servicer’s functions include collecting payments from Cardholders and preparing periodic reports.

The appointment of the Servicer may be terminated in accordance with the terms of the Servicing Agreement following the occurrence of a Servicer Termination Event.

The Servicer may resign from its obligations and duties as Servicer in accordance with the terms of the Servicing Agreement if for example the performance of its obligations and duties is no longer permitted under applicable law and there is no reasonable action that it can take to remedy the situation. The Servicer’s resignation will not be effective until a Successor Servicer has been properly appointed.

The Servicer will, for the most part, delegate its servicing function to Swisscard and may delegate other duties to a third party provided that, in each case, the Servicer remains responsible for the performance of any of its servicing function so delegated. During

the term of the Notes, Swisscard may assume the role of Servicer in its own right provided that, *inter alia*, the Asset SPV has received Ratings Confirmations that its then existing rating of the outstanding Related Debt will not be adversely impacted as a result.

## THE NOTES

Please refer to section entitled “THE NOTE TRUST DEED” for further detail in respect of the terms and conditions of the Notes

Notes..... The Issuer will issue the following Classes of Notes:

| <u>Class</u>  | <u>Principal Amount</u> | <u>Interest Rate</u> |
|---------------|-------------------------|----------------------|
| Class A Notes | CHF 190,000,000         | 0.130 per cent.      |
| Class B Notes | CHF 6,000,000           | 1.250 per cent.      |
| Class C Notes | CHF 4,000,000           | 2.500 per cent.      |

The Class A Notes, the Class B Notes and the Class C Notes are referred to as the “Notes”.

Denomination ..... CHF 5,000 (and integral multiples thereof) with respect to the Class A Notes and CHF 100,000 (and integral multiples thereof) with respect to the Class B Notes and the Class C Notes.

Listing..... The Notes are expected to be admitted to provisional trading on the SIX Swiss Exchange from 13 June 2016 and application will be made for the Notes to be listed on the SIX Swiss Exchange. The last day of trading for each Class of Notes will be the second business day prior to the date on which such Class of Notes will be fully redeemed or the Final Redemption Date.

Issue Date ..... 15 June 2016.

Distribution Date ..... 15<sup>th</sup> day of each month and where the relevant Distribution Date is not a Business Day, the immediately following Business Day.

Interest Payment Date ..... 15<sup>th</sup> day of June of each year or, following the occurrence of an Early Amortisation Event, each Distribution Date, provided that, in each case, if such day is not a Business Day, the next following Business Day. The first Interest Payment Date will fall in June 2017.

Scheduled Redemption Date..... 15 June 2019.

Principal in respect of the Notes may be paid later than the Scheduled Redemption Date if funds allocated to the Issuer in respect of the Issuer Certificate No. 5 are not sufficient to redeem the relevant Note on the Scheduled Redemption Date. Additionally, in the case of the Class B Notes, principal in respect thereof will be paid only to the extent that the Class A Notes have been paid in full, and in the case of the Class C Notes, principal in respect thereof will be paid only to the extent that the Class A Notes and Class B Notes have been paid in full.

It will not be an Event of Default if the Outstanding Principal Amount of any of the Notes is not paid on the Scheduled Redemption Date. If the Outstanding Principal Amount of any Note is not paid on its Scheduled Redemption Date, an Early Amortisation Event with respect to that Note will occur. See “Early Amortisation Events” below.

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| Final Redemption Date .....   | 15 June 2021.  |
|   | <p>If the Nominal Liquidation Amount of any Class of Notes is not paid in full by the Final Redemption Date (subject to any applicable grace period), an Event of Default will occur with respect to that Note. However, if the Nominal Liquidation Amount of any Class of Notes is paid in full as of the Final Redemption Date (or within any applicable grace period), but the Outstanding Principal Amount of such Class of Notes is not (after giving effect to all distributions in accordance with the applicable Priority of Payments on such date), then on the immediately following Business Day the remaining Outstanding Principal Amount shall cease to be due and payable by the Issuer.</p>  |
| Status, ranking and payment.....  | <p>The Notes constitute direct, secured and unconditional asset backed debt obligations of the Issuer. The Notes are secured, <i>inter alia</i>, by payments received by the Issuer under and pursuant to Issuer Certificate No. 5. The Issuer's ability to make payments of interest and principal to Noteholders will ultimately be dependent upon collections of the Eligible Receivables in the Securitised Portfolio.</p> <p>Such payments will, if paid in full, be sufficient for the Issuer to meet the amounts required (a) to pay the fees, costs and expenses of the Issuer, the Note Trustee and the Security Trustee, (b) to make payments of interest on the Notes, (c) to make payments of principal on the Notes on the relevant Distribution Date, (d) to pay certain amounts representing profit for the Issuer in the conduct of its business, and (e) to make other payments required to be made by the Issuer from time to time.</p> <p>The Notes will be constituted by the Note Trust Deed. The Class A Notes will rank in priority of payment to the Class B Notes and the Class C Notes; and the Class B Notes will rank in priority of payment to the Class C Notes.</p> |
| Relationship between the Notes<br>and the Issuer Certificate No. 5..... | <p>The Net Finance Charge Collections, the Principal Collections, net income from Permitted Investments and certain other amounts which are allocable to the Issuer as the holder of Issuer Certificate No. 5 will be used by the Issuer to pay principal and interest on Notes. See further "<i>SOURCES OF FUNDS TO PAY THE NOTES</i>".</p>   |
| Issuer Security .....   | <p>As security for all monies, liabilities and other obligations which are or may from time to time become due, owing or payable by the Issuer under the Notes and the other Issuer Transaction Documents, the Issuer will:</p> <ul style="list-style-type: none"> <li>(a) assign and/or charge (as applicable) for the benefit of the Security Trustee (and the other Issuer Secured Creditors) all its title, interest and benefit in and to Issuer Certificate No. 5 and the other Issuer English Law Documents pursuant to the terms of the Security Trust Deed (the "<b>Issuer English Law Security</b>"); and</li> <li>(b) assign by way of security (<i>Sicherungscession</i>) to the Security Trustee all of its title, interest and benefit in and to the Issuer Swiss Law Documents and the Issuer Bank Accounts (other than the Issuer Securities Account) and create a security interest in favour of the Issuer Secured Creditors (represented by the Security Trustee (for itself and for and on</li> </ul>  |

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|                                    | <p>behalf of each other Issuer Secured Creditor as a direct representative (<i>direkter Stellvertreter</i>)) in accordance with Article 25 para. 2(b) FISA over all Intermediated Securities held in the Issuer Securities Account, in each case, pursuant to the Issuer Claims Assignment Agreement (the “<b>Issuer Swiss Security</b>” and together with the Issuer English Law Security, the “<b>Issuer Security</b>”).</p> <p>The Security Trustee will declare a trust over the Issuer Security in favour of itself and for the benefit of, amongst others, the Noteholders.</p> <p>The Security Trustee may take such steps as it sees fit to enforce the Issuer Security created under the Issuer Security Agreements following an Enforcement Event in accordance with the provisions therein provided that the Security Trustee has been indemnified, secured and/or prefunded to its satisfaction.</p> |
| Credit and other enhancement ..... | <p>The Issuer will establish and maintain (a) an accumulation reserve account (the “<b>Accumulation Reserve Account</b>”) to assist with the payment by the Issuer of the Monthly Interest Amount payable on each Note during the Controlled Accumulation Period; (b) a liquidity reserve account (the “<b>Liquidity Reserve Account</b>”) to assist with the payment by the Issuer of amounts owing on the Notes; and (c) a spread account (the “<b>Spread Account</b>”) to assist with the payment by the Issuer of amounts payable on the Class C Notes. Each of the Accumulation Reserve Account, the Liquidity Reserve Account and the Spread Account will have a balance of zero on the Closing Date.</p> <p>In addition, the Class C Notes will be subordinated to the Class B Notes and the Class A Notes and the Class B Notes will be subordinated to the Class A Notes.</p>                           |
| Interest .....                     | <p>Interest will accrue from the Closing Date on the Outstanding Principal Amount of the Notes and will be payable in arrears in CHF on each Interest Payment Date at the applicable Interest Rate for the Notes. Interest for any Interest Payment Date will accrue over the related Interest Period, which will be from (and including) the preceding Interest Payment Date (or, in the case of the first Interest Payment Date, from and including the Closing Date) to (but excluding) such Interest Payment Date.</p>   |
| Distributions on the Notes .....   | <p>“<b>Available Finance Charge Collections</b>” means for any Distribution Date, with respect to Issuer Certificate No. 5, the sum of:</p> <ul style="list-style-type: none"> <li>(a) the Issuer Disbursement Amount due to Issuer Certificate No. 5 on the Transfer Date preceding such Distribution Date;</li> <li>(b) available investment proceeds for that Monthly Period being an amount equal to any Permitted Investments (and any gain or profit from Permitted Investments) allocated to Issuer Certificate No. 5 and paid into the Issuer Distribution Account; and</li> <li>(c) any withdrawals from the Accumulation Reserve Account, the Liquidity Reserve Account and the Spread Account on such Distribution Date which are transferred into the Issuer Distribution Account.</li> </ul>  |



**“Issuer Disbursement Amount”** means, for each Monthly Period in respect of Issuer Certificate No. 5, an amount equal to the aggregate of all Net Finance Charge Collections allocated thereto from the Group I Finance Collections Ledger and transferred to the finance charge ledger in the Issuer Distribution Account (the **“Issuer Finance Charge Ledger”**) on each Transfer Date following such Monthly Period for payment of the amounts set out under the Finance Charge Priority of Payments.

Application of Available

Finance Charge Collections .....

On each Distribution Date, the Issuer, acting on the advice of the Issuer Cash Manager, will apply and transfer the Available Finance Charge Collections credited to the Issuer Finance Charge Ledger on such Distribution Date, in the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full and to the extent permitted by applicable law):

(a) to pay, in the following order of priority, to:

- (i) the Note Trustee and the Security Trustee, on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable thereto, provided that in any event the aggregate amount payable pursuant hereto is not to exceed, on an annual basis, the Trustee Cap Amount; and
- (ii) the Principal Paying Agent, the Issuer Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider and any other person to which Issuer Costs are due and payable, on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable thereto in each case, on such Distribution Date, provided that in any event the aggregate amount payable pursuant hereto is not to exceed, on an annual basis, CHF 500,000;
- (b) the Class A Monthly Interest Amount for such Distribution Date, to be credited to the sub-ledger for the Class A Notes of the Interest Ledger;
- (c) the Class B Monthly Interest Amount for such Distribution Date, to be credited to the sub-ledger for the Class B Notes of the Interest Ledger;
- (d) the Class C Monthly Interest Amount for such Distribution Date, to be credited to the sub-ledger for the Class C Notes of the Interest Ledger;
- (e) an amount equal to any Current Issuer Charge-Offs allocated to the Issuer as the holder of Issuer Certificate No. 5, if any, for the preceding Monthly Period, to be credited to the Issuer Principal Ledger to form part of Available Principal Collections for such Distribution Date;
- (f) an amount equal to the aggregate of (i) any Prior Issuer Charge-Offs and (ii) any reductions to the Nominal Liquidation Amount of any Note due to payments of Reallocated Principal Collections, in each case, which have not been previously reinstated, to be credited to the Issuer Principal Ledger to form part of Available Principal Collections for such Distribution Date;

- (g) an amount up to the excess, if any, of the Accumulation Reserve Required Amount over the amount on deposit in the Accumulation Reserve Account to be deposited into the Accumulation Reserve Account on such Distribution Date;
- (h) an amount up to the excess, if any, of the Liquidity Amount over the amount on deposit in the Liquidity Reserve Account to be deposited into the Liquidity Reserve Account on such Distribution Date;
- (i) an amount up to the excess, if any, of the Required Spread Amount over the amount on deposit in the Spread Account will be deposited into the Spread Account on such Distribution Date;
- (j) to pay, in the following order of priority, to:
  - (i) the Note Trustee and the Security Trustee, on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable thereto that were not paid pursuant to clause (a)(i) above; and
  - (ii) the Principal Paying Agent, the Issuer Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider and any other person to which Issuer Costs are due and payable, on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable thereto in each case, on such Distribution Date, that were not paid pursuant to clause (a)(ii) above;
- (k) if on such Distribution Date the Originator Invested Amount is less than the Minimum Originator Invested Amount, an amount up to such shortfall to be credited to the Issuer Principal Ledger to form part of the Available Principal Collections for such Distribution Date;
- (l) if an Early Amortisation Event has occurred, to be credited to the Issuer Principal Ledger to form part of the Available Principal Collections for such Distribution Date to make principal payments on the Class A Notes, the Class B Notes and the Class C Notes, in that order of priority, to the extent Principal Collections, including Shared Principal Collections, allocated to the Issuer are not sufficient to pay the Notes in full;
- (m) an amount equal to the Issuer Monthly Profit Amount to be retained by the Issuer; and
- (n) to pay any residual collections in respect of Issuer Certificate No. 5 to the Asset SPV.

Allocation of Reallocated

Principal Collections .....

On each Distribution Date following the application of the Available Finance Charge Collections, the Issuer Cash Manager (acting on behalf of the Issuer) will determine and calculate any shortfalls due to there being insufficient Available Finance Charge Collections for payment of any of the Senior Costs, the Class A Monthly Interest Amount, the Class B Monthly Interest Amount and the Class C Monthly Interest Amount, in each case, for such Distribution Date. If any such shortfall exists on the applicable Distribution Date, the Issuer, acting on the advice of the Issuer

Cash Manager, will reallocate from Available Principal Collections standing to the credit of the Issuer Principal Ledger on such Distribution Date (any such reallocated amount being referred to as “**Reallocated Principal Collections**”) and apply such amounts in accordance with the Finance Charge Priority of Payments. Any such use of Reallocated Principal Collections will cause the Nominal Liquidation Amount of the Notes to be reduced in the following order:

- (a) *first*, of the Class C Notes; and
- (b) *second*, of the Class B Notes.

Application of Principal Collections .....

On each Distribution Date, following the application of the Available Finance Charge Collections and the Reallocated Principal Collections, the Issuer, acting on the advice of the Issuer Cash Manager, will distribute all remaining Available Principal Collections credited to the Issuer Principal Ledger as follows:

- (a) on each Distribution Date during the Revolving Period, all such Available Principal Collections will be treated as a Reinvestment in Issuer Certificate No. 5 and will be transferred to the Asset SPV to be applied as described below under “*THE COLLATERAL CERTIFICATE TRUST DEED—Reinvestments made with respect to the Issuer Certificates*”;
- (b) on each Distribution Date during the Controlled Accumulation Period, all such Available Principal Collections will be deposited in the following priority:
  - (i) *first*, in the Principal Funding Account, an amount equal to the lesser of (A) the Controlled Deposit Amount for the Class A Notes, and (B) the Net Nominal Liquidation Amount of the Class A Notes;
  - (ii) *second*, in the Principal Funding Account, an amount equal to the lesser of (A) the Controlled Deposit Amount for the Class B Notes, and (B) the Net Nominal Liquidation Amount of the Class B Notes;
  - (iii) *third*, in the Principal Funding Account, an amount equal to the lesser of (A) the Controlled Deposit Amount for the Class C Notes, and (B) the Net Nominal Liquidation Amount of the Class C Notes; and
  - (iv) *fourth*, any remaining Available Principal Collections will be treated as a Reinvestment in Issuer Certificate No. 5 and will be transferred to the Asset SPV to be applied as described below under “*THE COLLATERAL CERTIFICATE TRUST DEED—Reinvestments made with respect to the Issuer Certificates*”;
- (c) on the Scheduled Redemption Date and each Distribution Date during the Early Amortisation Period, all such Available Principal Collections and any amounts on deposit in the Principal Funding Account will be distributed in the following priority:
  - (i) *first*, to the holders of the Class A Notes, an amount up to the Nominal Liquidation Amount of the Class A Notes as of such date;

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|  | <p>(ii) <i>second</i>, to the holders of the Class B Notes, an amount up to the Nominal Liquidation Amount of the Class B Notes as of such date; and</p> <p>(iii) <i>third</i>, to the holders of the Class C Notes, an amount up to the Nominal Liquidation Amount of the Class C Notes as of such date.</p>  |
| Allocation of Current Issuer Charge-Offs . | <p>To the extent any Current Issuer Charge-Offs for any Monthly Period in respect of the Receivables are allocated to Issuer Certificate No. 5 as described below under “<i>SOURCES OF FUNDS TO PAY THE NOTES—Allocation of Charged-Off Receivables; Current Issuer Charge-Offs</i>” and are not funded by the application of Available Finance Charge Collections, an amount equal to the shortfall will be allocated by (or on the behalf of) the Issuer on that Distribution Date to reduce the Nominal Liquidation Amount of the Class C Notes first, then the Class B Notes and finally the Class A Notes. Reductions in the Nominal Liquidation Amount of any Class of Notes following from the application of any Current Issuer Charge-Offs may be reimbursed on subsequent Distribution Dates from Available Finance Charge Collections as provided in clause (f)(i) under the Finance Charge Priority of Payments. See also “—<i>Allocation of Increases to the Nominal Liquidation Amount of the Notes</i>”. If the Nominal Liquidation Amount of any Class of Notes is reduced to zero, such Class of Notes will not receive any further allocations of Finance Charge Collections and Principal Collections, unless any portion of the Nominal Liquidation Amount thereof is subsequently increased.</p>  |
| Early Amortisation Events.....             | <p>Principal of a Note may be paid earlier than its Scheduled Redemption Date if an Early Amortisation Event occurs prior to such Scheduled Redemption Date. An “<b>Early Amortisation Event</b>” for the Notes is anyone of the following events:</p> <ul style="list-style-type: none"> <li>• the occurrence of an Early Redemption Event or an Event of Default;</li> <li>• if, on any Distribution Date, the Excess Spread averaged over the three preceding Monthly Periods is less than the Excess Spread Required Amount for each Distribution Date;</li> <li>• if, over any period of 30 consecutive days the amount of the Adjusted Originator Invested Amount averaged over that period is less than the Minimum Originator Invested Amount for that period and such deficiency is not remedied within 10 Business Days of such 30 day period;</li> <li>• if, on any date of determination, the Allocable Eligible Principal Receivables is less than the Aggregate Net Nominal Liquidation Amount, and the Allocable Eligible Principal Receivables fails to increase to an amount equal to or greater than the Aggregate Net Nominal Liquidation Amount within 10 Business Days of such date of determination; or</li> <li>• if the Outstanding Principal Amount of any Note is not reduced to zero on the Scheduled Redemption Date for such Note.</li> </ul> <p>On each Distribution Date during the Early Amortisation Period, payments of principal will not be reinvested in Issuer Certificate</p> |

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|                        | <p>No. 5 or accumulated by the Issuer in the Principal Funding Account for the Notes and will instead be paid by the Issuer to the relevant Noteholder on each Distribution Date.</p>   |
| Event of Default ..... | <p>If any of the following events (each an “<b>Event of Default</b>”) occurs in respect of the Notes:</p> <ul style="list-style-type: none"> <li>• the Issuer fails to pay the Nominal Liquidation Amount in full in respect of any of the Notes within 7 days of the Final Redemption Date or fails to pay any amount of interest in respect of the Notes within 15 days of the due date for payment thereof;</li> <li>• the Issuer defaults in the performance or observance of any of its obligations under the Note Trust Deed (other than, in such case, any obligation for the payment of any principal or interest on the Notes) or the Principal Paying Agency Agreement and the Note Trustee has given a written notice addressed to the Issuer, certifying that such default is, in the opinion of the Note Trustee, materially prejudicial to the interests of the Noteholders and such default (except where such default is incapable of remedy) remains unremedied for 30 days after such written notice by the Note Trustee;</li> <li>• one or more final non-appealable judgment(s) or final non-appealable order(s) for the payment of any amount is rendered against the Issuer and such non-appealable judgment(s) or final non-appealable order(s) continue(s) unsatisfied and unstayed for a period of 35 days after the date(s) thereof or, if later, the date specified for payment in any such judgement(s) or order(s);</li> <li>• an Insolvency Event occurs with respect to the Issuer;</li> <li>• any action, condition or thing at any time required to be taken, fulfilled or done in order to enable the Issuer lawfully to enter into, exercise its respective rights and perform and comply with its respective obligations under and in respect of the Notes and the relevant Issuer Transaction Documents is not taken, fulfilled or done;</li> <li>• it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes; or</li> <li>• either (i) all or any substantial part of the undertaking, assets and revenues of the Issuer is condemned, seized or otherwise appropriated by any person acting under the authority of any national, regional or local government or (ii) the Issuer is prevented by any such person from exercising normal control over all or any substantial part of its undertaking, assets and revenues.</li> </ul> <p>Upon the occurrence of:</p> <ul style="list-style-type: none"> <li>(a) any Event of Default which constitutes a Mandatory Acceleration Event, the Note Trustee will; or</li> <li>(b) any other Event of Default, the Note Trustee may in its absolute discretion, and if so directed in writing by the</li> </ul> |

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|   | <p>holders of at least 25 per cent. of the Aggregate Outstanding Principal Amount will,</p> <p>subject to being indemnified, secured and/or prefunded to its satisfaction, deliver a notice to the Issuer declaring the Notes to be due and payable (an “<b>Issuer Acceleration Notice</b>”) and each Note will become immediately due and payable at its Outstanding Principal Amount together with accrued interest (if any).</p> <p>Following the delivery of an Issuer Acceleration Notice, the Issuer Security will become enforceable in accordance with the terms of the Issuer Security Agreements. Any monies received by the Security Trustee in connection with the enforcement of the Issuer Security pursuant to the Issuer Security Agreements shall be applied to pay the Issuer Secured Obligations in accordance with the Enforcement Priority of Payments.</p> |
| Limited recourse .....  | <p>The recourse of the Noteholders in respect of any obligation, representation and warranty or covenant or agreement of the Issuer contained in the Conditions shall be limited to the amount of the Issuer Secured Assets available to meet such obligations from time to time and as applied pursuant to the relevant Priority of Payments. Any claim remaining unsatisfied after the realisation of the Issuer Secured Assets and the application of the proceeds thereof in accordance with the applicable Priority of Payments shall be extinguished and thereafter the Note Trustee shall have no further claim against the Issuer. See “<i>TERMS AND CONDITIONS OF THE NOTES—Limited Recourse and Non-petition</i>”.</p>   |
| Non-petition.....   | <p>No Noteholder or other Issuer Secured Creditor may institute insolvency proceedings against the Issuer. See “<i>TERMS AND CONDITIONS OF THE NOTES—Limited Recourse and Non-petition</i>”.</p>   |
| Governing Law .....   | <p>The Notes will be governed by English law.</p>  |
| Ratings .....   | <p>It is expected that (a) Fitch Ratings will assign the Class A Notes a rating of “AAAsf”, the Class B Notes a rating of “A+sf” and the Class C Notes a rating of “BBBsf” and (b) S&amp;P will assign the Class A Notes a rating of “AAA(sf)”, the Class B Notes a rating of “A+(sf)” and the Class C Notes a rating of “BBB+(sf)”. See “<i>RISK FACTORS – Ratings of Notes</i>” below.</p>   |
| Selling Restrictions.....   | <p>For a description of certain restrictions on offers, sales and deliveries of notes and on the distribution of offering material, see “<i>SUBSCRIPTION AND SALE</i>”.</p>  |
| Taxation.....   | <p>See “<i>TAXATION IN SWITZERLAND</i>”.</p>   |
| Swiss<br>Withholding Tax ( <i>Verrechnungssteuer</i> ) ....                   | <p>Payments of interest (be it periodic, as original issue discount or premium upon redemption, if any) in respect of the Notes by the Issuer will be subject to Swiss Federal Withholding Tax (<i>Verrechnungssteuer</i>) currently at the rate of 35 per cent. and the Issuer will be required to withhold such tax at such rate from any payments of interest under the Notes.</p>  |
| Final Foreign Withholding Tax<br>( <i>internationale Quellensteuer</i> )..... | <p>Treaties entered into by Switzerland with the United Kingdom and Austria (each a “<b>Contracting State</b>”) regarding final withholding taxes require a Swiss paying agent, as defined in the treaties, to</p>   |

levy a flat-rate final withholding tax (*internationale Quellensteuer*) at rates specified in the treaties on certain capital gains and income items (interest, dividends, other income items, all as defined in the treaties) deriving from assets held in accounts or deposits with a Swiss paying agent by: (i) an individual being tax resident of a Contracting State; or (ii) if certain requirements are met, by a domiciliary company (*Sitzgesellschaft*), an insurance company in connection with a so called insurance wrapper (*Lebensversicherungsmantel*) or other individuals if the beneficial owner is an individual resident of a Contracting State. According to the treaties, the flat-rate tax to be withheld substitutes the ordinary income tax on the respective capital gains and income items in the Contracting State where the individual is tax resident. In order to avoid such flat-rate tax being withheld by the Swiss paying agent, such individuals may opt for a disclosure of the respective capital gains and income items to the tax authorities of the Contracting State where they are tax residents. If a flat-rate final withholding tax were to be deducted or withheld from a payment of interest or capital gain relating to a Note, neither the Issuer nor the Principal Paying Agent nor any other person would pursuant to the Conditions be obliged to pay additional amounts with respect to any Note as a result of the deduction or imposition of such final withholding or any other tax to compensate Noteholders for the reduction in the amounts that they will receive.

#### Swiss Federal Securities Transfer

Stamp Duty .....

The issuance of the Notes on the issue date (primary market transaction) will not be subject to the Swiss federal securities transfer stamp duty (*Umsatzabgabe*). However, the subsequent transfer of title (secondary market transaction) for consideration of the Notes may be subject to the Swiss securities transfer stamp duty at the current rate of 0.15 per cent. if a Swiss securities dealer is a party or agent/intermediary to such transfer and no specific exemption applies. In addition to the Swiss federal securities transfer stamp duty, the sale of Notes by or through a member of the SIX Swiss Exchange may be subject to a stock exchange levy.

### THE COLLATERAL CERTIFICATES – SOURCES OF FUNDS TO PAY THE NOTES

Collateral Certificates .....

The Asset SPV has issued and will issue the “**Collateral Certificates**” pursuant to the Collateral Certificate Trust Deed by executing a supplement to the Collateral Certificate Trust Deed (each a “**Supplement**”) that establishes or will establish the specific terms and conditions of the related Collateral Certificate. The Asset SPV will issue an additional Collateral Certificate to the Issuer (“**Issuer Certificate No. 5**”) pursuant to the Collateral Certificate Trust Deed and a Supplement (“**Issuer Supplement No. 5**”). By its execution of Issuer Supplement No. 5, the Issuer will be deemed to accede to the Collateral Certificate Trust Deed. The Issuer Certificate No. 5 will be the primary source of funds for the payment of principal of and interest on the Notes.

Pursuant to a Supplement (the “**Originator Supplement**”), the Asset SPV has previously issued a Collateral Certificate on the First Issue Date to each of Swisscard and Credit Suisse in its capacity as an Originator (an “**Originator Certificate**”). On the Closing Date, Credit Suisse shall cease to be an Originator and the Originator Certificate held by Credit Suisse (which, since the Business Transfer Effective Date had an Invested Amount of zero) will be cancelled upon Credit Suisse ceasing to be an Originator

(see further “*THE RECEIVABLES AND THE RECEIVABLES SALE AND PURCHASE AGREEMENT—The Originators*”).

Subject to, and in accordance with, the terms and conditions of the Collateral Certificate Trust Deed, the Asset SPV is permitted to issue additional Collateral Certificates to (a) third party investors (each such Collateral Certificate, an “**Issuer Certificate**”, and collectively with Issuer Certificate No. 2, Issuer Certificate No.3, Issuer Certificate No.4 and Issuer Certificate No. 5, the “**Issuer Certificates**”) and (b) any person that is designated as an Originator pursuant to the terms of the Receivables Sale and Purchase Agreement.

|                                |   |
|--------------------------------|---|
| Asset SPV Security.....        | The Collateral Certificates are secured obligations of the Asset SPV pursuant to the Asset SPV Security Agreements. Each Collateral Certificate defines the rights that each respective holder of such Collateral Certificate (each such holder, a “ <b>Certificateholder</b> ” and collectively, the “ <b>Certificateholders</b> ”) has with respect to the Receivables and all other assets of the Asset SPV (the “ <b>Asset SPV Collateral Property</b> ”). The Collateral Trustee holds (a) all of its title, interest and benefit in and to the Securitised Portfolio, the Asset SPV Transaction Documents that are governed by Swiss law and the Asset SPV Bank Accounts (other than the Asset SPV Securities Account) assigned to it under the Asset SPV Claims Assignment Agreement as non-accessory security for the benefit of the Asset SPV Secured Creditors, (b) the security interest created under the Asset SPV Claims Assignment Agreement in accordance with Article 25 para. 2(b) FISA over any Intermediated Securities ( <i>Bucheffekten</i> ) held in the Asset SPV Securities Account as accessory security for itself and for and on behalf of each other Asset SPV Secured Creditor as a direct representative ( <i>direkter Stellvertreter</i> ) and (c) the assets assigned to it pursuant to the Collateral Certificate Trust Deed for itself and the Asset SPV Secured Creditors according to their respective interests. The Collateral Trustee may take steps to enforce the Asset SPV Security created under the Collateral Certificate Trust Deed and the Asset SPV Claims Assignment Agreement following service of an Asset SPV Acceleration Notice in accordance with the provisions therein provided that the Collateral Trustee has been indemnified and/or secured and/or prefunded to its satisfaction. |
| Invested Amount .....          | Each Supplement executed in order to effect the issuance of a Collateral Certificate, in addition to specifying the principal terms thereof, will define the amount invested by a Certificateholder (any such amount, the “ <b>Invested Amount</b> ”) and the rights in the Asset SPV Collateral Property that will attach to such Invested Amount.   |
| Issuer Certificate No. 5 ..... | On the Closing Date, Issuer Certificate No. 5 will be issued pursuant to Issuer Supplement No. 5. Issuer Certificate No. 5 will have no specified interest rate, but instead will be paid the Issuer Disbursement Amount (if any) on each Transfer Date. As the holder of Issuer Certificate No. 5, the Issuer will, in each case, receive a share of the Net Finance Charge Collections, Principal Collections and any Charged-Off Amount based on the then outstanding Issuer Invested Amount of Issuer Certificate No. 5. In general, the Issuer Invested Amount of any Issuer Certificate is a fluctuating amount that will equal the stated nominal liquidation amount of all Related Debt for such Issuer Certificate issued to investors less any unreimbursed charge-offs and principal payments. Issuer Certificate No. 5 will at all times equal the Aggregate Net Nominal Liquidation Amount of the Notes and on   |



the Closing Date the initial Issuer Invested Amount of Issuer Certificate No. 5 is CHF 200,000,000.

Issuer Certificate No. 5 will be designated to Sharing Group I as is Issuer Certificate No. 2, Issuer Certificate No. 3 and Issuer Certificate No. 4. Issuer Certificate No. 5 will therefore have the same status and payment priority as Issuer Certificate No. 2, Issuer Certificate No. 3 and Issuer Certificate No. 4.

Collections..... A “**Notification Trigger**” is an event that will occur:

- (a) if the Servicer fails to (i) maintain a long-term credit rating of at least BBB (provided that the short term rating is A-2 or higher) or BBB+ (if the short term rating is less than A-2 or there is no short term rating) from S&P (or such other rating which is acceptable to S&P) and (ii) maintain a short term rating of F-3 and a long-term credit rating of BBB from Fitch Ratings, provided that in each case such credit rating may be a private rating; or
- (b) where a Selling Originator:
  - (i) has a rating, if such person fails to (A) maintain a long-term credit rating of at least BBB (provided that the short term rating is A-2 or higher) or BBB+ (if the short term rating is less than A-2 or there is no short term rating) from S&P (or such other rating which is acceptable to S&P) and (B) maintain a short term rating of F-3 and a long-term credit rating of BBB from Fitch Ratings, provided that in each case such credit rating may be a private rating; or
  - (ii) does not maintain a rating, unless the Asset SPV receives a Ratings Confirmation from each Rating Agency in respect thereof, if with respect to any Related Debt (A) the Excess Spread Percentage as of any Distribution Date, averaged over the three preceding Monthly Periods, is less than 4.5 per cent or (B) the Portfolio Yield, averaged over the three preceding Monthly Periods, is less than 7.5 per cent.

Prior to a Notification Trigger, Cardholders will make payments in respect of the Designated Accounts to an account established for the purpose of receiving, *inter alia*, Collections (each a “**Card Operating Account**”). The Servicer will transfer all Collections received with respect to the Receivables in each Monthly Period from such Card Operating Accounts into the Asset SPV’s Collection Account within two Business Days following the Processing Date of such Collections. After a Notification Trigger is breached for a Selling Originator or the Servicer, the Servicer shall direct the relevant Cardholders to make payments directly to an account established at a Qualified Institution in the name of the Asset SPV.

During the term of the Notes, Swisscard may assume the role of Servicer in its own right provided that, *inter alia*, the Asset SPV has received Ratings Confirmations that its then existing rating of the outstanding Related Debt will not be adversely impacted as a result. In order to facilitate the assumption of the role of Servicer and to accommodate Rating Agencies’ requirements, the definition of Notification Trigger may, subject to the amendment provisions

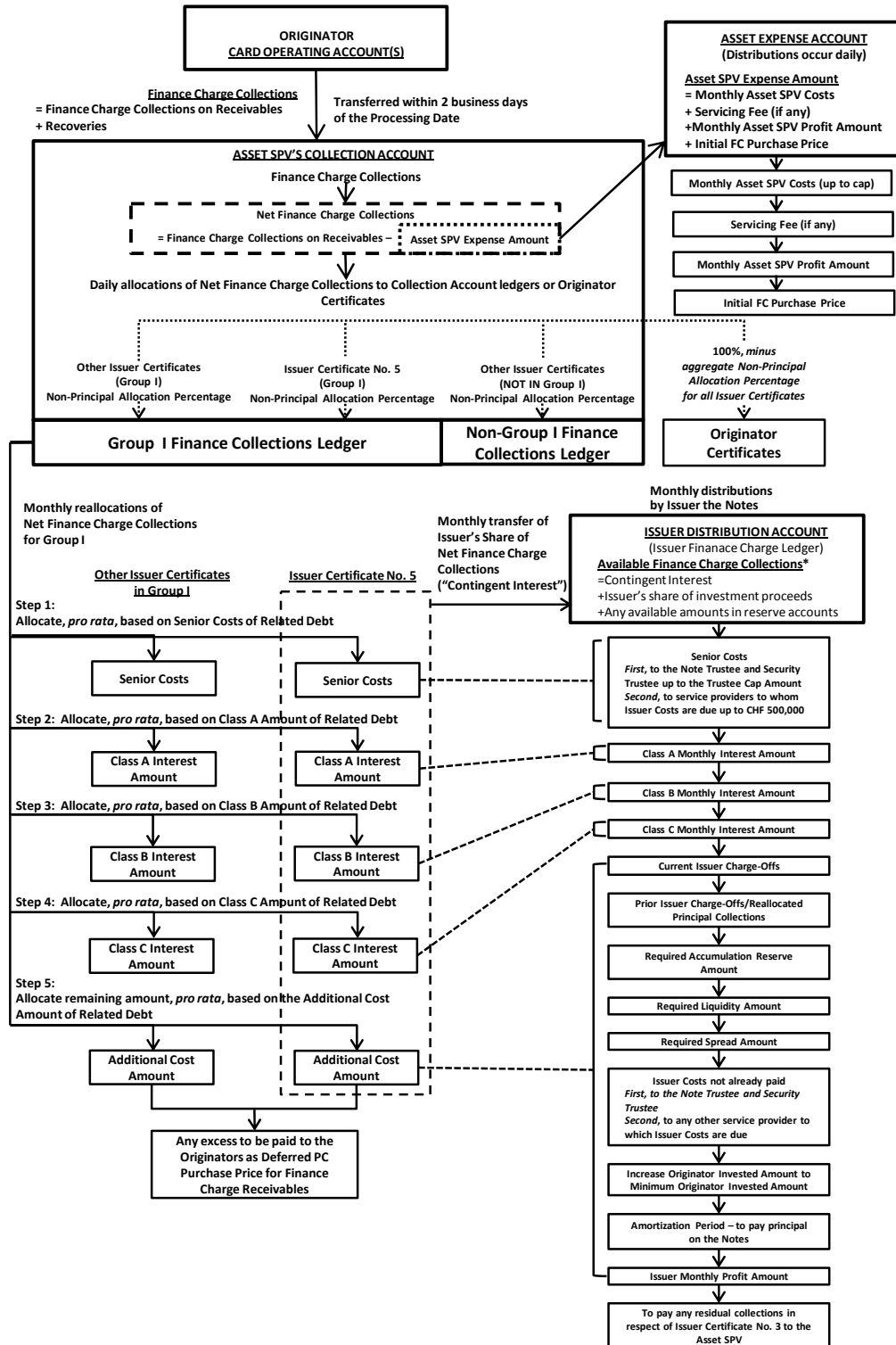
|                                     |  |
|-------------------------------------|--|
|                                     | of the Asset SPV Transaction Documents, be amended so as to accommodate the Swisscard assumption of the role of Servicer.  |
| Asset SPV Bank Accounts .....       | <p>The Asset SPV Cash Manager, on behalf of the Asset SPV, has established and will maintain, in the name of the Asset SPV, a collection account (the “<b>Collection Account</b>”) with the Asset SPV Account Bank in which there is established a “<b>Principal Collections Ledger</b>” and a “<b>Group I Finance Collections Ledger</b>” to which Principal Collections and Finance Charge Collections are credited, respectively. The Asset SPV has also opened and will maintain an excess funding account with the Asset SPV Account Bank (the “<b>Excess Funding Account</b>”) to which all amounts available to fund the purchase of Receivables will be credited and an expense account (the “<b>Asset SPV Expense Account</b>”). See “<i>BANK ACCOUNT STRUCTURE DIAGRAM</i>”. The Asset SPV Account Bank may resign and the Asset SPV may appoint another account bank provided it is a Qualifying Institution or as otherwise permitted in the Asset SPV Transaction Documents (see further “<i>DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS—Asset SPV Transaction Documents—Asset SPV Account Bank Agreement—Termination and resignation</i>”).</p>   |
| Allocation and application of       |  |
| Net Finance Charge Collections..... | <p>On each Business Day on which Finance Charge Collections are transferred to the Collection Account, the Asset SPV (or the Asset SPV Cash Manager on its behalf) deducts from such Finance Charge Collections and transfers to the Asset SPV Expense Account an amount equal to the Asset SPV Expense Amount, which is used to pay, amongst other things, the fees and expenses of the Collateral Trustee, the Servicing Fee, and the Initial FC Purchase Price. The Finance Charge Collections remaining on each Business Day after the deduction of the Asset SPV Expense Amount comprise the “<b>Net Finance Charge Collections</b>”.</p> <p>On each Business Day following the determination of the Net Finance Charge Collections, the Asset SPV Cash Manager credits to the Group I Finance Collections Ledger in the Collection Account a portion of such Net Finance Charge Collections corresponding to the Non-Principal Allocation Percentage for each Issuer Certificate (including Issuer Certificate No. 2, Issuer Certificate No. 3, Issuer Certificate No. 4 and – upon issuance thereof – Issuer Certificate No. 5) in Group I. The amount of Net Finance Charge Collections that are not allocated to the Issuer Certificates in Group I will be allocated - if issued - to any other Issuer Certificates (based on their respective Non-Principal Allocation Percentage) and any amount not allocated to an Issuer Certificate will be allocated to the Originator Certificates in accordance with the Collateral Certificate Trust Deed.</p> <p>On the Business Day immediately preceding each Distribution Date (<i>i.e.</i>, a Transfer Date), the aggregate amount of Net Finance Charge Collections credited to the Group I Finance Collections Ledger for the immediately preceding Monthly Period will be reallocated to Issuer Certificate No. 5 and any other Issuer Certificates in Group I in proportion to the amounts that are to be paid on the following Distribution Date in accordance with the finance charge priority of payments for the Related Debt. The aggregate of the amounts so allocated to Issuer Certificate No. 5 will comprise its Issuer Disbursement Amount for the related Monthly Period.</p> |

|  |   |
|--|---|
|  | <p>On the Transfer Date, the Issuer Disbursement Amount for Issuer Certificate No. 5 will be transferred to the Finance Charge Ledger of the Issuer Distribution Account and will form part of the Available Finance Charge Collections to be applied by the Issuer in accordance with the Finance Charge Priority of Payments on the immediately following Distribution Date. See the diagram below entitled “<i>Application of Finance Charge Collections</i>”.</p>   |
| Allocation and application of Principal Collections..... | <p>On each Business Day on which Principal Collections are transferred to the Collection Account, the Asset SPV causes the amount of any such Principal Collections that are Ineligible Collections to be transferred to the Originator Certificateholders, and the amount of any such Principal Collections that are Eligible Principal Collections will be multiplied by the Principal Allocation Percentage for each Issuer Certificate (including – upon issuance thereof – Issuer Certificate No. 5) and the resulting amounts are credited to the sub-ledger corresponding to each such Issuer Certificate in the Principal Collections Ledger of the Collection Account in an amount up to the Required Retained Principal Amount for any such Issuer Certificate.</p> <p>Any Eligible Principal Collections not required to be retained in the Principal Collections Ledger as part of the Required Retained Principal Amount for any Issuer Certificate, is treated as Shared Principal Collections to fund any shortfall in the Required Retained Principal Amount for any Issuer Certificates in the same sharing group. Any Eligible Principal Collections that are not utilised to fund the Required Retained Principal Amount for any Issuer Certificate is deposited in the Excess Funding Account in order to pay the Principal Purchase Price for Principal Receivables or reduce the Originator Invested Amount (but not below the Minimum Originator Invested Amount).</p> <p>On the Transfer Date, the Asset SPV Cash Manager will transfer the Required Retained Principal Amount for Issuer Certificate No. 5 to the Issuer Principal Ledger. On the immediately following Distribution Date, the Issuer will cause such amount to be distributed as part of the Available Principal Collections in accordance with the Principal Priority of Payments. See diagram below entitled “<i>Application of Principal Collections</i>”.</p> |
| Reinvestment .....                                       | <p>On each Distribution Date during any of the Revolving Period or the Controlled Accumulation Period, not all of the Available Principal Collections may be required to be utilised or set aside to pay principal on the Notes. Any such unutilised Available Principal Collections will be reinvested (a “<b>Reinvestment</b>”) by the Issuer in Issuer Certificate No. 5. Any such Reinvestment will be applied or transferred on such Distribution Date by the Asset SPV Cash Manager as follows:</p> <ul style="list-style-type: none"> <li>(a) <i>first</i>, such amount will be applied as Shared Principal Collections for any other Issuer Certificate in the Group I sharing group; and</li> <li>(b) <i>second</i>, any Reinvestment not utilised as Shared Principal Collections will be transferred to the Excess Funding Account.</li> </ul>   |

|                              |  |
|------------------------------|--|
| Excess Funding Account ..... | <p>On each Business Day, any amounts on deposit in the Excess Funding Account is applied by the Asset SPV Cash Manager as follows:</p> <ul style="list-style-type: none"> <li>(a) <i>first</i>, to make payments of Principal Purchase Price in respect of (<i>inter alia</i>) its purchase of Principal Receivables in accordance with the terms of the Receivables Sale and Purchase Agreement;</li> <li>(b) <i>second</i>, to the Originator Certificateholders in order to decrease the Originator Invested Amount, but not below the Minimum Originator Invested Amount; and</li> <li>(c) <i>third</i>, the balance, if any, of amounts held in the Excess Funding Account on any Business Day, which are not otherwise utilised as described above remain in the Excess Funding Account to be utilised on the next Business Day as described above.</li> </ul> |
|------------------------------|--|

## Application of Finance Charge Collections

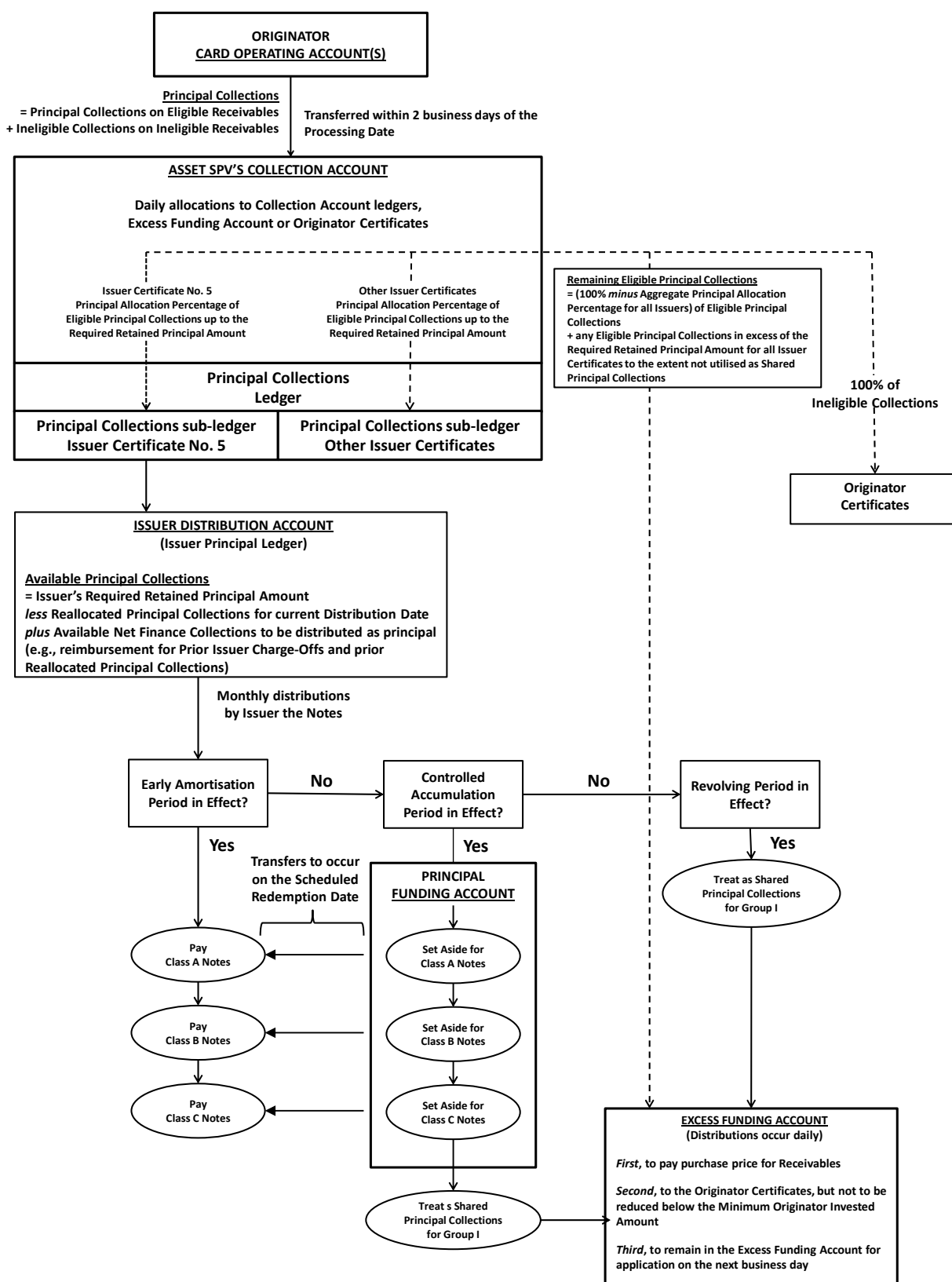
*This diagram is qualified in its entirety by the detailed information appearing elsewhere in this Prospectus. If there is any inconsistency between this diagram and the information provided elsewhere in this Prospectus, such information will prevail.*



- \* In the event of any shortfall Reallocated Principal Collections may be used to make payment of any of the Senior Costs, the Class A Monthly Interest Amount, the Class B Monthly Interest Amount and the Class C Monthly Interest Amount.

## Application of Principal Collections

*This diagram is qualified in its entirety by the detailed information appearing elsewhere in this Prospectus. If there is any inconsistency between this diagram and the information provided elsewhere in this Prospectus, such information will prevail.*



## RISK FACTORS

AN INVESTMENT IN THE NOTES MAY INVOLVE SUBSTANTIAL RISKS AND BE SUITABLE ONLY FOR INVESTORS WHO HAVE THE NECESSARY BACKGROUND AND RESOURCES TO ENABLE THEM TO EVALUATE THE RISKS AND THE MERITS OF AN INVESTMENT IN THE NOTES. PRIOR TO MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER IN LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES ALL THE INFORMATION SET FORTH IN THIS PROSPECTUS AND, IN PARTICULAR, THE CONSIDERATIONS SET FORTH BELOW. PROSPECTIVE INVESTORS SHOULD MAKE SUCH INQUIRIES AS THEY DEEM NECESSARY WITHOUT RELYING ON THE ISSUER, THE JOINT LEAD MANAGERS, THE ARRANGER OR ANY OTHER TRANSACTION PARTY. IN PARTICULAR, EACH POTENTIAL INVESTOR SHOULD (A) HAVE SUFFICIENT KNOWLEDGE AND EXPERIENCE TO MAKE A MEANINGFUL EVALUATION OF THE NOTES, THE MERITS AND RISKS OF INVESTING IN THE NOTES AND THE INFORMATION CONTAINED IN THIS PROSPECTUS; (B) HAVE ACCESS TO, AND KNOWLEDGE OF, APPROPRIATE ANALYTICAL TOOLS TO EVALUATE, IN THE CONTEXT OF ITS PARTICULAR FINANCIAL SITUATION, AN INVESTMENT IN THE NOTES AND THE IMPACT THE NOTES WILL HAVE ON ITS OVERALL INVESTMENT PORTFOLIO; (C) HAVE SUFFICIENT FINANCIAL RESOURCES AND LIQUIDITY TO BEAR ALL THE RISKS OF AN INVESTMENT IN THE NOTES; (D) UNDERSTAND THOROUGHLY THE TERMS OF THE NOTES; AND (E) BE ABLE TO EVALUATE (EITHER ALONE OR WITH THE HELP OF SUCH PROFESSIONAL ADVISORS AS THE INVESTOR MAY DEEM NECESSARY) POSSIBLE SCENARIOS FOR ECONOMIC AND OTHER FACTORS THAT MAY AFFECT ITS INVESTMENT AND ITS ABILITY TO BEAR THE APPLICABLE RISKS.

*The following is a summary of certain aspects of the Transaction and the Notes of which prospective investors should be aware. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. The risks described below are not the only risks that the Issuer faces. Additional risks and uncertainties not presently known to the Issuer or that are currently believed to be immaterial could also have a material impact on the Issuer's operations and prospects. Although the Issuer believes that certain features described in this Prospectus may mitigate some of the risks described below, there can be no assurance that such features will be sufficient to ensure payment to Noteholders of interest, principal or any other amounts on or in connection with the Notes on a timely basis or at all.*

*As more than one risk factor can affect the Notes simultaneously, the effect of a single risk factor cannot be accurately predicted. Additionally, risk factors may have a cumulative effect, the extent of which is uncertain, so that the combined effect on the Notes cannot be accurately predicted. No binding statement can be given on the effect of a combination of risk factors on the Notes.*

*Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.*

### 1. Risk factors relating to the Receivables

#### 1.1 Historical and other information

The historical, financial and other information set out in this Prospectus (see “CREDIT CARD PORTFOLIO”, “THE RECEIVABLES AND THE RECEIVABLES SALE AND PURCHASE AGREEMENT”, “TOTAL PORTFOLIO INFORMATION” and “SECURITISED PORTFOLIO INFORMATION”) is based on the historical experience and present procedures of Credit Suisse and/or Swisscard (as applicable). None of the other parties to the Transaction has undertaken or will undertake any investigation or review of, or search to verify, the historical information. There can be no assurances as to the future performance of the Receivables. Any failure in the performance of the Receivables could have an adverse effect on the Issuer's ability to make payments in respect of the Notes.

#### 1.2 No independent investigation

None of the parties to the Transaction, other than the Originators, has undertaken or will undertake any investigations, searches or other actions to establish (a) the existence of the Receivables, (b) whether



they are, in fact, Eligible Receivables, or (c) the creditworthiness or suitability of any Cardholder or to verify information concerning any Cardholder or Credit Card Agreement. Instead, the Asset SPV relies on the eligibility criteria and the relevant representations and warranties given by the Selling Originators in the Receivables Sale and Purchase Agreement.

If a representation and warranty given in connection with any Principal Receivable proves to be incorrect when made and the Asset SPV consequently does not receive the related Collection, then the relevant Originator is obliged to pay the Asset SPV an amount equal to the face value of that Collection. The Selling Originators' obligation to pay amounts due as a result of any breach of a representation or warranty can be fulfilled, in whole or in part, by a reduction in the Originator Invested Amount of such Selling Originator's Originator Certificate but not below the Minimum Originator Invested Amount.

### **1.3 Risk of late payment and/or non-payment of monthly instalments**

Whilst each Credit Card Agreement has due dates for the scheduled payments thereunder, there is no assurance that the Cardholders under those Credit Card Agreements will pay in time, or at all. Cardholders may default on their obligations due under the Credit Card Agreement for a variety of financial and personal reasons, including loss or reduction of earnings, illness, divorce and other similar factors which may, individually or in combination, lead to an increase in delinquencies by and bankruptcies of the Cardholders. Certain national and international macroeconomic factors may also contribute to adversely affect the economic health of Cardholders and thus the economic performance of the Receivables.

Any such failure by Cardholders to make payments under the Credit Card Agreement may have an adverse effect on the Issuer's ability to make payments under the Notes.

### **1.4 Credit and Collection policies and procedures**

The Servicer has agreed to carry out or procure that any person to whom it may delegate any of its functions carries out, the administration, collection and enforcement of the Securitised Portfolio in accordance with the Servicing Agreement and its customary and usual servicing procedures (see "*DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS—Servicing Agreement*"). The Noteholders are relying on the business judgement and practices of the Servicer as they exist from time to time, including enforcing claims against Cardholders. Such procedures may change over time and no assurance can be given that such changes will not have an adverse effect on the Issuer's ability to make payments on the Notes.

### **1.5 Rights in respect of the Receivables**

Pursuant to the Asset SPV Security Agreements, the Collateral Certificates are secured by the Asset SPV Collateral Property. Each Collateral Certificate (including Issuer Certificate No. 5 held by the Issuer), together with such security granted in favour of the Collateral Certificates, define the rights that each Certificateholder has with respect to the Asset SPV Collateral Property. In turn the Issuer will grant security over Issuer Certificate No. 5 and all of its other assets to the Security Trustee (acting for itself and for the benefit of the Noteholders or for itself and for and on behalf of the other Issuer Secured Creditors, as applicable).

The Issuer and the Asset SPV (or following the delivery of an Asset SPV Acceleration Notice, the Collateral Trustee) rely on the Servicer to enforce any of the Asset SPV's rights under the Credit Card Agreements and to carry out its obligations under the Servicing Agreement.

Pursuant to the Transaction Documents, (a) each Originator undertakes that it will not take any steps in relation to the Credit Card Agreements other than as may be necessary to perform its duties under the Servicing Agreement in its capacity as Servicer or delegate (if applicable) in accordance with the relevant Credit Card Guidelines and (b) the Servicer undertakes to lend its name to (for so long as it the Servicer), and take such other steps as may be required by the Asset SPV or, following the delivery of an Asset SPV Acceleration Notice, the Collateral Trustee in relation to, any action (whether through the courts or otherwise) in respect of the Credit Card Agreements, in each case for the benefit of the Asset SPV.

## 1.6 **The Obligations of the Cardholders under the Designated Accounts are unsecured**

The Originators only assign the benefit of the Receivables arising under Designated Accounts, which consists or will consist of unsecured monetary obligations of Cardholders under the Credit Card Agreements relating to the Designated Accounts. No security has been given by any Cardholder for any such monetary obligations, and the Originators have no interest (and, therefore, cannot assign the benefit of any interest) in any property acquired by a Cardholder with the proceeds of any credit extended to a Cardholder under the Credit Card Agreement relating to a Designated Account.

## 1.7 **Failure to notify Cardholders of the transfer of the Receivables could delay or reduce payments on the Notes**

The transfer by an Originator to the Asset SPV of the benefit of the Receivables is governed by Swiss law and does not give the Asset SPV full legal title to the Receivables. Notice to the Cardholders of the transfer would perfect the legal title of the Collateral Trustee to the Receivables. No notice has been given to Cardholders of any transfers previously effected, and no notice is expected to be given to the Cardholders of any future transfers of Receivables to the Asset SPV. Notice of the transfer of the Receivables will be given to the Cardholders following the (i) delivery of an Asset SPV Acceleration Notice or (ii) occurrence of a Notification Trigger.

This lack of notice has several legal consequences that could delay or reduce payments on the Notes. Until notice is given to a Cardholder, the Cardholder will discharge his or her obligation under the Designated Account by making payment to the Originator.

Prior to the insolvency of the Originator, unless notice was given to a Cardholder who is a depositor or other creditor of the Originator, equitable set-offs may accrue in favour of the Cardholder against his or her obligation to make payments to the Originator under the Designated Account. These rights may result in the Collateral Trustee receiving reduced payments on the Receivables. The transfer of the benefit of any Receivables to the Collateral Trustee will continue to be subject both to any prior equities that a Cardholder had and to any equities the Cardholder may become entitled to after the transfer. Where notice of the transfer is given to a Cardholder, however, some rights of set-off may not arise after the date notice is given. Failure to give notice to the Cardholder means that the Collateral Trustee would not take priority over any interest of a later encumbrancer or transferee of the Originator's rights who has no notice of the transfer to the Collateral Trustee where such later encumbrancer or transferee gives notice. This could lead to a loss on the Notes.

## 1.8 **Risk of "re-characterisation" of the sale of the credit card receivables as a loan secured by credit card receivables**

The assignment and transfer of the Receivables by the relevant Originator to the Asset SPV is intended by the parties and has been documented in the Receivables Sale and Purchase Agreement as an effective true sale transaction. However, there are no Swiss statutory or case law based tests as to when a sale transaction in a securitisation transaction qualifies as an effective sale and when the transaction may be re-characterised as a secured loan.

Therefore, if an Insolvency Event occurs in relation to an Originator, there is a theoretical risk that a court or FINMA (as applicable) might "re-characterise" the sale of the Receivables by such Originator to the Asset SPV as a loan granted by the Asset SPV and being secured by an assignment for security purposes of the Receivables instead of a true sale.

Although steps have been taken to minimise the risk that the sale of the Receivables by the relevant Originator to the Asset SPV may be re-characterised as a secured loan, including a legal opinion and binding Swiss tax ruling confirmations on the validity of the transfer of the Receivables as a true sale under Swiss law, opinions are not binding on FINMA and/or a court having jurisdiction may take different views on this.

## 1.9 **Risks related to the inability to generate new Receivables**

The Receivables may be paid at any time and there can be no assurance that new Receivables will be generated under existing Designated Accounts or new Accounts will be originated and designated to the Asset SPV at the level required to prevent the early redemption of the Notes. The generation of new Receivables or Receivables in new Accounts will be affected by the Originators' ability to

compete in the then current industry environment and by customers' changing borrowing and payment patterns. Furthermore, if the Originators were, for any reason, to lose the right to issue credit cards bearing the American Express®, VISA® or MasterCard® brands, this may reduce the amount of Receivables arising under the Designated Accounts or reduce the amount of Collections on those Receivables. If there is a decline in the generation of new Receivables or designation of additional Accounts, Noteholders may be repaid the principal on their Notes before the Scheduled Redemption Date. No premium will be paid upon an early redemption of the Notes and if Noteholders receive principal on the Notes earlier than expected, Noteholders may not be able to reinvest such principal at a similar rate of return.

#### **1.10 Designation of additional accounts**

The Originators may, from time to time, nominate additional Accounts to become Designated Accounts and offer to the Asset SPV an assignment and transfer of the Receivables arising under such additional Accounts. Such Accounts may include Accounts originated using criteria different from those which were applied to Designated Accounts already in existence, because such additional Accounts may have been originated by an Originator at a different date or may have been acquired by the Originators from another institution. In addition, subject to the satisfaction of certain conditions, any member of the CS Group which from time to time originates Accounts or to whom legal and beneficial title to any Accounts has been transferred from time to time may be designated as a Selling Originator following the Closing Date and such Accounts may be originated using different criteria, may have terms and conditions and different performance characteristics.

Consequently, there can be no assurance that such additional Accounts will be of the same credit quality as the Designated Accounts as at the Closing Date. Notwithstanding the foregoing, the Originators are not entitled to designate additional Accounts which are not Eligible Accounts and which exceed prescribed limits for the designation of additional Accounts unless the Asset SPV receive a Ratings Confirmation in respect of such designation (see "*THE RECEIVABLES AND THE RECEIVABLES SALE AND PURCHASE AGREEMENT—Additional Accounts*"). If the designation of additional Accounts decreases the overall credit quality of the Receivables, payments of principal and interest on the notes may be reduced, delayed, lost or accelerated.

#### **1.11 Changes in payment patterns and credit card usage**

One factor that affects the level of Finance Charges Collections and Principal Collections is the extent of convenience usage. Convenience usage means that the Cardholders pay their account balances in full on or prior to the due date and therefore may not incur any Finance Charges. An increase in the convenience usage by Cardholders would decrease the effective yield on the Designated Accounts and therefore possibly lead to an early redemption of the Notes. Alternatively, a decrease in convenience usage may reduce the principal payment rate on the Designated Accounts. This could result in Noteholders receiving the principal on their Notes later than expected. An increase in delinquencies or payment defaults in respect of Finance Charge Receivables also could reduce the amount of Finance Charge Collections available to the Asset SPV.

Changes in the pattern of credit card usage or in payment patterns may result from a variety of economic, social and legal factors. Economic factors include the rate of inflation, unemployment levels and the relative levels of interest rates. Social factors include consumer confidence and the attitudes of Cardholders about incurring debt and the stigma of debt enforcement and insolvency proceedings. Legal factors include changes in consumer credit and other consumer protection laws and changes in debt enforcement and insolvency laws. No one can predict how these and other factors will affect credit card usage and payments patterns.

#### **1.12 Forecasts and Estimates**

Estimates of the average lives of the Notes, together with any projections, forecasts and estimates provided to prospective purchasers of the Notes, are forward-looking statements. Projections are necessarily speculative in nature, and it should be expected that some or all of the assumptions underlying the projections will not materialise or will vary significantly from actual results. Accordingly, actual results will vary from the projections, and such variations may be material. Some important factors that could cause actual results to differ materially from those in any forward-looking statements include changes in default, delinquency, payment and/or recovery rates; and market,

financial or legal uncertainties. None of the Issuer or any other Party to the Transaction or any of their respective Affiliates has any obligation to update or otherwise revise any projections, forecasts or estimates, including any revision to reflect changes in economic conditions or other circumstances arising after the date of this Prospectus or to reflect the occurrence of unanticipated events.

#### **1.13 Changing characteristics of the Receivables**

Characteristics and concentrations of Receivables in the Securitised Portfolio may be substantially different at the end of the Revolving Period from the concentration that exists as of the Closing Date as a result of defaults, payments on the Receivables and the purchase of additional Receivables during the Revolving Period. Such concentration or other changes in the Securitised Portfolio could adversely affect the delinquency, or credit loss, of the Receivables and result in faster or slower repayments or greater losses on the Notes. However, each Selling Originator will make representations and warranties with respect to additional Receivables purchased by the Asset SPV at any time following the Closing Date including that such additional Receivables are Eligible Receivables.

#### **1.14 The Originators may change the terms and conditions of the Designated Accounts**

Although the legal title of the Receivables is assigned and transferred from each Selling Originator to the Asset SPV under the Receivables Sale and Purchase Agreement, the Selling Originators will continue to own the Designated Accounts under which the Receivables come into existence and remain the contractual counterparty of the Cardholders under the Credit Card Agreements. As such, the Originators retain the right to change various terms and conditions of the Designated Accounts (*i.e.*, the related Credit Card Agreements), including the finance charges and other fees it charges and the required minimum monthly payment. The Originators may change the terms of the Designated Accounts (*i.e.*, the related Credit Card Agreements) to maintain its competitive position in the credit card market in Switzerland. Changes in the terms of the Designated Accounts may reduce the amount of Receivables arising under the Designated Accounts, reduce the amount of Collections on those Receivables or otherwise adversely alter payment patterns. An amendment of the terms and conditions of the Designated Accounts (*i.e.*, the related Credit Card Agreements) may be implemented in the future, however the envisaged alterations would not be expected to have any effect on the amount of Receivables arising under the Designated Accounts. Additionally, the Originators have reserved the right to change the rate of periodic finance charges (see “*THE RECEIVABLES AND THE RECEIVABLES SALE AND PURCHASE AGREEMENT—Amendments to Credit Card Agreements and Credit Card Guidelines*”) and there can be no guarantee that the yield represented by the amount of Finance Charge Collections received following such a rate change will remain at the same level relative to the rate of interest payable by the Issuer on the Notes.

#### **1.15 Consequence of a variation of the FX Percentage**

As at the Closing Date, FX Fees are recorded in the principal amount of a Cardholder’s statement, and are reported only on an aggregated basis for all Accounts in the Total Portfolio. Therefore, in order to determine the amount of FX Fees that is as Finance Charge Receivables, the Principal Purchase Price payable by the Asset SPV with respect to each Principal Receivable purchased from any Selling Originator is reduced by a percentage equal to the FX Fee Percentage. Consequently, the percentage of each Principal Receivable and any Principal Collections equal to the FX Fee Percentage is treated by the Asset SPV as Finance Charge Receivables and Finance Charge Collections respectively. Subject to receipt of a Ratings Confirmation, the FX Fee Percentage may be varied at any time in the future which in turn would alter the aggregate amount of Principal Receivables and Finance Charge Receivables comprising the Securitised Portfolio which may increase the likelihood that an Early Amortisation Event occurs and has an impact on the payments made on the Notes.

#### **1.16 The Cardholders are concentrated in Switzerland and any economic downturn in Switzerland may adversely affect Collections**

The Cardholders are predominantly located in Switzerland. Any deterioration in the economic condition in Switzerland generally or of the specific areas in which the Cardholders are located may have an adverse effect on the ability of the Cardholders to make payments under the Credit Card Agreements, which could in turn could adversely affect the performance of the Securitised Portfolio which could result in a loss on the Notes. Certain sectors of the Swiss economy have recently experienced a marked downturn caused by, inter alia, the strong Swiss franc, which was exacerbated

after the Swiss National Bank (SNB) announced that it had discontinued the Swiss fixed exchange rate of CHF 1.20 per EUR 1. There can be no assurance that exchange rates against the Swiss franc will not fluctuate further, thereby further affecting the economic condition in Switzerland.

#### 1.17 **Market for Receivables**

The ability of the Issuer to redeem all the Notes in full after the occurrence of an Event of Default may depend on whether the Receivables can be sold, otherwise realised or refinanced by the Asset SPV or the Servicer (or the Collateral Trustee following service of an Asset SPV Acceleration Notice) so as to provide sufficient available funds to enable the Issuer to redeem the Notes. No assurance can be given that the Asset SPV or the Servicer (or the Collateral Trustee following service of an Asset SPV Acceleration Notice) will be able to sell, otherwise realise or refinance the Receivables on appropriate terms should it be necessary for them to do so.

#### 1.18 **Competition in the Swiss credit card market**

The credit card industry in Switzerland is competitive with credit card issuers using various marketing techniques including advertising, target marketing, price competition and incentive programs to attract and retain customers. This competitive environment may affect the Originators' ability to originate new Accounts and generate new Receivables and may also affect the level of retention of existing Accounts. Either of these developments, or both, could negatively affect the ability of the Issuer to make payments under the Notes.

### 2. **Risk factors relating to the Notes**

#### 2.1 **Noteholders cannot rely on any person other than the Issuer to make payments on the Notes and the Issuer's ability to meet its obligations under the Notes depends on payments under Issuer Certificate No. 5.**

The Notes will be the sole obligation and responsibility of the Issuer not any other party to the Transaction nor will they be guaranteed by any other party to the Transaction or any of their affiliates or advisers, successors or assigns. The ability of the Issuer to repay the principal of, and pay interest on, the Notes will primarily depend on the receipt by it of payments under Issuer Certificate No. 5 issued by the Asset SPV. The Notes will not benefit from any external credit enhancement.

As holder of Issuer Certificate No. 5, the Issuer will be entitled to a portion of the Net Finance Charge Collections, Principal Collections, income from Permitted Investments and certain other amounts which are allocable to it. If the Issuer fails to receive sufficient funds under Issuer Certificate No. 5, then the payment of interest and/or the repayment of principal on the Notes may be delayed, reduced or lost.

The Issuer's receipt of sufficient funds under Issuer Certificate No. 5 to pay the amounts due and to repay the entire principal amount of the Notes will ultimately be dependent on, amongst other things: (a) payments actually being made by Cardholders, (b) those payments being collected by the Servicer in accordance with the provisions of the Servicing Agreement and paid to the Asset SPV and (c) payment being made by Asset SPV in respect of its obligations to the Issuer under Issuer Certificate No. 5.

Amounts deposited in the Liquidity Reserve Account, the Accumulation Reserve Account and the Spread Account by the Issuer will assist the Issuer in meeting its payment obligations, including its obligations to make any payments under the Notes. The Liquidity Reserve Account will be established to assist with the payment by the Issuer of interest owing on the Notes. The Accumulation Reserve Account will be established to assist with the payment by the Issuer of the Monthly Interest Amount payable on each Class of Notes during the Controlled Accumulation Period. The Spread Account will provide credit support for the Class C Notes. On the Closing Date, each of the Liquidity Reserve Account, the Accumulation Reserve Account and the Spread Account will have a balance of zero.

#### 2.2 **Issuance of additional Collateral Certificates may affect the timing and the amounts of payments**

The Transaction contemplates that, after the Closing Date, the Asset SPV may issue other Issuer Certificates in addition to Issuer Certificate No. 5 and the already issued Issuer Certificate No. 2, Issuer Certificate No. 3 and Issuer Certificate No. 4. Such Issuer Certificates may be issued without notice to

the Noteholders and without their consent, and any additional Issuer Certificates may have different terms from Issuer Certificate No. 2, Issuer Certificate No. 3, Issuer Certificate No. 4 or Issuer Certificate No. 5. Also, the Transaction contemplates that the terms of an additional Issuer Certificate may permit the size of the Issuer Invested Amount to increase following the date on which such additional Issuer Certificate is issued. It is a condition to the issuance of an additional Issuer Certificate, or subsequent increase in the Issuer Invested Amount thereof, that the Asset SPV receives a Ratings Confirmation in respect of such issuance. No new issuance of, or increase to, an additional Issuer Certificate will vary the terms of Issuer Certificate No. 5, but could adversely affect the timing and amount of payments on Issuer Certificate No. 5 and, consequently, the ability of the Issuer to make payment on the Notes.

For example, if an additional Issuer Certificate is issued by the Asset SPV and is designated as being in the same sharing group as Issuer Certificate No. 5 (*i.e.*, Group I) and the Related Debt for such Issuer Certificate (or any existing Issuer Certificate which has also been designated as being in the Group I sharing group) has a higher interest rate than the Notes, this could result in a lower proportion of the Finance Charge Collections being available to pay interest on the Notes. Also when new Issuer Certificates are issued, or the Issuer Invested Amount thereof is subsequently increased, the voting rights of Issuer as the holder of Issuer Certificate No. 5 will be diluted.

The Issuer, as holder of Issuer Certificate No. 5, will not be subordinated to any other Certificateholder (including any Originator Certificateholder or any other Issuer Certificateholder). Issuer Certificate No. 2, which was issued on the Second Issue Date and Issuer Certificate No. 3 and Issuer Certificate No. 4, which were issued on the Third Issue Date are the only Issuer Certificates outstanding as of the date of this Prospectus. Issuer Certificate No. 5 will be issued on or around the Closing Date.

## **2.3 Certificateholders' ability to direct certain actions**

Subject to certain exceptions, for so long as Issuer Certificate No. 5 remains outstanding, the Issuer as holder of Issuer Certificate No. 5 (together with all other Issuer Certificateholders) may take certain actions or direct certain actions to be taken under the Collateral Certificate Trust Deed or any Supplement thereto. However in certain circumstances, the Certificateholders have agreed upon the terms of the Collateral Certificate Trust Deed that the consent or approval of Certificateholders (including Originator Certificateholders) holding a majority of the aggregate Invested Amount of all Collateral Certificates is required to direct certain actions. The interests of the Originator Certificateholders may diverge from the interests of the Issuer Certificateholders. Furthermore, additional Issuer Certificates may be issued after the issuance of Issuer Certificate No. 5 and the holders of such additional Issuer Certificates may have interests which do not coincide with the interests of the Issuer. This qualification also applies to the holder of Issuer Certificate No. 2, the holder of Issuer Certificate No. 3 and the holder of Issuer Certificate No. 4. Consequently, in each case, it may be difficult for the Issuer to achieve the results from the vote that it desires (see "*THE COLLATERAL CERTIFICATE TRUST DEED*").

Upon the occurrence of an Event of Default, Noteholders representing not less than 25 per cent. of the Aggregate Outstanding Principal Amount of the Notes may direct the Note Trustee to deliver an Issuer Acceleration Notice, whereupon the Issuer Security becomes enforceable and the Issuer Secured Assets include Issuer Certificate No. 5. Thereafter the Note Trustee may seek directions or resolutions from the Noteholders in accordance with the Conditions and the terms of the Note Trust Deed which may include exercising the Issuer's rights under Issuer Certificate No. 5 and requiring the Issuer to enforce its rights against the Asset SPV. The Note Trustee may rely on any such direction and shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction. However, the consent or approval of Noteholders representing a certain percentage of the total principal balance of all Notes might be necessary to require or direct those actions (see "*THE NOTE TRUST DEED*").

## **2.4 Liability and limited recourse under the Notes**

The Notes represent obligations of the Issuer only, and do not represent obligations of the Asset SPV, the Arranger, the Joint Lead Managers, the Security Trustee, the Note Trustee, the Collateral Trustee, the Issuer Account Bank, the Asset SPV Account Bank, the Issuer Cash Manager, the Asset SPV Cash Manager or the Principal Paying Agent or any other Transaction Party (except the Issuer) or any other third person or entity. None of the Asset SPV, the Arranger, the Joint Lead Managers, the Security

Trustee, the Note Trustee, the Collateral Trustee, the Issuer Account Bank, the Asset SPV Account Bank, the Issuer Cash Manager, the Asset SPV Cash Manager or the Principal Paying Agent or any other Transaction Party (except the Issuer) or any other third person or entity, assume any liability to the Noteholders if the Issuer fails to make a payment due under the Notes.

The recourse of each Transaction Party in respect of any obligation, representation and warranty or covenant or agreement of the Issuer contained in the Issuer Transaction Documents will be limited to the amount of the Issuer Secured Assets available to meet such obligations from time to time and as applied pursuant to the relevant Priority of Payments. Any claim remaining unsatisfied after the realisation of the Issuer Secured Assets and the application of the proceeds thereof in accordance with the applicable Priority of Payments shall be extinguished and thereafter such Transaction Party shall have no further claim against the Issuer.

## **2.5 Noteholders should consider the suitability of the Notes as an investment**

Given the complexity of the terms and conditions of the Notes, an investment in the Notes is suitable only for experienced and financially sophisticated investors who understand and are in a position to evaluate the merits and risks inherent therein and who have sufficient resources to be able to bear any losses which may result from such investment. With respect to the Notes, on 14 April 2016 the SIX Swiss Exchange granted an exemption from the minimum capitalisation requirement pursuant to article 9 of the additional rules for the listing of bonds, which requires a minimum total nominal value of CHF 20 million for debt securities listed on the SIX Swiss Exchange. Due to their low total nominal value and high minimum denomination of CHF 100,000, the Notes are illiquid instruments. Lack of liquidity increases risk. The Notes are, therefore, a suitable investment only for institutional or other qualified investors that have substantial experience in asset-backed securities and that are capable of understanding, and are able to bear, the risks associated with an investment in an illiquid security such as the Notes. The Noteholders should ensure that they understand the nature of the Notes and the extent of their exposure to risk. Noteholders should have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, regulatory, accounting and financial evaluation of the merits and risks of investment in the Notes and consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition.

## **2.6 Allocation of Current Issuer Charge-Offs and Reallocated Principal Collections may reduce the amount paid by the Issuer on the Notes**

To the extent any Current Issuer Charge-Offs for any Monthly Period in respect of the Receivables are allocated to Issuer Certificate No. 5 and are not funded by the application of Available Finance Charge Collections, an amount equal to the shortfall will be allocated by/or on the behalf of the Issuer on that Distribution Date as outlined in “*GENERAL DESCRIPTION OF THE NOTES—Allocation of Current Issuer Charge-Offs*”. The allocation of the Current Issuer Charge-Offs will lead to reductions in the Nominal Liquidation Amount of any Class of Notes. In addition, the use of Reallocated Principal Collections to meet shortfalls due to insufficient Available Finance Charge Collections to make certain payments on a Distribution Date will cause the Nominal Liquidation Amount of the Class C Notes and/or the Class B Notes to be reduced. Any such reduction in the Nominal Liquidation Amount of the Notes, will first be allocated to reduce the Class C Nominal Liquidation Amount until zero, then the Class B Nominal Liquidation Amount until zero, and then the Class A Nominal Liquidation Amount until zero (provided that this use of Reallocated Principal Collections will not cause the Nominal Liquidation Amount of the Class A Notes to be reduced) (see “*GENERAL DESCRIPTION OF THE NOTES—Allocations on the Notes—Allocation of Available Principal Collections*”).

Reductions in the Nominal Liquidation Amount of any Class of Notes following from application of any Current Issuer Charge-Offs or the utilisation of Reallocated Principal Collections may be reimbursed on subsequent Distribution Dates from Available Finance Charge Collections, however, if the Nominal Liquidation Amount of any Class of Notes is reduced to zero, such Class of Notes will not receive any further allocations of Net Finance Charge Collections and Principal Collections, unless any portion of the Nominal Liquidation Amount thereof is subsequently increased.

## **2.7 Deferral of interest payments on the Notes**

If, on any Interest Payment Date the Issuer has insufficient funds in the Issuer Finance Charge Ledger to make payment in full of any interest (including interest accrued thereon) payable on any Class of

Notes after having paid or provided for items of higher priority in the Finance Charge Priority of Payments, then that amount shall not be due and payable and the Issuer will be entitled under Condition 8.3 (*Deferred Interest and Additional Interest*) to defer payment of that amount (to the extent of the insufficiency) until the following Distribution Date or Interest Payment Date, in each case, on which funds are available to pay any such deferred interest. The deferral of interest on any Class of Notes will not constitute an Event of Default.

## **2.8 Subordination**

The Class B Notes are subordinated in right of payment of principal and interest to the Class A Notes; and the Class C Notes are subordinated in right of payment of principal and interest to Class B Notes and Class A Notes, in each case in accordance with the applicable Priority of Payments. There is a risk to the Noteholders that they will not receive the full principal amount of any Note held by them or interest payable thereon pursuant to the Conditions.

Under Swiss law it is uncertain whether or not such subordination provisions would be enforceable in insolvency or bankruptcy proceedings against the Issuer. Consequently, there can be no assurance that the subordination provisions will be effective. If the subordination provisions are ineffective, then payments of interest and/or the repayment of principal to Class A Noteholders and Class B Noteholders may be reduced to satisfy the claims of the Class B Noteholders and the Class C Noteholders. However, this risk is mitigated by the security structure at hand and the bankruptcy remote nature of the Asset SPV and the Issuer. It should be noted that the security structure would be upheld even in a bankruptcy of the Asset SPV and/or of the Issuer and that the assignment of receivables for security purposes will enable the Collateral Trustee or its agent to enforce any receivables and distribute proceeds accordingly outside of any bankruptcy proceedings of the Originator.

## **2.9 Amendments, waivers or authorisations under the Notes**

The Conditions of the Notes contain provisions for calling meetings of the Noteholders of each Class to consider matters affecting their interests generally. In certain circumstances these provisions permit defined majorities to bind all Noteholders of the relevant Class who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority subject in some circumstances to the requirement for approval on an equivalent basis by each other Class of Noteholders. In certain circumstances a vote will only be binding once approved by the competent higher cantonal composition authority in Switzerland. Consequently, it is possible that certain rights of Noteholders of a particular Class or more generally may be amended or reduced or even cancelled in circumstances where not all Noteholders of that Class or more generally have approved that amendment, reduction or cancellation.

## **2.10 Enforcement of the Issuer Security for the Notes**

The Security Trustee may take steps to enforce the security created under the Issuer Security Agreements following an Event of Default in accordance with the provisions therein provided that the Security Trustee has been indemnified and/or secured and/or prefunded to its satisfaction.

If the security for the Notes under the Issuer Security Agreements is enforced following an Event of Default, the Security Trustee will have recourse to payments due pursuant to Issuer Certificate No. 5 and amounts in the Issuer Bank Accounts. However, enforcement of the security for the Notes will not necessarily result in accelerated repayment of such Notes. It is expected that the Security Trustee will only be able to distribute to Noteholders those funds which are available under Issuer Certificate No. 5 and the Issuer Bank Accounts which comprise the primary assets securing the Notes. Prospective investors in the Notes should also note that enforcement of all security for the Notes will not automatically result in acceleration of the payments under Issuer Certificate No. 5 or enforcement of the relevant Asset SPV Security which secures the obligations of the Asset SPV under Issuer Certificate No. 5. If the security for the Notes is enforced, the monies deposited in respect of Issuer Certificate No. 5 on each day into the Issuer Distribution Account will be applied first to meet any fees, costs and other amounts due to any receiver appointed pursuant to the Security Trust Deed, the Security Trustee and the Note Trustee, secondly (to the extent not already paid) to meet the fees, costs and expenses of the Issuer, and then to meet payments of principal and interest on the notes. For a complete description of the priority of termination payments please refer to the Enforcement Priority of Payments (See “*TERMS AND CONDITIONS OF THE NOTES*”).



## 2.11 **Enforcement of the Asset SPV Security**

The Collateral Trustee may take steps to enforce the Asset SPV Security created under the Collateral Certificate Trust Deed and the Asset SPV Claims Assignment Agreement following service of an Asset SPV Acceleration Notice in accordance with the provisions therein provided that the Collateral Trustee has been indemnified and/or secured and/or prefunded to its satisfaction.

Upon enforcement of the Asset SPV Security securing the Collateral Certificates following delivery of an Asset SPV Acceleration Notice, the Collateral Trustee will have recourse only to the assets of the Asset SPV, which primarily are the Receivables arising under the Designated Accounts and related benefits. The Collateral Trustee will only be able to pay to the Issuer as holder of Issuer Certificate No. 5 those funds which are realised from the enforcement of the Asset SPV Security and allocated to it pursuant to the Collateral Certificate Trust Deed. The Issuer, as holder of Issuer Certificate No. 5, and the Collateral Trustee will have no recourse to the Originators other than the ability (in certain circumstances) to call upon the Asset SPV to exercise its rights against the Originators under the Receivables Sale and Purchase Agreement for any breach of certain representations in respect of the Receivables and for any breach of certain other obligations as therein defined (if any).

Further, if the Asset SPV Security is enforced, the monies realised from the enforcement thereof, will be applied first to meet any fees, costs and other amounts due to any receiver appointed pursuant to the Collateral Certificate Trust Deed and the Collateral Trustee, secondly to meet any fees, costs and other amounts due to the Asset SPV, and thirdly to make payments on all of the outstanding Collateral Certificates (including Issuer Certificate No. 2, Issuer Certificate No. 3, Issuer Certificate No. 4 and Issuer Certificate No. 5 and the Originator Certificates). If funds realised from the enforcement of the Asset SPV Security are insufficient to make full payments on Issuer Certificate No. 5, payments of principal and interest on the Notes may be delayed or reduced.

## 2.12 **Ratings of Notes**

The ratings assigned to the Notes by the Rating Agencies are based on the terms of the Transaction Documents and other relevant structural features of this transaction and reflect only the views of the Rating Agencies. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the Rating Agencies. The ratings take into consideration the structural and legal aspects associated with the Notes including the full and timely receipt by the Noteholders of interest thereon and the receipt by the Noteholders of principal on or before the Final Redemption Date. The ratings assigned to the Notes should be evaluated independently from similar ratings on other types of securities.

There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by the Rating Agencies as a result of changes in or unavailability of information or if, in the judgement of the Rating Agencies, circumstances so warrant. In the event that the ratings initially assigned to the Notes by the Rating Agencies are subsequently lowered, suspended or withdrawn for any reason, no person is obliged to provide any additional support or credit enhancement to the Notes and neither the Issuer nor any other person is obliged to appoint a substitute Rating Agency or Rating Agencies or otherwise obtain any alternative, substitute or additional ratings for the Notes from any other source. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the value of the Notes.

In assigning the ratings to the Notes, the Rating Agencies apply their relevant methodology existing as at the Closing Date, however, it should be noted that a Rating Agency may revise such methodology at any time which could affect the ratings assigned to the Notes.

Additionally, a Rating Agency may have a conflict of interest where, as is the case with the ratings of the Notes by the Rating Agencies, the issuer of a security pays the fee charged by the Rating Agency for its rating service.

Credit rating agencies other than the Rating Agencies could seek to rate the Notes and if such “unsolicited ratings” are lower than the comparable ratings assigned to the Notes by the Rating Agencies, those unsolicited ratings could have an adverse effect on the market value of the Notes. For the avoidance of doubt and unless the context otherwise requires, any reference to “ratings” or “rating” in this Prospectus is to the ratings assigned by the specified Rating Agencies only. In addition, EU

regulated investors (such as investment firms, insurance and reinsurance undertakings, UCITS funds and certain hedge fund managers) are restricted from using a rating issued by a credit rating agency established in the European Union for regulatory purposes unless such credit rating agency is registered, or endorsed by a rating agency, under the CRA Regulation. Both the Rating Agencies are incorporated in the European Union and have been registered in compliance with the requirements of Regulation (EC) No 1060/2009 of the CRA Regulation.

#### **2.13 Actions requiring a Ratings Confirmation**

In certain circumstances, the terms of the Transaction Documents may require a Ratings Confirmation as a condition to certain actions being taken by a Transaction Party. A Ratings Confirmation by a Rating Agency may or may not be given at the sole discretion of that Rating Agency. It should be noted that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a written ratings confirmation in the time available or at all, and the Rating Agency should not be responsible for the consequences thereof. Certain Rating Agencies have indicated that, as a matter of policy, they will no longer provide written rating confirmations. A Ratings Confirmation from the Rating Agencies, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time and in the context of cumulative changes to the Transaction since the Closing Date. A Ratings Confirmation provided by a Rating Agency represents only a restatement of the opinions given by that Rating Agency as at the Closing Date and cannot be construed as advice for the benefit of any parties to the Transaction. Any Ratings Confirmation delivered by the Servicer does not constitute a confirmation from and, is not binding on, the Rating Agencies.

A Ratings Confirmation does not confirm that such action (i) is permitted by the terms of the Transaction Documents or (ii) is in the best interests of, or prejudicial to the Noteholders. While each of the Transaction Parties (including the Noteholders) are entitled to have regard to a Ratings Confirmation, the above does not impose or extend any actual or contingent liability on the Rating Agencies to the Transaction Parties (including the Noteholders) or create any legal relationship between the Rating Agencies and the Transaction Parties (including the Noteholders) whether by way of contract or otherwise.

#### **2.14 There is limited active trading market for the Notes**

The Notes are new securities which may not be widely distributed and for which there is only a very limited active trading market. Currently, there is limited trading on the secondary market for the notes issued in April 2013 in connection with Issuer Certificate No. 2 and the notes issued in June 2015 in connection with Issuer Certificate No. 3 and Issuer Certificate No. 4. But there can be no assurance that a market or secondary market for the Notes will develop or, if it develops, that it will provide Noteholders with liquidity of investment, or that it will continue for the whole life of the Notes. Further, the secondary markets are currently experiencing severe disruptions resulting from reduced investor demand for asset-backed securities and increased investor yield requirements for those securities. As a result, the secondary market for asset-backed securities is experiencing extremely limited liquidity. These conditions may continue or worsen in the future. Limited liquidity in the secondary market for asset-backed securities has had a severe adverse effect on the market value of asset-backed securities. Limited liquidity in the secondary market may continue to have a severe adverse effect on the market value of asset-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the investment requirements of limited categories of investors. Consequently, any purchaser of the Notes must be prepared to hold such Notes for an indefinite period of time or until final redemption or maturity of such Notes. The market values of the Notes are likely to fluctuate. Any such fluctuation may be significant and could result in significant losses to investors in the Notes. In addition, the forced sale into the market of asset-backed securities held by hedge funds, issuers of collateralised debt obligations and other similar entities that are currently experiencing funding difficulties could adversely affect an investor's ability to sell, and/or the price an investor receives for, the Notes in the secondary market.

Noteholders also should be aware of the prevailing and widely reported global credit market conditions (which continue at the date hereof), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Notes. Additionally, it should also be noted that the market for the Notes may be affected by any restructuring of sovereign debt by countries in the Euro-zone. It is unclear

what the outcome of any restructuring will be. This uncertainty may have implications for the liquidity of the Notes in the secondary market. The Issuer cannot predict when these circumstances will change nor, if and when they do, whether conditions of general market liquidity for the Notes and instruments similar to the Notes will return in the future.

## 2.15 **Certain developments in the European Union**

### (a) **Euro zone**

The European financial markets have recently experienced volatility and been adversely affected by concerns over economic contraction in certain countries, rising government debt levels, credit rating downgrades and risk of default on or restructuring of government debt. In particular, the deterioration of the sovereign debt of certain Euro zone countries, together with the risk of contagion to other countries, has raised a number of uncertainties regarding the stability and overall standing of the European Economic and Monetary Union.

### (b) **United Kingdom referendum on membership of the European Union**

A referendum on the United Kingdom's membership of the European Union is scheduled to be held on 23 June 2016, the so-called "**Brexit Referendum**". The referendum may affect the Issuer's risk profile through introducing potentially significant new uncertainties and instability in financial markets ahead of the date of the referendum and, depending on the outcome, after the event. In addition, it is unclear at this stage what the consequences would be for the Issuer or any other transaction party should the UK leave the European Union.

It is difficult to predict the impact of such volatility in the European Union and although both the Notes and the Receivables are denominated in Swiss francs there can be no assurance that these uncertainties, particularly as Switzerland is a significant trading partner of the Euro zone and the United Kingdom, will not adversely affect interest rates, one or more of the Transaction Parties or, more generally, economic conditions in Switzerland, any or all of which could have a negative effect on the ability of the Issuer to satisfy its obligations under the Notes and/or the secondary market liquidity, if any, of the Notes. Accordingly, any potential investors should carefully consider how the economic difficulties within or affecting the Euro zone or the Brexit Referendum (and its outcome) may be relevant to or affect an investment in the Notes.

## 2.16 **Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes**

There is increased political and regulatory scrutiny of banks, financial institutions and the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold or trade asset-backed securities, and may thereby affect the liquidity of such securities.

The Basel Committee on Banking Supervision ("**BCBS**") has approved significant changes to the Basel regulatory capital and liquidity framework (such changes being commonly referred to as "**Basel III**") and has proposed certain revisions to the securitisation framework. Basel III provides for a substantial strengthening of existing prudential rules, including new requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards (referred to as the Liquidity Coverage Ratio ("**LCR**") and the Net Stable Funding Ratio ("**NSFR**"). BCBS member countries agreed to implement Basel III from 1 January 2013, subject to transitional and phase-in arrangements for certain requirements (for example, the LCR requirements refer to implementation from the start of 2015, with full implementation by January 2019, and the NSFR requirements refer to implementation from January 2018). As implementation of any changes to the Basel framework (including those made via Basel III) requires legislation in each jurisdiction, the final rules and the timetable for their implementation in each jurisdiction, as well as the treatment of asset-backed securities (for example, as LCR eligible assets or not), may be subject to some level of variation between jurisdictions. It should also be noted that changes to regulatory capital requirements are being introduced for insurance and reinsurance undertakings through jurisdiction specific initiatives, such as the Solvency II framework in the European Union.

At the level of the European Union, the European Commission has adopted a legislative package to strengthen the regulation of the banking sector which replaced the former Capital Requirements Directives 2006/48 and 2006/49 (see further “—*Implications of the Notes being held by EEA Credit Institution—Risk retention requirements*”).

Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Arranger nor any other party to the Transaction Documents makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment in the Notes on the Closing Date or at any time in the future. Any changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

#### **2.17 The credit card industry is highly regulated in Switzerland**

The Cardholders are predominantly located in Switzerland. The credit card industry is highly regulated in Switzerland and any adverse change in applicable laws and/or regulations governing the credit card industry could have an effect on the performance of the Receivables.

The Swiss Federal Council has announced that with effect from 1 July 2016 the maximum effective annual interest rate that may be charged on (i) overdraft facilities on current accounts and (ii) on credit cards with a credit option (such as the Accounts) will be lowered to 12% to the extent such credit relationship are governed by the CCA and to 10% on other general consumer credit products governed by the CCA. That maximum effective annual interest rate is calculated on the basis of the concept reflected in the draft amendments to the Ordinance to the Consumer Credit Act issued by the Swiss Federal Council that will enter into force effective as of 1 July 2016. The concept suggests that the maximum interest rates will be set each year by the Federal Department of Justice and Police and that the calculation basis for the maximum effective annual interest rate would be the three months' LIBOR (to be determined by the Swiss National Bank as per 30 September of each calendar year and rounded to an integral number) with consumer credit institutes being entitled to a surcharge of 1,000 basis points or (in the case of overdraft facilities on current accounts and on credit cards with credit option (such as the Accounts)) 1,200 basis points respectively. Existing consumer credit agreements exceeding the new maximum effective annual interest rate will remain valid and the maximum rate will only apply to consumer credit agreements entered into or amended after the enactment of the new rule. Whilst it is not entirely clear, what will constitute an existing agreement and a new agreement in the context of overdraft facilities on current accounts and on credit cards with a credit option, consumer overdraft facilities for current accounts and credit- and customer cards under the CCA, from a commercial perspective, the Originators will apply a balanced and fair policy towards Creditcardholders and in line with market practice.

The enactment of the maximum interest rate will result in a reduction of the overall yield of the Securitised Portfolio of approximately 1%. Accordingly, the new ordinance does not have any relevant impact on the Securitised Portfolio and the performance of the Securitised Portfolio that could lead to any increased risk for the Noteholders in any material way. In particular, compliance with relevant performance related covenants under the Transaction would still be ensured as the Originators have conducted calculations applying the contemplated maximum interest rate to the Securitised Portfolio and such calculation showed, that performance related covenants still will be complied with.

#### **2.18 Reports disseminated to Noteholders**

It is intended that the Servicer Report will be published monthly on the website available at [www.scard.ch](http://www.scard.ch) and the Noteholders will be permitted to access such website to obtain each Servicer Report. Other than with regard to any other notices required to be published by the Issuer pursuant to the rules of the SIX Swiss Exchange relating to asset-backed securities, the Issuer is not obliged to publish any additional reports to Noteholders or at a more frequent interval.

### **3. Risk factors relating to certain Transaction Parties**

### 3.1 Credit risk of third parties

Each of the Issuer and the Asset SPV is a party to contracts with a number of other third parties that have agreed to perform certain services in relation to, *inter alia*, the Collateral Certificates and the Notes. For example, the Asset SPV Corporate Services Provider and the Issuer Corporate Services Provider have agreed to provide corporate services to the Asset SPV and the Issuer respectively under the Asset SPV Corporate Services Agreement and the Issuer Corporate Services Agreement, the Issuer Cash Manager has agreed to provide cash administration, administration and calculation services in connection with the Notes, under the Issuer Cash Management Agreement, the Asset SPV Cash Manager has agreed to provide cash administration, administration and calculation services in connection with the Collateral Certificates under the Collateral Certificate Trust Deed, the Principal Paying Agent has agreed to provide certain payment services under the Principal Paying Agency Agreement and the Servicer has agreed to provide certain services in respect of the Receivables under the Servicing Agreement.

Each of the Asset SPV and the Issuer will rely on the relevant third party or its delegate to exercise the rights and carry out the obligations under the respective agreement to which it is a party. The ability of the Issuer to make any principal and interest payments in respect of the Notes depends upon the ability of the parties to the Transaction Documents to perform their contractual obligations. In the event that any relevant third party fails to, or is otherwise unable or unwilling to, perform its obligations under the respective agreements to which it is a party, the Noteholders may be adversely affected. No assurances can be given that the creditworthiness of the parties to the Transaction Documents will not deteriorate in the future. This may affect the performance of their respective obligations under the respective Transaction Documents. In particular, it may affect the administration, collection and enforcement of the Receivables by the Servicer.

### 3.2 Conflicts of interest

Each of Credit Suisse, Swisscard and WFTCL are acting in a number of capacities in connection with this transaction. These parties have and will have only those duties and responsibilities expressly agreed to by them in the relevant Transaction Document and are not deemed and will not be deemed, by virtue of their or any of their Affiliates acting in any other capacity, to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each agreement to which they are a party. The aforementioned parties in their various capacities in connection with the transaction may enter into business dealings from which they may derive revenues and profits without any duty to account therefore in connection with the transaction.

The Servicer in particular may hold and/or service claims against the Cardholders other than the Securitised Portfolio. The interests or obligations of the aforementioned parties in their respective capacities with respect to such other claims may in certain aspects conflict with the interests of the Noteholders.

The aforementioned parties may engage in commercial relationships and provide certain services to the Cardholders and other parties, such as, in particular, acting as lender and providing general banking, investment and other financial services. In such relationships the aforementioned parties are not obliged to take into account the interests of the Noteholders. Accordingly, because of these relationships, potential conflicts of interest may arise out of the transaction.

### 3.3 Noteholders delegate authority to the Note Trustee

Under the Conditions, the Note Trustee will be vested with certain discretions to exercise the rights of the Noteholders and delegated the authority (pursuant to Article 1159 CO) to agree without their consent to any Amendment to the Conditions or the other Transaction Documents provided that (i) such Amendment does not adversely alter the rights of the Noteholders nor impose obligations upon them or (ii) is to correct a manifest error or an error that is of a formal, minor or technical nature. Consequently, by purchasing any Class of Notes, a Noteholder will be agreeing that the Note Trustee may take an action delegated to it and may no longer benefit from its individual right to vote on and pursue certain matters delegated to the Note Trustee in its capacity as a Noteholder representative for the purposes of the Bondholder Provisions. (See “*CERTAIN MATTERS OF SWISS LAW—Swiss Law Bondholder provisions*”). However, the Conditions will also provide that in such circumstances, in exercising its discretion, the Note Trustee may seek, and rely on, a direction from a majority of the

Most Senior Class of the Noteholders and shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction.

### **3.4 The Note Trustee, the Security Trustee and the Collateral Trustee are not obliged to act in certain circumstances**

The Note Trustee, the Security Trustee and the Collateral Trustee may, at any time, at their own discretion and without notice, take such proceedings, actions or steps against the Issuer, the Asset SPV or any other party to any of the Transaction Documents (as applicable) as they may think fit to enforce the provisions of the Notes, the Note Trust Deed, the Security Trust Deed, the Collateral Certificates, the Collateral Certificate Trust Deed or any other Transaction Document to which they are party (as applicable). For example, pursuant to the Note Trust Deed the Note Trustee is not obliged to deliver an Issuer Acceleration Notice to the Issuer in respect of any Event of Default (other than a Mandatory Acceleration Event) but shall do so if directed by the holders of at least 25 per cent. of the Aggregate Outstanding Principal Amount of the Notes (provided in each case that the Note Trustee has first been indemnified and/or prefunded and/or secured to its satisfaction). The Note Trustee may seek directions from or resolutions of the Noteholders in accordance with the Conditions and the terms of the Note Trust Deed. The Note Trustee may rely on any such direction and shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction. In addition, the Note Trustee shall be unable to act in circumstances where the Requisite Percentage of Noteholders do not pass any required Resolution, which in some circumstances may require all Noteholders to consent (see “*CERTAIN MATTERS OF SWISS LAW—Swiss Law Bondholder provisions*”).

### **3.5 Ownership and control of the Issuer and the Asset SPV**

The boards of directors of the Issuer and the Asset SPV are composed of six and five members, respectively. As at the date of this Prospectus, all but one of the members of each board of directors are employees of Swisscard, Credit Suisse or American Express although they are not paid any fees by the Issuer or the Asset SPV and the remaining member of each board is an Independent Director. The Articles of Association of both the Issuer and the Asset SPV specify that the relevant board of directors will at all times have at least one individual who is independent, in accordance with the Swiss Code of Best Practice for Corporate Governance and pursuant to the Collateral Certificate Trust Deed and the Note Trust Deed, the Asset SPV and the Issuer, respectively, covenant not to amend its Articles of Association.

However, ultimately powers with respect to dismissal and election of the Independent Director vest in the shareholders of the Issuer and the Asset SPV (the board of directors of a stock corporation (*Aktiengesellschaft*) is elected by a vote of the shareholders at a shareholders’ meeting), therefore there can be no assurance that the Issuer or the Asset SPV will at all times have an Independent Director necessary for the operation of the Issuer and the Asset SPV (as applicable) and the safeguarding of its interests in the Receivables.

Although the Issuer and the Asset SPV were incorporated as wholly owned subsidiaries of Swisscard, to mitigate the risk that Swisscard as main shareholder could exercise its shareholder rights in a way that could potentially materially adversely affect the Transaction and/or the Noteholders, two per cent. of Swisscard’s holding in both the Issuer and the Asset SPV has been transferred to two independent shareholders and the articles of the Issuer and the Asset SPV provide that shareholder resolutions in respect of the Shareholder Reserved Matters will require the consent of Swisscard and at least one Asset SPV Independent Shareholder (*i.e.*, 99 per cent. of all shares of the Asset SPV).

### **3.6 Insolvency of the Issuer and the Asset SPV**

The ability of each of the Issuer and the Asset SPV to meet its obligations under the Notes and the Collateral Certificates, respectively, will depend on its continued solvency. Consequently, each of the Issuer and the Asset SPV has been structured so that the likelihood of it becoming insolvent is remote. Each of the Asset SPV and the Issuer (a) contracts or will contract on a “limited recourse” basis (where possible), (b) is or will be contractually restricted from undertaking business other than in connection with the transactions described in this Prospectus and (c) is or will be expressly prohibited from incurring any additional indebtedness, except as permitted by the Transaction Documents to which it is a party, having any employees, owning any premises and establishing or acquiring any subsidiaries. Together, these provisions help ensure that the likelihood of the Issuer and the Asset SPV becoming

insolvent is remote, however, no assurance can be given that the assets of the Issuer or the Asset SPV will not become subject to bankruptcy proceedings.

On the basis that Issuer and Asset SPV are stock corporations (*Aktiengesellschaften*) incorporated under the laws of Switzerland with registered office c/o Swisscard AECS GmbH, at Neugasse 18, 8810 Horgen, Switzerland and are managed by a board of directors professionally residing in Switzerland, insolvency proceedings with respect to the Issuer and the Asset SPV would likely proceed under, and be governed by, the insolvency laws of Switzerland. Accordingly, the Issuer and the Asset SPV may be declared bankrupt upon petition by a creditor of the Issuer or the Asset SPV (as applicable) or at the initiative of or at the request of the Issuer or the Asset SPV in accordance with the relevant provisions of Swiss insolvency laws. Certain preferred creditors of the Issuer and the Asset SPV may have a privilege that ranks senior to the rights of the Certificateholders or the Noteholders (as applicable) in such circumstances (in this respect see “*CERTAIN MATTERS OF SWISS LAW—Assignment for security purposes*”).

In addition, although the Issuer and the Asset SPV have agreed to limit their business activities such that they should not have material assets outside Switzerland, the commencement of insolvency proceedings in respect of the Issuer or the Asset SPV in a jurisdiction other than Switzerland may affect the amount and timing of payments made to the Noteholders (see “*CERTAIN MATTERS OF SWISS LAW—Foreign enforcement proceedings*”).

### 3.7 Insolvency of the Originators and the Servicer

If an Insolvency Event occurs in relation to Credit Suisse or Swisscard, the insolvency official appointed in respect of Credit Suisse or Swisscard or, under certain circumstances, certain of Credit Suisse’s or Swisscard’s creditors may challenge any transfer of the Receivables to the Asset SPV and dispositions of an Originator, (a) if no consideration or consideration which in money’s worth is significantly less than the value of the Receivables was given by the Asset SPV at the relevant time (referred to as “transaction at an undervalue”), or (b) if the relevant Originator was over-indebted at the time of the transfer (referred to as “transaction voidable for over-indebtedness”), or (c) if the relevant Originator intended to disfavour or favour certain creditors or should have reasonably foreseen such result (referred to as “preference”) (see “*CERTAIN MATTERS OF SWISS LAW*”). Since Swisscard is the main shareholder of the Asset SPV and the Issuer, it will likely be deemed a “closely associated party” and as a consequence, in the context of a challenge (in each case subject to evidence to the contrary being provided by Swisscard) (i) transactions between Swisscard and Credit Suisse on the one hand and the Issuer and the Asset SPV on the other hand will be presumed to be a transaction at an undervalue and (ii) foreseeability of intent to disfavour or favour certain creditors with respect to transactions between these parties will be also presumed.

Credit Suisse as a Swiss bank is subject to the special restructuring and insolvency regime set out in Article 25 *et seq.* of BA, as recently amended on 1 September 2011 and March 2012, which gives FINMA broad powers and considerable discretion in taking measures in relation to Credit Suisse if it (i) is over indebted, (ii) has serious liquidity problems, or (iii) fails to fulfil the applicable capital-adequacy provisions after expiry of a deadline set by FINMA. If one of these pre-requisites is met, FINMA is authorised (a) to open restructuring proceedings (*Sanierungsverfahren*) or (b) to open liquidation (bankruptcy) proceedings (*Bankenkonkurs*) and/or (c) to impose protective measures (*Schutzmassnahmen*) (see “*CERTAIN MATTERS OF SWISS LAW—Enforcement and insolvency*”). Therefore, there is no assurance that a challenge to a transaction involving the provision, replenishment or substitution of the Purchased Receivables leading to a net enlargement or improvement of the Purchased Receivables or involving payments by Swisscard or Credit Suisse would not be successful, in particular if such transaction occurred relatively shortly prior to Swisscard or Credit Suisse becoming insolvent, in which case the Security Trustee or the Collateral Trustee (as applicable) may not be able to liquidate the relevant assets for the benefit of the Certificateholders or the Noteholders and may have to transfer the relevant assets (or their equivalent value) back to Swisscard or Credit Suisse, which in turn may mean that – ultimately – the Issuer has insufficient funds to make payments under the Notes (see further “*CERTAIN MATTERS OF SWISS LAW*”).

Accordingly, it is uncertain which measures or actions FINMA and/or other authorities would take in connection with a potential insolvency of Credit Suisse. Moreover, an insolvency of Credit Suisse will have certain impacts in relation to their contractual obligations (see “*CERTAIN MATTERS OF SWISS LAW*”). Swisscard is subject to the ordinary Swiss insolvency regime.

If Credit Suisse were to become subject to insolvency proceedings while it is acting as Servicer, Finance Charge Collections and Principal Collections in respect of the Receivables in its possession which have not yet been deposited in the Collection Account will become part of the insolvency estate in such insolvency proceedings and the Asset SPV may receive less than the amount owed to it under the Receivables Sale and Purchase Agreement (see further “—*Risk of comingling and delayed payment by Servicer*”).

In addition, upon the occurrence of an Insolvency Event in relation to Swisscard, the shares of the Asset SPV and the Issuer owned by Swisscard would become part of the insolvency estate and may be liquidated for the benefit of Swisscard’s creditors. No assurance can be given that the solvency and governance of the Issuer will not be negatively affected by an insolvency of Swisscard.

### 3.8 **Inability to Repurchase Receivables**

If any representation made by an Originator about the Receivables proves to have been incorrect when made, such Originator will be required to, *inter alia*, repurchase the affected Receivables from the Asset SPV (see “*THE RECEIVABLES AND THE RECEIVABLES SALE AND PURCHASE AGREEMENT—Representations*”). If an Originator becomes insolvent or otherwise has insufficient funds, such Originator may be unable to repurchase Receivables, and Noteholders could incur a loss on their Notes or an early redemption of their Notes.

### 3.9 **Unavailability of other financing arrangements**

An Originator may, from time to time, enter into financing arrangements to fund its business (the “**Financing Facilities**”). The Financing Facilities that will or may be entered into by an Originator will likely contain customary events of default, mandatory prepayment events and conditions to funding. If an Originator is unable to obtain such Financing Facilities or find a replacement to existing Financing Facilities on commercially favourable terms, or at all, it could have a material adverse effect on its ability to continue to originate Receivables and otherwise operate its business. With effect from the Business Transfer Effective Date, Swisscard entered into an agreement with a Swiss bank in respect of certain loan facilities for the purpose of financing part of its portfolio and other more general corporate purposes. As of the Closing Date, the financing provided under this agreement is, besides the funds raised by the issue of the 2015-1 Notes, the 2015-2 Notes and the Notes, the main source of external financing for Swisscard. The 2013-1 Notes shall be redeemed on or around the Closing Date.

### 3.10 **Permitted Investments**

Funds on deposit in the Asset SPV Bank Accounts and the Issuer Bank Accounts may be invested in Permitted Investments at the discretion of the Asset SPV Cash Manager or the Issuer Cash Manager (as applicable) through either the Asset SPV Securities Account or the Issuer Securities Account (as applicable). The investments must have appropriate ratings depending on the term of the investment and the term of the investment instrument. However, it may be that, irrespective of any such rating, such investments will be irrecoverable due to the insolvency of the debtor under the investment or of a financial institution involved, or due to the loss of an investment amount during the transfer thereof. Additionally, the return on investments may not be sufficient to cover fully interest payment obligations due from the investing entity on the funding used to purchase such investment. In this case, the Issuer may not be able to meet all of its payment obligations. None of the Servicer, the Arranger, the Note Trustee, the Collateral Trustee and/or any other party will be responsible for any such loss or shortfall.

### 3.11 **Risk of comingling and delayed payment by Servicer**

Cardholders initially make payments in respect of the Designated Accounts into a Card Operating Account. Such Collections are then transferred from the Card Operating Account to the Collection Account within two Business Days following the Processing Date for such Collections.

For the limited time that Collections are held in a Card Operating Account, they may be comingled with other funds of the Originator and they may be untraceable. Consequently, if the Originator were to become insolvent and if the Originator, or a liquidator or an administrator of the Originator attempted to freeze the operation of the operating account pending completion of any rights of tracing there may be a delay in the transfer of Collections to the Collateral Trustee. This could ultimately



cause a delay or reduction in the payments on the Notes. However, the risks associated with commingling are mitigated by the fact that the Servicer procures that all Collections in respect of the Securitised Portfolio are paid by the Cardholders and any other relevant third party directly into a Card Operating Account or after the occurrence of a Notification Trigger to a Substitute Card Operating Account in the name of the Asset SPV.

### 3.12 Risk of change of Servicer

Credit Suisse as Servicer has agreed to provide certain services in respect of the Receivables under the Servicing Agreement and as at the Closing Date has delegated part (or all) of its service obligations to Swisscard but there can be no assurance that this arrangement will be in place for the life of the Notes. As of the Closing Date, there are no concrete plans that Credit Suisse will cease to act as Servicer. However, it cannot be excluded that ultimately Swisscard may enter into an agreement substantially on the same terms as the Servicing Agreement and assume the role of Servicer in its own right provided that, *inter alia*, the Asset SPV has received Ratings Confirmations that its then existing rating of the outstanding Related Debt will not be adversely impacted as a result. Prospective investors should be aware that disruptions in the servicing of the Securitised Portfolio which may be caused by the failure of the Servicer or any delegate to carry out its services or the transfer of functions from Credit Suisse to Swisscard could lead to a loss on the Notes and/or early redemption of the Notes.

Furthermore, pursuant to the Servicing Agreement, the Servicer has an option to resign its appointment at any time and following the occurrence of a Servicer Termination Event, the Asset SPV may terminate the appointment of the Servicer unless Issuer Certificateholders instruct the Asset SPV to waive such Servicer Termination Event.

There is no assurance that a Successor Servicer providing servicing at the same level as Credit Suisse and/or Swisscard (as applicable) can be appointed in the specified time frame. The Collateral Trustee will not, in any circumstances, be under any obligation to assume any of the Servicer's obligations. Any potential Successor Servicer may not have the capacity to adequately perform the duties required of a Successor Servicer or may not be willing to perform those duties for the amount of the Servicing Fee currently payable under the Servicing Agreement. Consequently, there may be losses or delays in processing payments or losses on the Receivables due to a disruption in servicing during a transfer to the Successor Servicer, or due to the Successor Servicer being less experienced than Credit Suisse and/or Swisscard (as applicable). Any such delay or losses may have an adverse effect on the Issuer's ability to make payments on the Notes. In addition, no assurance can be given that a Successor Servicer will not charge fees in excess of the fees to be paid to the Servicer if the Servicing Fee is not sufficient to cover its actual cost and expenses of servicing the Receivable. The payment of fees to the Successor Servicer will rank in priority to amounts paid to Noteholders in accordance with the relevant Priority of Payments and any increase in the level of fees paid to the Successor Servicer would reduce the amounts available to the Issuer to make payments in respect of the Notes.

### 3.13 Termination of mandate and agency relationships

Under Swiss statutory law, any appointment of an agent or of an attorney-in-fact is considered to be a personal mandate which can be terminated at any time with immediate effect by either the appointer or the agent, regardless of the terms of the agreement appointing such agent. The Issuer has appointed an agent under each of the Issuer Cash Management Agreement, the Issuer Account Bank Agreement, the Issuer Corporate Services Agreement, and the Security Trust Deed, and the Asset SPV has appointed an agent under each of the Collateral Certificate Trust Deed, the Asset SPV Account Bank Agreement, the Asset SPV Corporate Services Agreement, and the Servicing Agreement. Although each of these Transaction Documents purports to restrict the ability of each party to resign from its respective appointments, these restrictions may not be enforceable in a Swiss court. As a result, any party to the relevant agreements has the power to terminate such agreements at will. There can be no assurance that the Issuer or the Asset SPV (as applicable) will be able to enter into replacement agreements which may affect payments under the Notes. Moreover, in case of insolvency, any mandate agreement or power of attorney entered into or granted by the insolvent party is automatically deemed terminated or revoked with the declaration of insolvency. However, certain obligations that are, by law or specific provision in the respective agreement, intended to remain in force even upon termination of the relevant agreement, would not be affected by such termination.

### 3.14 **Disruptions in network systems**

The transaction authorisation, clearing and settlement systems for the Accounts that are utilised by the Originators may experience service interruptions as a result of fire, natural disasters, power loss, disruptions in long distance or local telecommunications access, fraud, terrorism or accident. Additionally, the Originators rely on third-party service providers for the timely transmission of information across its global network. If a service provider fails to provide the required communications capacity or services, as a result of natural disaster, operational disruption, terrorism or any other reason, the failure could interrupt services, adversely affect the perception of the Originators reliability and adversely impact the ability to generate new receivables, the level of Receivables held by the Asset SPV, and the level of collections of such Receivables, which, in each case, could adversely affect payment on the Notes.

### 3.15 **Risks relating to CS Group and Credit Suisse**

CS Group and Credit Suisse are exposed to a variety of risks that could adversely affect their results of operations and financial condition as more fully described in “*I—Information on the Company—Risk Factors*” of the Credit Suisse Annual Report 2015.

### 3.16 **Ongoing legal proceedings**

Credit Suisse, CS Group and the group companies of which CS Group is the parent are involved in a number of judicial, regulatory and arbitration proceedings concerning matters arising in connection with the conduct of their businesses. Some of these proceedings have been brought on behalf of various classes of claimants and seek damages of material and/or indeterminable amounts. Based on currently available information and advice of counsel, and after taking into account litigation provisions, Credit Suisse believes that the results of such proceedings, in the aggregate, will not have a material adverse effect on its financial condition. However, in light of the uncertainties involved in such proceedings, the ultimate resolution of such proceedings including those proceedings brought by regulators or other Governmental Authorities may exceed current litigation provisions and any excess may be material to operating results for any particular period, depending, in part, upon the operating results for such period. For further information regarding current legal proceedings relating to Credit Suisse and CS Group, please see page 55 of the Credit Suisse Annual Report 2015, “*Note 39—Litigation*” in “*V—Consolidated Financial Statements—Credit Suisse Group*” of the Credit Suisse Annual Report 2015.

There have not been any material governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) involving Swisscard during the 12 months before the date of this Prospectus which may have, or have had in the recent past, significant effects on Swisscard’s financial position or profitability.

## 4. **Legal and other considerations**

### 4.1 **Transaction Structure**

Although the Transaction structure is based on other European or U.S. securitisations backed by credit card receivables, it has been implemented in Switzerland in a limited number of transactions. Consequently, the structure for the Transaction relies on a number of legal concepts which have not been tested in the Swiss courts. The Issuer has received legal advice as to the effectiveness and legal enforceability of, amongst other things, the provisions of the Receivables Sale and Purchase Agreement but the judicial precedents, legal authorities and other considerations underlying such advice are subject to change (see further “*—Change of law*”). In addition, the relevant advice was based on customary assumptions including, in relation to the compliance of the Transaction Parties with relevant representations, warranties and undertakings, the validity and enforceability of the agreements pursuant to which the Receivables transferred or to be transferred were or may be originated, and to the arm’s length nature of the transactions entered into by the parties of the Transaction Documents and their related intentions. Consequently there can be no certainty that a court, a regulatory authority or an insolvency administrator or liquidator would rule in the same manner as contemplated in the legal advice received by the Issuer. Any decision deviating from the advice received may adversely affect the rights and obligations of the Noteholders and even the viability of the transaction structure.

Without limitation to the generality of the foregoing, relevant decisions could compromise the insolvency remoteness of the Issuer and the Asset SPV subject to the special restructuring and insolvency regime for banks and other relevant entities (see “*CERTAIN MATTERS OF SWISS LAW*”) which could adversely affect the claims of the Noteholders as well as the liquidation of the Receivables for the benefit of the Noteholders and the distribution of the proceeds thereof in accordance with the applicable Priority of Payments. Further, relevant decisions could also result in the transfer of Receivables to the Asset SPV not being recognised or in preventing or limiting the liquidation or enforcement of Receivables, all of which could leave the Noteholders with economically unsecured claims against the Issuer.

#### 4.2 **Bondholder Resolutions**

The Bondholder Provisions set out rules on bondholders’ meetings and decisions, including unanimous and majority decisions, through which the terms and conditions of the Notes could be altered or amended, as well as on appointment, removal and the role of a “noteholder representative”. Since certain decisions have to be taken by a majority, a Noteholder can be outvoted by other Noteholders and may no longer benefit from its individual right to vote on and pursue certain matters delegated to the Note Trustee in its capacity as a noteholder representative for the purposes of the Bondholder Provisions. Other decisions outside the scope of those matters contemplated by Article 1170 CO and Article 1181 CO will require the consent of all Noteholders, which may be difficult or impractical to achieve.

For the purposes of the Bondholder Provisions (i) each Class of Notes is treated as a separate bond and (ii) the Class A Noteholders, the Class B Noteholders and the Class C Noteholders each form a separate community of bondholders (*Gläubigergemeinschaft*). The Bondholder Provisions do not explicitly address tranching of bonds other than article 1171 which provides that the Issuer may propose one or more of the matters described in Article 1170 CO (see “*CERTAIN MATTERS OF SWISS LAW—Swiss Law Bondholder provisions*”) to the different communities of Noteholders simultaneously. In the event of several classes of Notes, proposals on the matters described in Article 1170 CO are only deemed accepted where (i) the consent of persons representing at least two-thirds of the aggregate principal amount outstanding of all such communities of bondholders combined is obtained, (ii) they are (at the same time) accepted by a majority of the communities of Noteholders (with the Requisite Percentage) and (iii) within each community of bondholders, they are accepted by at least a simple majority of the aggregate principal amount outstanding of bonds.

#### 4.3 **Originators compliance with applicable law**

The Originators are engaged in businesses which are highly regulated. If an Originator were to fail to comply with any applicable law, it may be subject to a range of adverse consequences, including the loss of relevant licenses, fines, the payment of damages, or otherwise become unable to conduct its businesses which could jeopardise the existence of Receivables or the existence of sufficient Receivables to permit the Asset SPV to receive sufficient funds to enable it to meet its obligations to make payments under Issuer Certificate No. 5 and thus affect the payment of interest and principal by the Issuer on the Notes.

#### 4.4 **Change of law**

The structure of the Transaction and the ratings of the Notes are based on English law and Swiss law in effect as at the date of this Prospectus. The transactions described in this Prospectus (including the issuance of the Notes) and the ratings which are to be assigned to the Notes are based on the relevant law and administrative practice in effect as at the date hereof, and having regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any possible change to the law in any country (including any change in regulation which may occur without a change in primary legislation), administrative practice or tax treatment after the date of this Prospectus nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Notes.

#### 4.5 **Swiss Consumer Credit Act**

The Swiss Consumer Credit Act (“CCA”) may apply to the credit card agreements entered into with private non-commercial customers, at least to the extent Cardholders have made use of their Credit

Option embedded in the relevant Credit Card Agreement (See “*CERTAIN MATTERS OF SWISS LAW—Application of CCA*”).

There is an increasing volume of legislation that is applicable to consumer credit in Switzerland. The CCA and related legislation apply, in whole or in part, to the transactions occurring on the Designated Accounts and to the relevant standard credit card agreement, which may result in adverse consequences for Noteholders’ investment in the Notes because of possible unenforceability of all or part of an agreement, remedies for the imposition of an unfair relationship or possible liabilities for misrepresentation or breach of contract. Furthermore, under the CCA, it is in the sole discretion of the Swiss Federal Council to fix the maximum interest rate permitted in credit card agreements entered into with private non-commercial customers.

The Swiss Federal Council has announced that with effect from 1 July 2016 the maximum effective annual interest rate that may be charged on (i) overdraft facilities on current accounts and (ii) on credit cards with a credit option (such as the Accounts) will be lowered to 12% to the extent such credit relationship are governed by the CCA and to 10% on other general consumer credit products governed by the CCA (see “*RISK FACTORS —Deferral of interest payments on the Notes*”).

The drafting requirements which relate to consumer credit agreements are prescriptive and intricate. It may be that some Credit Card Agreements do not comply in all respects with CCA or other related legislation. This may give rise to certain enforceability issues under CCA.

Further, under applicable CCA rules, the Originators as lenders are obliged to check whether the customer has the financial capacity to enter into a Credit Card Agreement before such contract is concluded (*Kreditfähigkeitsprüfung*). On the basis of suggested legislation (which has been approved by Swiss parliament and is expected to enter into force in due course), even more detailed information will have to be requested by the Originators as lenders from the customer going forward. Lack of compliance may lead to enforceability issues of any relevant Credit Card Agreements.

As an additional example, with effect from 1 January 2016, the CCA has been amended, *inter alia*, to prohibit “aggressive advertising” for consumer credits and ban advertising “specifically directed at teenagers and young adults”. Swisscard does not expect this to materially impact its business because Swisscard generally conducts very limited advertising activities and in particular, does not focus on teenagers and young adults.

#### 4.6 Set-off

If a Cardholder has a claim against the Originator, the Asset SPV may not receive sufficient Collections on a timely basis to permit it to meet its obligation to pay income distributions and principal repayments under Notes which may lead to an Event of Default and the early redemption of all of the Notes. The Minimum Originator Invested Amount has been sized to mitigate this risk.

General Swiss law rules applicable to the assignment of receivables provide that a Cardholder will be able to satisfy its payment obligations towards an assignor until notified of the transfer to a permitted assignee.

In the absence of a valid waiver of set-off, the debtors may remain entitled to set off any such amounts against cash deposits held by the Originators and any other monetary claims by the debtors against the Originators, and any such set-off will be considered a good discharge of the debtor’s obligations to make payments under the relevant Credit Card Agreement. Under Swiss law, set-off issues are normally addressed through the notification of debtors upon completion of the transfer or subject to certain conditions at a later stage (*e.g.*, trigger events). Notification of the relevant debtors would among other things, extinguish the set-off defence other than in the case where a counterclaim (a) exists at the time of notification and (b) does not become due later than the payment date of the related assigned receivable / payment obligation intended to be set off

However, there is a substantial risk that under CCA (to the extent applicable) a notification to the Cardholders might not fully mitigate any set-off risk. It should be noted that:

- (a) the vast majority of the Receivables should not be affected on the basis that the Cardholder does not make use of the Credit Option (this argument is supported by the leading commentary on CCA but there are dissenting opinions from other scholars);

- (b) Article 19 of CCA should be read to only apply to defences stemming from the credit card agreement itself and not from any other contractual relationship such as a bank account with the Originator. Again, this view is supported by the text of the law and the leading commentary on CCA (but there are dissenting opinions from other Swiss scholars). Accordingly, once notified Cardholders should no longer be able to set off payment with a counterclaim that does not arise under the credit card agreement; and
- (c) a waiver of set-off concluded with the Originator as a general waiver of set-off in the underlying documentation should be valid as the explicit wording of Article 19 CCA does not prohibit a general waiver of set-off with the Originator (which wants to keep the debtor (*i.e.*, the Cardholder) in the same legal position as without any assignment). It is anticipated that waiver of set-off with the assignor would be generally enforceable under Swiss law, especially with respect to counterclaims outside the scope of CCA.

Since the Business Transfer Effective Date, set-off risk has been substantially mitigated or (with respect to Credit Suisse) substantially excluded as a consequence of the transfer to and origination by Swisscard of the Receivables. This is because Cardholders are unlikely to have counter-claims against Swisscard (as opposed to Credit Suisse) due to the fact that Swisscard is not a deposit taking institution and the focused scope of its core business. In addition, the Minimum Originator Invested Amount has been sized to cover the amount of any potential set-off risk. However, in the unlikely event that the amount of claims which are set-off by Cardholders is significantly higher than the Minimum Originator Invested Amount, the Asset SPV may have a net claim against the respective Selling Originator, which would expose the Asset SPV to the credit risk of the respective Selling Originator.

#### 4.7 **Banking secrecy and data protection laws**

Prior to the Business Transfer Effective Date, the customer data under the Credit Card Agreements relating to the Accounts held by Credit Suisse was arguably subject to BA requirements with respect to bank secrecy, given that Credit Suisse is an institution which falls within the scope of the BA regime. However, following the Business Transfer Effective Date, the BA requirements have ceased to apply as the Securitised Assets (and in particular, the Credit Card Agreements) are no longer held by Credit Suisse but rather by Swisscard which is generally not subject to the BA regime.

The BA prohibits, *inter alia*, the transfer of customer data to third parties in the absence of the customer's express consent or other waiver of its right to confidentiality. Whilst the Credit Card Agreements contain waiver and consent clauses, the validity and enforceability of those provisions remain subject to the application of specific requirements by the Swiss courts on a case-by-case basis and there is a trend to apply such requirements more strictly. In particular, if the courts determine that a provision included in the general terms and conditions of an agreement is unusual or of unbalanced nature, such provision can be deemed to be outside the scope of a contractual consensus and, thus, invalid. Also, pursuant to an amendment to the Swiss Federal Act on Unfair Competition which entered into force as of 1 July 2012 (see "*RISK FACTORS — Unfair Competition Act*"), a provision contained in a standard form of agreement may be declared invalid if a court finds that the provision creates, in violation of the principle of good faith, a material and unjustified disproportion between the contractual rights and obligations to the detriment of consumers.

Whilst the BA regime in relation to banking secrecy should no longer be relevant for the Transaction, the collection of personal data by Swisscard is still subject to general data protection considerations. Despite their similarities, the predominant view is that banking secrecy and data protection should be treated as two separate bodies of law which need to be analysed separately even if the analysis may lead to the same result (*i.e.*, the inclusion of identical waiver or consent provisions in the credit card agreements).

Under the DPA, the collection of personal data and, in particular, the purpose of its processing must be evident to the data subject at the time the processor has collected the data. The transfer and assignment of the Receivables to the Asset SPV and the designation of Accounts and the taking of Security entails the transfer of private customer data that would be characterised as personal data under the DPA. The terms and conditions of the Credit Card Agreements include express waiver language to enable the transfer of data from Swisscard to a third party in connection with a securitisation.

#### 4.8 Unfair Competition Act

Pursuant to an amendment to the Swiss Federal Act on Unfair Competition (the “**Unfair Competition Act**”), which entered into force on 1 April 2012, a contractual provision that creates a material and unjustified disproportion between the rights and obligations of the parties in a way that violates the principle of good faith would not be valid. The revised Unfair Competition Act increases the risk that certain provisions of a Credit Card Agreement may be deemed to be unenforceable or void either on a case-by-case basis or more generally.

Under an amendment to the Unfair Competition Act relating to Article 8 (*Unfair provisions in standard forms of agreements with consumers*) which entered into force on 1 July 2012, any provisions contained in standard forms of agreements with consumers, such as the Credit Card Agreements, may not be valid if such provision is deemed to create a material and unjustified disproportion between the contractual rights and obligations of the parties in violation of the principle of good faith. There is uncertainty how this new provision will be interpreted by the Swiss courts in practice, Swiss legal doctrine is divided and many varying opinions are being expressed currently. To date, no court challenge that would have an impact on any Credit Card Agreement has been launched, but there can be no assurance that any amendment of the Unfair Competition Act will not potentially render certain provisions contained in the Credit Card Agreements invalid.

#### 4.9 Antitrust law issues in the Swiss credit card market

The Swiss credit card business has been subject to various antitrust investigations by the Swiss Competition Commission (*Wettbewerbskommission*; “**WEKO**”). As in many other credit card markets, interchange has been already regulated by the authorities for the MasterCard® and VISA® schemes. In 2006, the WEKO held that collective negotiation of the domestic interchange fee (“**DMIF**”) between various credit card issuers and the acquirers of the license (usually a bank) would constitute a horizontal agreement in restraint of competition which, however, might be justified for reasons of economic efficiency. Credit card issuers and the acquirers have entered into a settlement agreement with the WEKO defining a cost-based method to calculate the DMIF in the future (*i.e.*, solely considering network costs). As network cost calculation has undergone certain changes since then, the WEKO opened a new investigation in 2009. Credit card issuers and acquirers entered into a revised settlement agreement on DMIF calculation in December 2009 as an interim measure during the investigation. WEKO has accepted the concept of multilateral interchange under the condition that Swiss issuers follow a procedure to steer average domestic interchange fee towards a target value determined by a mutually agreed, cost based model. An agreement stipulating details of the model and related governance was signed by Swiss issuers and WEKO in September 2014 and will be effective until at least 31 July 2019. However, the DMIF calculation is not likely to have a significant influence on the Receivables.

In another investigation concluded in 2006, the WEKO held that the so-called non discrimination rule (“**NDR**”) agreed on between the acquirers and merchants accepting credit cards is contrary to Swiss antitrust law. The NDR has thus been abandoned and in September 2014, the WEKO lifted the ban on the NDR.

#### 4.10 Implications of the Notes being held by an EEA Credit Institution

##### *Risk retention requirements*

Prospective investors should be aware of the risk retention and due diligence requirements in Europe (“**EU Risk Retention and Due Diligence Requirements**”) which currently apply, or are expected to apply in the future, in respect of various types of EU regulated investors including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings and UCITS funds. Amongst other things, such requirements restrict an investor who is subject to the EU Risk Retention and Due Diligence Requirements from investing in securitisations unless: (i) the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed that it will retain, on an on-going basis, a net economic interest of not less than five per cent. in respect of certain specified credit risk tranches or securitised exposures; and (ii) such investor is able to demonstrate that it has undertaken certain due diligence in respect of various matters including but not limited to its note position, the underlying assets and (in the case of certain types of investor) the relevant sponsor or originator. Failure to comply with one or more of the requirements

may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a punitive capital charge on the Notes acquired by the relevant prospective investor.

Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear. Though some aspects of the detail and effect of all of these requirements remain unclear, these requirements and any other changes to the regulation or regulatory treatment of securitisations or of the Notes for prospective investors may negatively impact the regulatory position of individual holders. In addition such regulations could have a negative impact on the price and liquidity of the Notes in the secondary market.

Each prospective investor should consult with its own legal, accounting, regulatory and other advisors and/or its regulator to determine whether, and to what extent, the information set out in this Prospectus is sufficient for the purpose of satisfying such requirements. Prospective investors are required to independently assess and determine the sufficiency of such information. None of the Parties to the Transaction, their respective Affiliates or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose or that the structure of the Notes and the transactions described herein are compliant with the EU Risk Retention and Due Diligence Requirements or any other applicable legal regulatory or other requirements and no such person shall have any liability to any prospective investor or any other person with respect to any deficiency in such information or any failure of the transactions contemplated hereby to comply with or otherwise satisfy such requirements. If a regulator determines that the transaction did not comply or is no longer in compliance with the EU Risk Retention and Due Diligence Requirements or any applicable legal, regulatory or other requirement, then investors may be required by their regulator to set aside additional capital against their investment in the Notes or take other remedial measures in respect of their investment in the Notes. In addition, such regulations could have a negative impact on the price and liquidity of the Notes in the secondary market.

Prospective investors should note that the EBA published a report on 22 December 2014 (the “**EBA Report**”). In the EBA Report, the EBA suggested, amongst other things, that the definition of “originator” should be narrowed in order to avoid potential abuses. Following the EBA Report, on 30 September 2015, the European Commission published a proposed regulation relating to a European framework for simple, transparent and standardised securitisation (such proposed regulation, including any implementing regulation, technical standards and official guidelines related thereto (the “**Securitisation Regulation**”) which would, amongst other things, re-cast the EU risk retention rules as part of wider changes to establish a “Capital Markets Union” in Europe. The current Presidency of the Council of Ministers of the European Union has also published compromise proposals concerning the Securitisation Regulation. The Securitisation Regulation will need to be considered, finalised and adopted by the European Parliament and Council of Ministers. It is unclear at this time when the Securitisation Regulation will become effective. Investors should be aware that there are material differences between the current EU Risk Retention and Due Diligence Requirements and the Securitisation Regulation. The Securitisation Regulation may also enter force in a form that differs from the published proposals and drafts.

There can therefore be no assurances as to whether the transactions described herein will be affected by a change in law or regulation relating to the EU Risk Retention and Due Diligence Requirements, including as a result of any changes recommended in future reports or reviews. Investors should therefore make themselves aware of the EU Risk Retention and Due Diligence Requirements, the proposed Securitisation Regulation (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other regulatory requirements that are (or may become) applicable to them with respect to their investment in the Notes.

#### *CRA Regulation in Europe*

Regulation of the European Parliament and of the European Council amending Regulation EC 1060/2009 on credit rating agencies (“**CRA3**”) came into force on the 20 June 2013 (the “**CRA3 Effective Date**”). Article 8(b) of CRA3 requires issuers, sponsors and originators of structured finance instruments such as the Notes to make detailed disclosures of information relating to those structured finance instruments. Such disclosures will need to be made via a website to be set up by the European Securities and Markets Authority (“**ESMA**”). As yet, this website has not been set up so issuers, originators and sponsors cannot currently comply with Article 8(b). The European Commission has

approved regulatory technical standards which were published in the Official Journal of the European Union on 30 September 2014, detailing the scope and nature of the required disclosure. The reporting requirements will generally become effective on 1 January 2017. In their current form, the regulatory technical standards apply to structured finance instruments for which a reporting template has been specified. If a website for disclosure for transactions similar to the Transaction were to be set up by ESMA, on and after the application date of the disclosure obligations, the Issuer may incur additional costs and expenses to comply with such disclosure obligations. Such costs and expenses would be payable by the Issuer as Senior Costs. In accordance with the current draft of the Securitisation Regulation, it is intended that Article 8(b) of CRA3 will be repealed, and that disclosure requirements will be governed thereafter by the Securitisation Regulation. However, it is uncertain at this time if the Securitisation Regulation will be adopted in its current form.

Additionally, Article 8(c) of CRA3 has introduced a requirement that issuers or related third parties of structured finance instruments obtain two independent ratings for their obligations; and pursuant to Article 8(d) of CRA3 should consider appointing at least one rating agency having less than a 10 per cent. market share among agencies capable of rating that instrument. The Issuer intends to have two rating agencies appointed, but does not make any representation as to market share of either agency, and any consequences for the Issuer, related third parties or investors if an agency does not have a market share of less than 10 per cent. Investors should consult their legal advisors as to the applicability of CRA3 and any consequence of non-compliance in respect of their investment in the Notes.

#### *Volcker Rule*

Section 619 of the Dodd-Frank Act (the “**Volcker Rule**”) prevents “banking entities” (a term which includes affiliates of a U.S. banking organisation as well as affiliates of a foreign banking organisation that has a branch or agency office in the U.S. regardless where such affiliates are located) from (i) engaging in proprietary trading in financial instruments, or (ii) acquiring or retaining any “ownership interest” in, or in sponsoring a “covered fund”, subject to certain exemptions.

An “ownership interest” is defined widely and may arise through a holder's exposure to the profit and losses of the covered fund, as well as through any right of the holder to participate in the selection or removal of an investment advisor manager, or general partner, trustee or member of the board of directors of the covered fund. A “covered fund” is defined widely, and includes any issuer which would be an investment company under the Investment Company Act 1940 (the “**ICA**”) but is exempt from registration solely in reliance on section 3(c)(1) or 3(c)(7) of that Act, subject to certain exemptions found in the Volcker Rule's implementing regulations.

If the Issuer is deemed to be a covered fund, then in the absence of regulatory relief, the provisions of the Volcker Rule and its related regulatory provisions, will severely limit the ability of U.S. banking institutions and non-U.S. affiliates of “banking entities” to hold an ownership interest in the Issuer or enter financial transactions with the Issuer. Any entity that is a “banking entity” as defined under the Volcker Rule and is considering an investment in the Notes should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment. If investment by banking entities in the Notes of any Class is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Notes. No assurance can be made as to the effect of the Volcker Rule on the ability of certain investors subject thereto to acquire or retain an interest in the Notes. Each prospective investor in the Notes is required to independently consider the potential impact of the Volcker Rule in respect of any investment in the Notes.

## **5. Tax considerations**

The following discussion of certain tax considerations is generic and of a general nature only. It does not address each and every potential tax consequence or implication of an investment in the Notes. This summary is based on Swiss laws, regulations, published practices, rulings and decisions as published and effective as of the date of this Prospectus.

### **5.1 No gross-up for taxes**

Should any withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatsoever nature be imposed, levied, collected, withheld or assessed by any



government or state with authority to tax or any political subdivision or any authority thereof or therein having power to tax be required to be made from any payment in respect of the Notes, neither the Issuer nor the Principal Paying Agent nor any other person would pursuant to the Conditions be obliged to pay additional amounts with respect to any Note to compensate Noteholders for the reduction in the amounts that they will receive as a result of such withholding or deduction.

## 5.2 **Swiss Federal Withholding Tax (*Verrechnungssteuer*)**

Payments of interest (be it periodic, as original issue discount or premium upon redemption, if any) in respect of the Notes by the Issuer will be subject to Swiss Federal Withholding Tax (*Verrechnungssteuer*) currently at the rate of 35 per cent. and the Issuer will be required to withhold such tax at such rate from any payments of interest under the Notes.

## 5.3 **Swiss Final Foreign Withholding Tax (*internationale Quellensteuer*)**

Treaties entered into by Switzerland with the United Kingdom and Austria (each a “**Contracting State**”) regarding final withholding taxes require a Swiss paying agent, as defined in the treaties, to levy a flat-rate final withholding tax (*internationale Quellensteuer*) at rates specified in the treaties on certain capital gains and income items (interest, dividends, other income items, all as defined in the treaties) deriving from assets held in accounts or deposits with a Swiss paying agent by: (i) an individual being tax resident of a Contracting State; or (ii) if certain requirements are met, by a domiciliary company (*Sitzgesellschaft*), an insurance company in connection with a so called insurance wrapper (*Lebensversicherungsmantel*) or other individuals if the beneficial owner is an individual resident of a Contracting State. According to the treaties, the flat-rate tax to be withheld substitutes the ordinary income tax on the respective capital gains and income items in the Contracting State where the individual is tax resident. In order to avoid such flat-rate tax being withheld by the Swiss paying agent, such individuals may opt for a disclosure of the respective capital gains and income items to the tax authorities of the Contracting State where they are tax residents.

If a flat-rate final withholding tax were to be deducted or withheld from a payment of interest or capital gain relating to a Note, neither the Issuer nor the Principal Paying Agent nor any other person would pursuant to the Conditions be obliged to pay additional amounts with respect to any Note as a result of the deduction or imposition of such final withholding or any other tax to compensate Noteholders for the reduction in the amounts that they will receive.

## 5.4 **Swiss Federal Securities Transfer Stamp Duty**

The Issuance of the Notes on the issue date (primary market transaction) will not be subject to the Swiss federal securities transfer stamp tax (*Umsatzabgabe*). However, the subsequent transfer of title (secondary market transaction) for consideration of the Notes may be subject to the Swiss federal securities transfer stamp duty at the current rate of 0.15 per cent. if a Swiss securities dealer is a party or agent/intermediary to such transfer and no specific exemption applies. In addition to the Swiss federal securities transfer stamp duty, the sale of Notes by or through a member of the SIX Swiss Exchange may be subject to a stock exchange levy.

## 5.5 **Swiss VAT**

Since the First Issue Date, all Receivables arising under the Designated Accounts have been and, other than VAT Loaded Receivables, will continue to be sold by the applicable Selling Originator to the Asset SPV. The Swiss VAT amount to be reported and paid by the Originator may be accelerated if a VAT Loaded Receivable (such as certain membership reward enrolment fees that carry and include a Swiss VAT amount) has not been invoiced to the relevant Cardholder prior to the effective date of its transfer and assignment to the Asset SPV, and a secondary joint liability may arise for the Asset SPV in respect of such unpaid Swiss VAT Amount. The Originator and the Servicer originally estimated that the potential aggregate amount of VAT Loaded Receivables forming part of the Securitised Portfolio and the Swiss VAT amount relating to such VAT Loaded Receivables was less than CHF 500,000 and, applying the current Swiss VAT rate of 8.0 per cent., less than CHF 40,000, respectively over the legal term of the Notes. Since April 2013, no VAT Loaded Receivables have been sold to the Asset SPV and it can be expected that the amounts mentioned above are substantially lower as of today. Furthermore, as a consequence of an amendment made to the Receivables Sale and Purchase Agreement (effective as

of 24 April 2015), Originators are no longer permitted to sell and transfer any VAT Loaded Receivables to the Asset SPV under the Transaction Documents at all.

## 5.6 Exchange of Information

On 27 May 2015, Switzerland and the European Union signed an agreement regarding the introduction of the global standard for the automatic exchange of information in tax matters (the “**AEOI**”), Switzerland and the Member States intend to collect account data from 2017 and exchange it from 2018 once the necessary legal basis has been created.

Apart from the agreement concluded with the European Union, Switzerland has already signed joint declarations on the introduction of the AEOI in tax matters on a reciprocal basis with Australia, the British crown dependencies of Jersey, Guernsey and the Isle of Man, Iceland, Norway, Japan, Canada and South Korea. Switzerland and these countries intend to start collecting data in accordance with the global AEOI standard in 2017 and to start transmitting data in 2018, after the necessary legal basis has been created. The Swiss Federal Council has authorized the Swiss Federal Department of Finance to initiate a consultation on introducing the AEOI in tax matters with other countries.

As part of its commitment to improve transparency, Switzerland signed the OECD / Council of Europe Convention on Mutual Administrative Assistance in Tax Matters (the “**Convention**”) in 2013, which provides three forms of information exchange: (i) upon request, (ii) automatic and (iii) spontaneous. In January 2015, the Swiss Federal Council initiated a decree allowing ratification of the Convention and the amendment of the Swiss law on administrative assistance to introduce spontaneous exchange of information into Swiss law. A draft decree was submitted to the Swiss Parliament for approval in June 2015 and the relevant bills were passed in the final vote in December 2015. As it stands today, the Swiss law on administrative assistance to introduce spontaneous exchange of information into Swiss law is likely to become effective in 2017. First spontaneous exchanges of information are expected to happen as from 1 January 2018 and relating to the tax period 2017.

## 5.7 EU Savings Directive

Under Council Directive 2003/48/EC of 3 June 2003 (as amended by Council Directive 2014/48/EU adopted by the European Council on 24 March 2014) on the taxation of savings income (the “**EU Savings Directive**”), Member States have been required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State.

However, for a transitional period, Luxembourg and Austria have instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). Luxembourg has abolished the withholding system with effect from 1 January 2015, in favour of automatic information exchange under the EU Savings Directive.

However, in order to prevent overlap between the EU Savings Directive and provisions relating to a common reporting standard framework (being the Standard for Automatic Exchange of Financial Account Information in Tax Matters published on 21 July 2014 by the OECD and Council Directive 2014/107/EU on Administrative Co-operation in the Field of Taxation), the Council of the European Union, on 10 November 2015, published a directive which repealed the EU Savings Directive from 1 January 2017 in the case of Austria, and from 1 January 2016 in the case of all other Member States. The repeal is subject to transitional provisions imposing on-going requirements to fulfil certain administrative obligations such as reporting and exchange of information relating to, or accounting for withholding taxes, on payments made before those dates.

The AEOI will replace the agreement between the European Union and Switzerland dated 26 October 2004 (the “**EU-Swiss Savings Tax Agreement**”) providing for measures equivalent to those set out in the EU Savings Directive that has been in force since 2005. Switzerland and the Member States intend to collect account data as from 2017 and exchange it as from 2018.

## 5.8 Financial Transaction Tax

The European Commission has published a proposal for a Directive for a common Financial Transaction Tax (“FTT”) in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (the “**Participating Member States**”). However, Estonia has since stated that it will not participate.

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Under current proposals, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, “established” in a participating member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and could be implemented in a form with more limited scope and/or become subject to legal challenge. While the proposal for a Council Directive identified the date of introduction of the FTT across the Participating Member States as being 1 January 2014, a subsequent joint statement by the finance ministers of the participating Member States (except for Slovenia) published on the 6 May 2014 identified the revised date of introduction of the FTT as being 1 January 2016 at the latest. The meeting of the European Union Economic and Financial Affairs Council on 7 November 2014 confirmed the aim among the Participating Member States of implementing the first phase of the FTT with effect from 1 January 2016.

However, a publication by the Luxembourg Presidency of the Council of the European Union (the “**Luxembourg Presidency**”) on 3 December 2015 set out the ‘state of play’ in relation to the FTT. In that publication, the Luxembourg Presidency concluded that further work was required on a number of open questions that constitute the ‘building blocks’ of the design of the FTT. A meeting of the European Finance Ministers on 8 December 2015 took note of a statement made by 10 of the Participating Member States (excluding Estonia) relating to the scope and timetable for introduction of the FTT. In that statement, the Participating Member States (excluding Estonia) announced agreement on a number of features of the FTT which had been considered in the publication by the Luxembourg Presidency on 3 December 2015, but indicated that a decision on the remaining open issues would only be made at some point before the end of June 2016. The anticipated implementation date for the FTT of 1 January 2016 was not met, with earliest implementation of the FTT looking to be a practical possibility only at some date after 30 June 2016.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT and its potential impact on their dealings in the Notes before investing.

## 5.9 Foreign Account Tax Compliance Act of the United States

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income, and on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into between the United States and Switzerland, the Issuer will not be subject to withholding under FATCA if each of the Issuer and the Asset SPV complies with Swiss legislation that is enacted to implement FATCA. Beginning no earlier than 1 January 2019, this legislation may require the Issuer to withhold on certain payments under the Notes to Noteholders that fail to provide required information to the Issuer or are “foreign financial institutions” that have not themselves entered into an agreement with the IRS or otherwise established an exemption from withholding under FATCA. Although the Issuer and the Asset SPV intend to comply with this legislation, there can be no assurance that they will be able to do so. Moreover, FATCA could be amended to require the Issuer to withhold on “passthru” payments to holders that fail to provide certain information to the Issuer or are certain “foreign financial institutions” that do not comply with FATCA.

## REGULATORY STATEMENTS

### 1. Retention Statement

Swisscard (in its capacity as Selling Originator as of the date of this Prospectus) undertakes to retain, on an on-going basis, a material net economic interest in the Transaction in an amount equal to at least 5 per cent. (or such higher percentage as may be required from time to time in accordance with the applicable Risk Retention Rules) of the nominal value of the Securitised Portfolio which interest shall be in the form of the Minimum Originator Invested Amount as permitted under option (b) of Article 405(1)(b) of the CRR and Article 51 of the AIFMR. In the event that an Additional Originator accedes to the Transaction following the Closing Date, the Asset SPV will procure that such person undertakes, if required by the applicable Risk Retention Rules, to retain the required material net economic interest in the Transaction which interest will also be in the form of the Minimum Originator Invested Amount. The Minimum Originator Invested Amount will be evidenced by the Originator Certificate held by Swisscard and/or, if applicable, the Originator Certificate held by any Additional Originator. Any change to the manner in which this interest is held will be notified to the Noteholders.

### 2. Investors to assess compliance

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with the CRR and none of the Issuer, the Arranger, the Joint Lead Managers or the Transaction Parties make any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes. In addition, each prospective Noteholder should ensure that they comply with the implementing provisions in respect of the CRR in their relevant jurisdiction. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator. For further information please refer to the Risk Factor entitled "Impact of regulatory initiatives on certain investors"

### 3. CRA Regulations

The credit ratings included or referred to in this Prospectus have been issued by the Rating Agencies, each of which has been registered or certified in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EC) No 513/2011 of the European Parliament and of the Council of 11 May 2011 on credit rating agencies (the "**Credit Rating Agencies Regulation**").

## THE RECEIVABLES AND THE RECEIVABLES SALE AND PURCHASE AGREEMENT

### 1. The Originators

As of the Business Transfer Effective Date, Swisscard acquired from Credit Suisse all Accounts relating to the Total Portfolio and since that date, holds legal and beneficial title to all of the Accounts comprising the Total Portfolio. Also, as of the Business Transfer Effective Date, Swisscard began originating Accounts and became a Selling Originator and Credit Suisse ceased to be a Selling Originator and, accordingly, since that date, does not issue credit cards.

It is further contemplated that Credit Suisse will cease to be an Originator on the Closing Date. The Receivables Sale and Purchase Agreement and any other relevant Transaction Documents will be amended so that Credit Suisse will cease to be a party to it as Originator. Such amendment shall take effect on the Closing Date chronologically prior to the issuance of the Notes and the closing of the Transaction.

### 2. Selling Originators

Although each of Credit Suisse and Swisscard originally entered into the Receivables Sale and Purchase Agreement as Originators, Credit Suisse has initially been the sole Selling Originator under the Receivables Sale and Purchase Agreement. As of the Business Transfer Effective Date, Swisscard became a Selling Originator and Credit Suisse ceased to be a Selling Originator. Any Additional Originator that accedes to the Receivables Sale and Purchase Agreement (as described below) or any Originator that was a Selling Originator, but is no longer a Selling Originator as a consequence of its declaration towards the Asset SPV that it ceases to be a Selling Originator, is able to become a Selling Originator and sell Receivables to the Asset SPV, subject to certain conditions precedent being satisfied under the Transaction Documents, including, amongst others, the following:

- (a) the Asset SPV receives (i) a Solvency Certificate from such person and (ii) a Ratings Confirmation in respect of the proposed designation of such person as a Selling Originator;
- (b) the Asset SPV receives all of the documents and other evidence required pursuant to the Receivables Sale and Purchase Agreement in respect of such person (each in form and substance satisfactory to the Asset SPV);
- (c) such person agrees that it will co-operate fully to do all such further acts and things and execute or sign any further documents, instruments, notices or consents as may be necessary to become an Asset SPV Transaction Party; and
- (d) the Asset SPV delivers a certificate to the Collateral Trustee confirming that (i) in its reasonable opinion formed on the basis of due consideration, no Early Redemption Event is continuing or would occur as a result of such person selling Receivables to the Asset SPV and (ii) the conditions at (a) to (c) above have been satisfied.

### 3. Business Transfer

The credit card issuing business along with the credit card portfolio (including Credit Suisse's interest in the Securitised Portfolio) has been transferred from Credit Suisse to Swisscard effective as of the Business Transfer Effective Date under an asset deal (the "**Business Transfer**") pursuant to an asset transfer agreement (the "**Business Transfer Agreement**"). Accordingly, Swisscard is the legal counterparty of the Credit Card Agreements entered into with Cardholders.

Pursuant to the Business Transfer Agreement, Credit Card Agreements (including Credit Card Agreements related to Designated Accounts) have been transferred from Credit Suisse to Swisscard by way of transfer and assumption of contract (*Vertragsübertragung/Vertragsübernahme*). Consequently, from the Business Transfer Effective Date, all Receivables which were originated prior to that date by Credit Suisse under the Designated Accounts and sold to the Asset SPV under the Receivables Sale and Purchase Agreement are regarded as having been assigned to Swisscard and therefore as sold by Swisscard to the Asset SPV.

Receivables already sold to the Asset SPV prior to the Business Transfer Effective Date (i.e. Receivables generated under Designated Accounts pre completion of the Business Transfer) remained with the Asset SPV.

In addition, Credit Suisse, as of the BT Cut-off Time, transferred its economic interest under the Originator Certificate held by it in respect of its then-current Originator Invested Amount to Swisscard pursuant to the terms of the Collateral Certificate Trust Deed and the Business Transfer Agreement. As a consequence of such transfer, the Invested Amount of the Originator Certificate held by Credit Suisse has been reduced to zero and the Originator Invested Amount of the Originator Certificate held by Swisscard has been increased by the amount of Credit Suisse's Originator Invested Amount immediately prior to the completion of the Business Transfer; this economic shift in the amount of the relevant Originator Invested Amounts has been effected pursuant to the Business Transfer Agreement and recorded by the Registrar in the Collateral Certificate Register pursuant to the terms of the Collateral Certificate Trust Deed

Without any requirement for redesignation or additional designation, the Designated Accounts originally designated by Credit Suisse as Selling Originator prior to the Business Transfer Effective Date, shall be deemed and regarded as being designated by Swisscard as deemed Selling Originator.

Accordingly, for the purpose of giving full effect to the Business Transfer, Credit Suisse as Originator and Servicer, Swisscard as Originator and the Asset SPV as Asset SPV entered into a tripartite agreement effective as of the BT Cut-off Time (the “**Tripartite Agreement**”), whereby (*inter alia*):

- (a) it was noted and confirmed that all Designated Accounts (along with the entire Securitised Portfolio) as well as the underlying Credit Cards Agreement are transferred from Credit Suisse to Swisscard under the Business Transfer Agreement;
- (b) it was noted and confirmed that, notwithstanding that the relevant Originator for the purposes of determining whether Accounts and Receivables constitute Eligible Accounts and Eligible Receivables shall be deemed to be Swisscard following the Business Transfer, all existing Eligible Accounts and Eligible Receivables shall continue to constitute Eligible Accounts and Eligible Receivables as of the date of determination specified in the definitions of Eligible Account and Eligible Receivables (as applicable);
- (c) it was agreed that all such Designated Accounts shall no longer be treated as designated by Credit Suisse, but that each Designated Account shall be deemed having been designated by Swisscard; and
- (d) it was agreed that:
  - (i) the Asset SPV shall no longer have any recourse against Credit Suisse on the basis of misrepresentations in relation to Designated Accounts that have been designated by Credit Suisse and the underlying Transferred Receivables, but exclusively against Swisscard, which, upon consummation of the Business Transfer, is the holder of all Designated Accounts;
  - (ii) the Asset SPV shall no longer have any recourse against Credit Suisse for Designated Accounts (that have been designated by Credit Suisse) not being Eligible Accounts, but exclusively against Swisscard; and
  - (iii) the repurchase obligations that Credit Suisse has in respect of Transferred Receivables under Designated Accounts that have become Redesignated Accounts shall become exclusive obligations of Swisscard.

#### 4. Additional Originators

Any member of the CS Group or any Affiliate of Swisscard that may in the future originate Accounts or to whom legal and beneficial title to any Accounts has been transferred by an existing Originator may accede to the Receivables Sale and Purchase Agreement as an Originator by submitting a duly executed Accession Letter to the Asset SPV (each such acceding Originator, an “**Additional Originator**”). Upon accession to the Receivables Sale and Purchase Agreement, information in

relation to each Additional Originator and the Receivables originated or acquired by such Additional Originator will be disclosed to the Noteholders.

Following its accession to the Receivables Sale and Purchase Agreement, an Additional Originator will become an Originator Certificateholder pursuant to the terms of the Collateral Certificate Trust Deed. However, an Additional Originator will only become a Selling Originator once it has delivered to the Asset SPV notice of its offer to designate Accounts as part of the Securitised Portfolio and such offer has been accepted by the Asset SPV upon satisfaction of the conditions precedent set out above under “*The Originators—Selling Originators*”.

5. Resignation of Originators

The appointment of any Originator or its designation as a Selling Originator may be terminated or resigned in accordance with and subject to the terms and conditions of the Receivables Sale and Purchase Agreement.

It is contemplated that Credit Suisse, effective on or around the Closing Date, will resign as Originator and cease to be a party to the Receivables Sale and Purchase Agreement and any other Transaction Document as Originator.

6. Assignment of Receivables to the Asset SPV

As of, and from time to time since, the First Issue Date, Credit Suisse (as a Selling Originator) has assigned Receivables arising under the Designated Accounts together with certain rights to the Asset SPV on the terms and subject to the conditions of the Receivables Sale and Purchase Agreement. As from the Business Transfer Effective Date Credit Suisse ceased to assign Receivables and Swisscard began and will continue to assign Receivables, in each case, on the terms and subject to the conditions of the Receivables Sale and Purchase Agreement. In addition, any Additional Originator may from time to time in the future, subject to the satisfaction of certain other conditions, become a Selling Originator and assign Receivables.

Pursuant to the terms of the Receivables Sale and Purchase Agreement, each Selling Originator will continue to sell and assign:

- (a) all Receivables (except for VAT Loaded Receivables) existing under the Designated Accounts at such time as they are designated as being added to the Securitised Portfolio;
- (b) additional Receivables (except for VAT Loaded Receivables) arising under such Designated Accounts (following the addition of such Accounts to the Securitised Portfolio) until the earliest of: (i) such time as such a Designated Account becomes a Redesignated Account; or (ii) the occurrence of an Insolvency Event with respect to the relevant Selling Originator (upon the occurrence of such event the Receivables originated under such Designated Accounts will not continue to be sold or assigned to the Asset SPV) (see “—*Redesignation and Removal of Accounts*” below for a summary of the circumstances in which a Designated Account will be removed from the Securitised Portfolio);
- (c) all related Security Interests together with all monies due or to become due and all monies received or receivable with respect to the Designated Accounts;
- (d) all of the relevant Selling Originator’s rights to receive payments from any Cardholder or any other relevant party and any other amounts received from any Cardholders or any other relevant party;
- (e) the benefit of each guarantee or insurance policy obtained by the relevant Originator in respect of the obligations of a cardholder to make payments on such Designated Accounts (to the extent such are capable of assignment without prior consent of the relevant guarantors or insurance underwriters); and
- (f) any of the proceeds of the foregoing items at (a) to (e).

Under the terms of the Receivables Sale and Purchase Agreement, the Asset SPV is bound to pay the Principal Purchase Price to the relevant Originator as consideration for its purchase of the Principal

Receivables. The Principal Purchase Price is payable by the Asset SPV to the relevant Selling Originator in relation to all Principal Receivables under any Designated Account (i) existing as of the end of the Initial Addition Date or any Additional Addition Date, or the related Acceptance Date respectively or (ii) arising following the Initial Addition Date or any Additional Addition Date, within two Business Days after the Processing Date for such Transferred Principal Receivables (or within such longer period of time as may be agreed upon by the relevant Selling Originator and the Asset SPV). If on any date the Asset SPV does not have sufficient cash to pay the Principal Purchase Price then the amount of any such shortfall will be funded by each relevant Originator through a corresponding increase in the Originator Invested Amount of its Originator Certificate. The Purchase Price for any Ineligible Receivables will be funded solely by each Originator through a corresponding increase in the portion of its Originator Invested Amount that has been invested in Ineligible Receivables.

Additionally, under the terms of the Receivables Sale and Purchase Agreement, the Asset SPV is bound to pay the FC Purchase Price to the relevant Originator as consideration for its purchase of the Finance Charge Receivables. Payment for Finance Charge Receivables is made from Finance Charge Collections deposited in the Collection Account and is made in separate instalments: an Initial FC Purchase Price and a Deferred FC Purchase Price. For each Monthly Period, the Asset SPV pays to the Originators the Initial FC Purchase Price no later than, and the Deferred FC Purchase Price on, the Business Day immediately preceding each Distribution Date (the “**Transfer Date**”). The payment of the Deferred FC Purchase Price is subordinated to the payment by the Asset SPV of the Issuer Disbursement Amount payable on the Issuer Certificates. See “*SOURCES OF FUNDS TO PAY THE NOTES—Allocation of Finance Charge Collections—Determination of the Net Finance Charge Collections and Distribution of the Asset SPV Expense Amount*” below.

In order to identify all Receivables and Designated Accounts comprising the Securitised Portfolio, the Servicer maintains a computer system which identifies the Asset SPV as the owner of all Receivables arising under such Designated Accounts.

#### 7. Additional Accounts

Under the terms of the Receivables Sale and Purchase Agreement, the Selling Originators have the right to designate additional Accounts from time to time and to offer to sell and assign to the Asset SPV the Receivables arising under such Accounts. An additional Account becomes a Designated Account if such offer is accepted on the Acceptance Date relating thereto provided certain conditions are satisfied including that:

- (a) the relevant Selling Originator has delivered, together with the Additional Designation Notice, a Solvency Certificate to the Asset SPV;
- (b) the Selling Originator Representations and Warranties are true and correct as at such Additional Designation Date and Additional Acceptance Date according to the facts and circumstances then subsisting on those dates;
- (c) the number of additional Accounts does not exceed the Maximum Addition Amount or, if it does, the Asset SPV receives a Ratings Confirmation in connection with such addition; and
- (d) no Early Redemption Event has occurred or would result from the designation of the additional Accounts.

Any Accounts that are added to the Securitised Portfolio as Designated Accounts after the Closing Date, may have been originated or acquired by a Selling Originator under different credit criteria than that applied to the Designated Accounts (see “*RISK FACTORS—Risk factors relating to the Receivables—Designation of additional accounts*”).

#### 8. Cardholder Data Carriers and Cardholder Data Keys

Each Selling Originator is required to furnish the Asset SPV with:

- (a) two copies of a Cardholder Data Carrier containing (in encrypted form) all Cardholder Data relating to Cardholders of Accounts listed in the Initial Account List at such time as it has delivered the Initial Designation Notice or as it delivers an Additional Designation Notice (as applicable); and



- (b) two keys to enable the Asset SPV (or the Collateral Trustee) to access the Cardholder Data on the Cardholder Data Carrier (the “**Cardholder Data Keys**”) at such time as it has delivered the Initial Designation Notice and thereafter only in the event the Asset SPV does not already hold an appropriate Cardholder Data Key previously provided by the relevant Originator (*Cardholder Data Carriers and Cardholder Data Keys*).

The Asset SPV:

- (a) keeps one of the Cardholder Data Carriers and one of the Cardholder Data Keys received in safe custody in Switzerland (in the case of the Cardholder Data Keys in a safe deposit) and use such Cardholder Data Key only in order to read the Cardholder Data (in encrypted form) in situations, where the Asset SPV intends to notify Cardholders and other third parties in accordance with the terms of the Asset SPV Transaction Documents; and
- (b) forwards to the Collateral Trustee the second Cardholder Data Carrier and the second Cardholder Data Key in accordance with and subject to the Asset SPV Claims Assignment Agreement; it being understood that under the Asset SPV Claims Assignment Agreement, the Collateral Trustee shall hold the Cardholder Data Carrier in Switzerland.

Following delivery by an Originator of any updated Cardholder Data Carriers, the Asset SPV and the Collateral Trustee returns to the relevant Originator any Cardholder Data Carriers for which an updated Cardholder Data Carrier has been received.

At any time after the occurrence of either an Early Redemption Event and/or a Notification Trigger, the Asset SPV (acting, for the avoidance of doubt, through an agent, such as the Servicer) may:

- (a) use the Cardholder Data Key to get access to the Cardholder Data on the Cardholder Data Carriers;
- (b) give notice (and/or require the Originators to give notice) to all or any of the Cardholders and any relevant third parties of the sale, transfer and assignment of the Transferred Receivables and execute and/or require the Selling Originators to execute all documents reasonably required in connection with such notification; and/or
- (c) direct (and/or require the Selling Originators to direct) all or any of the Cardholders and any relevant third parties to pay amounts outstanding in respect of any Transferred Receivable into the Collection Account or into any other account or to such other persons as are specified by the Asset SPV; and/or
- (d) take such other action as it considers to be necessary, appropriate or desirable in order to recover any amount outstanding in respect of any Transferred Receivable.

In addition, notwithstanding the foregoing, the Asset SPV shall be entitled to (i) use the Cardholder Data Key to get access to the Cardholder Data on the Cardholder Data Carriers; and (ii) notify the Cardholders and any relevant third party of the sale, transfer, assignment of the Transferred Receivables at any time where an event or a circumstance makes a notification or access to Cardholder Data necessary in the reasonable discretion of the Asset SPV or the Servicer in order to protect the rights under the Receivables Sale and Purchase Agreement.

## 9. Redesignation and Removal of Accounts

Each Selling Originator has the right (but not, for the avoidance of doubt, the obligation) to deliver a written notice to the Asset SPV at any time requesting the redesignation of any Realised Account, Zero Balance Account, Cancelled Account and/or a Defaulted Collateralised Account and the Asset SPV shall accept each proposed redesignation by countersigning and returning the notice.

In addition, the Asset SPV may, from time to time, redesignate Designated Accounts (other than any Realised Account, Zero Balance Account, Cancelled Account and/or a Defaulted Collateralised Account) to the applicable Selling Originator provided that either (a) or (b) below is true:

- (a) (i) the Asset SPV has received a Ratings Confirmation in respect of the proposed redesignation; (ii) the Servicer has confirmed in writing that, in its reasonable opinion formed

on the basis of due consideration, the proposed redesignation will not cause an Early Redemption Event to occur; and (iii) such Selling Originator has (A) represented and warranted that the Designated Accounts to be redesignated have been selected by that Selling Originator at random and that such Selling Originator has secured all necessary regulatory consents for the redesignation, and (B) certified that either collections or purchase price (equal to, in each case, the outstanding face amount of each Principal Receivable and the outstanding balance of each Finance Charge Receivable) has been received by the Asset SPV in respect of every Receivable arising under that Designated Account other than Receivables that have been charged-off as uncollectible; or

- (b) such Selling Originator has confirmed in writing to the Asset SPV that such Designated Account was not an Eligible Account at the time of its designation or the Receivables arising under such Designated Account are being sold in breach of the eligibility criteria and that such Selling Originator has made all required payments in respect of such Accounts as set out in the Receivables Sale and Purchase Agreement.

Any outstanding Receivables under a Redesignated Account that had been assigned to the Asset SPV will be repurchased by the relevant Originator as of the Removal Date of the related Account, other than with respect to a Realised Account or a Defaulted Collateralised Account that is to be redesignated, at a purchase price equal to the face amount of each Principal Receivable outstanding under such Redesignated Account (determined as of the end of the relevant Removal Date) or, in the event a third party offer has been received by the Asset SPV for the purchase of such Principal Receivable and if such offer is lower than the face amount, the purchase price offered by such third party for the repurchase (received on or around the relevant Removal Date); and the balance of each Finance Charge Receivable outstanding under such Redesignated Account. The purchase price for any Receivables under a Realised Account that is to become a Redesignated Account will be zero. The purchase price for any Principal Receivables under Defaulted Collateralised Accounts will be the face amount of each Principal Receivable outstanding under such Redesignated Account (determined as of the end of the relevant Removal Date). Any repurchase of Principal Receivables outstanding under a Redesignated Account (other than a Realised Account) may be funded by a reduction in the Originator Invested Amount provided such reduction does not reduce the Originator Invested Amount below the Minimum Originator Invested Amount. If such a reduction in the Originator Invested Amount is not sufficient to pay the whole of the amount payable upon a redesignation of a Designated Account, the applicable Originator will be required to pay such amount by way of a cash deposit into the Collection Account on the date of such redesignation.

#### 10. Special Fees

Any Special Fees that arise on Designated Accounts are regarded as Finance Charge Receivables and collections in respect thereof as Finance Charge Collections. A Selling Originator may, however, designate (by way of a request in writing to the Asset SPV) Special Fees as being Principal Receivables in which case collections thereon will be allocated accordingly.

#### 11. Annual Fees

The Receivables assigned to or to be assigned to the Asset SPV include all Annual Fees. A Selling Originator may, by notice in writing to the Servicer, the Asset SPV and the Rating Agencies, designate by way of written notice to the Asset SPV whether Annual Fees are treated as Finance Charge Receivables or Principal Receivables. However, in the absence of such written designation, such Annual Fees are treated as Finance Charge Receivables.

#### 12. FX Fees

The Receivables assigned to or to be assigned to the Asset SPV include all FX Fees. Any FX Fees that arise on Designated Accounts are regarded as Finance Charge Receivables and collections in respect thereof as Finance Charge Collections.

However, FX Fees are presently recorded in the principal amount of a Cardholder's statement, and are reported only on an aggregated basis for all Accounts in the Total Portfolio. Therefore, in order to determine the amount of FX Fees that are treated as Finance Charge Receivables, the Principal Purchase Price payable by the Asset SPV with respect to each Principal Receivable purchased from any

Selling Originator is effectively reduced by a percentage equal to the FX Fee Percentage. Consequently, the percentage of each Principal Receivable and any Principal Collections equal to the FX Fee Percentage ("**FX Fee Receivable**") are treated by the Asset SPV as Finance Charge Receivables and Finance Charge Collections respectively.

It is anticipated that Swisscard's systems will be adjusted so that FX Fees are no longer recorded in the principal amount of a Cardholder's statement. Once this adjustment to the systems is completed, the FX Fee Percentage will no longer be needed to determine the portion of Principal Receivables that are to be treated as FX Fee Receivables. However, before the FX Fee Percentage can be disappplied following the contemplated adjustment to the systems or changed in any other manner, the Asset SPV must receive a Ratings Confirmation.

13. Reductions in Receivables, Early Collections and Credit Adjustments

If any Principal Receivable assigned to the Asset SPV is reduced by reason of set-off, counterclaim or any other matter arising between a Cardholder and a Selling Originator, and the relevant Selling Originator has received a benefit, in money or money's worth thereby, such Selling Originator will pay to the Asset SPV an amount equal to the amount of that reduction.

If, in respect of any existing Receivable which a Selling Originator has purported to assign to the Asset SPV, such Selling Originator has received a partial or full collection prior to the date on which that Receivable was purportedly assigned to the Asset SPV, that Selling Originator will pay to the Asset SPV an amount equal to the amount of that early collection unless such partial or full collection was taken into consideration when calculating the purchase price for that Receivable.

If any Principal Receivable assigned to the Asset SPV is reduced by reason of a Credit Adjustment, the relevant Selling Originator will pay to the Asset SPV an amount equal to such Credit Adjustment.

In respect of such reductions, early collections and Credit Adjustments, the obligation of the relevant Selling Originator to make a payment in respect thereof to the Asset SPV (a) is in addition to the obligation of such Selling Originator to pay all other amounts paid or payable in respect of the Receivable assigned to the Asset SPV and (b) may be satisfied in whole or in part by a reduction in the amount of the Originator Invested Amount of the Originator Certificate held by the Selling Originator, provided that such reduction would not cause the Originator Invested Amount to be less than zero.

14. Representations

Under the terms of the Receivables Sale and Purchase Agreement, the Selling Originators make certain representations and warranties with respect to (a) the Receivables existing under an Account to be designated, as of the relevant Eligibility Determination Date and (b) every Receivable arising thereunder after the relevant Acceptance Date, as of the Closing Date, the relevant Acceptance Date and/or the relevant Processing Date of the Receivable concerned or otherwise in accordance with the Receivables Sale and Purchase Agreement.

The representations made by a Selling Originator relating to the Receivables sold, transferred and assigned under the Receivables Sale and Purchase Agreement include:

- (a) that (unless identified as an Ineligible Receivable) each existing Receivable which is a Principal Receivable offered to the Asset SPV thereunder is an Eligible Receivable and has arisen from an Eligible Account in the amount specified in the offer and each Receivable arising thereunder after the relevant Acceptance Date which is a Principal Receivable is on the relevant Processing Date an Eligible Receivable and has arisen from an Eligible Account in the amount specified in the relevant daily Servicer report;
- (b) that the assignment of each Receivable is effective to pass to the Asset SPV legal title thereto together, free of any encumbrances in favour of any person claiming through or under such Selling Originator or any of its affiliates to the Asset SPV;
- (c) that, subject to any limitations arising on enforcement in the jurisdiction of the relevant Cardholder, no further act, condition or thing is required to be done in connection therewith to enable the Asset SPV to require payment of any such Receivable or to enforce any such right

in the courts of Switzerland without the participation of a Selling Originator as a party to proceedings by the Asset SPV against the relevant Cardholder;

- (d) that no procedures adverse to the Certificateholders were used by the Selling Originator in selecting the Designated Accounts from the Total Portfolio; and
- (e) the relevant Selling Originator is the person in whom the legal title to the Designated Accounts and related Credit Card Agreements is held.

The representation referred to in (d) above is only given as of the date on which the related Accounts were nominated to become Designated Accounts.

If a representation in respect of any Principal Receivable proves to have been incorrect when made, and the Selling Originators are deemed to have received a collection of the face value of that Receivable, the Selling Originators are obliged to pay that amount to the Asset SPV not later than two Business Days following the day on which the representation becomes known to the Originators to have been incorrect when made. The Receivable is thereafter treated as an Ineligible Receivable assigned to the Asset SPV by the Originators and, except upon a redesignation of the related Designated Account as described under “—*Redesignation and Removal of Accounts*”, the Receivable will not be re-assigned or released by the Asset SPV to the Selling Originators.

The obligation of the Originators to make a payment to the Asset SPV in respect of any breach of representation may be fulfilled, in whole or in part, by a reduction in the Originator Invested Amount of the Originator Certificates provided that such reduction may not decrease the Originator Invested Amount to an amount less than the Minimum Originator Invested Amount. Fulfilment of any such payment obligation by the Selling Originators is in full satisfaction of any rights or remedies which the Asset SPV may have as a result of the representation concerned being incorrect. However, in certain circumstances, a breach of representation may constitute an Early Redemption Event (see “*THE COLLATERAL CERTIFICATE TRUST DEED—Early Redemption Events*”).

If (a) all Principal Receivables arising under a Designated Account are Ineligible Receivables as a result of representations in relation thereto being incorrect when made, (b) such Designated Account has become a Redesignated Account and (c) the relevant Originator has complied with the payment obligations with respect to such Receivables as described above, then such Originator may require the Asset SPV to reassign or release all such Receivables to the Originators.

The Asset SPV has not made and will not make any initial or periodic general examination of the Receivables or any records relating to the Receivables for the purpose of establishing the presence or absence of defects therein, compliance with the Originators’ representations and warranties or for any other purpose.

Principal Receivables which are delinquent for payment will still be Eligible Receivables if they otherwise comply with the definition of Eligible Receivable.

#### 15. Amendments to the Eligibility Criteria

The Asset SPV may amend the definitions of Eligible Receivable and Eligible Account provided that (a) any such change will have no effect in relation to any Receivables acquired by the Asset SPV before such change takes effect whereby such Receivable would no longer be an Eligible Receivable arising under an Eligible Account; (b) in the reasonable belief of the Asset SPV, such amendment would not have a material adverse effect on the interests of any Issuer Certificateholder, and (c) the Asset SPV has received a Ratings Confirmation in respect of such amendment.

#### 16. Amendments to Credit Card Agreements and Credit Card Guidelines

An Originator may amend the terms and conditions of the Credit Card Agreements and the Credit Card Guidelines in respect of the Accounts owned by them (provided that it would not result in Receivables that previously qualified as Eligible Receivables no longer being Eligible Receivables). Such amendments may include reducing or increasing the amount of monthly minimum required payments or amendments to periodic Finance Charges or other charges assessed on Designated Accounts (see “*RISK FACTORS—The Originators may change the terms and conditions of the Designated Accounts*”).

## CREDIT CARD PORTFOLIO

Swisscard issues credit cards and holds legal and beneficial title to all of the Accounts comprising the Total Portfolio. Swisscard handles the product development and management, marketing and sales, customer services, risk management, card processing and development/management of additional services for all its credit cards and its co-branding partners. Swisscard provides these services for American Express, MasterCard and Visa credit cards. At Swisscard, an experienced team is responsible for developing the strategies in connection with marketing, origination, maintenance, management and the recovery process of the Accounts comprising the Total Portfolio with 120 employees focused on risk operations and a further 10 on risk management.

As of the BT Cut-off Time on the Business Transfer Effective Date, Credit Suisse transferred the Total Portfolio and the related origination business to Swisscard as further explained in section “*THE RECEIVABLES AND THE RECEIVABLES SALE AND PURCHASE AGREEMENT-BUSINESS TRANSFER*”.

### 1. Account Origination

The marketing strategy used for account origination focuses on finding the right product for the right person. The channel of origination for new Cardholders and/or Accounts depends on the specific product. For example, in respect of the Credit Suisse brand or that of its affiliates, the branch network is the major origination channel whereas for co-brands like Swiss Miles and More or COOP, the internet is the principal channel of origination. Depending on the channel of origination, prospective Cardholders (an “**applicant**”) may complete the application form at a branch or online. However, the application process is the same irrespective of the origination channel and requires prospective Cardholders to provide information relating to, among other things, their income, employment status, residence and payment preferences.

Swisscard’s primary focus in the Account origination process is on the profile of the applicant as opposed to, for example, the risk profile of any particular product. After, an applicant’s details are received they are automatically screened for credit worthiness by a combination of an internal credit scoring, review of external credit bureau data and, where required by credit policy guidelines, internal assessment by Swisscard’s underwriting staff. In some cases, manual verification of certain details (e.g., proof of an applicant’s income) may also be appropriate. To the extent possible Swisscard relies on its own data during the origination process.

The internal credit scoring system is based on a model that has been developed from large and homogeneous population of past applicants to assess the credit quality of new account applications and predict the probability of an Account defaulting. Benefits of the model include cost efficiency and consistent treatment of applicants. Each application is allocated an “Application Risk Grade” ranging from 1 (lowest risk of default) to 9 (highest risk of default) based on a combination of factors including the applicant’s age, relationship status, number of dependants, annual income, current employment details, time at and place of residence, account history (in the case of applicants with an existing customer relationship), and, in some cases, external credit bureau data. The score that is required for acceptance of a particular application is based on a variety of factors, including the product applied for and the Originator’s risk tolerance pertaining to the product at the time of scoring.

The majority of applications are approved or declined through the automated screening process, however, under certain circumstances, applications may be referred to Swisscard’s underwriting staff for manual decision based on credit policy guidelines. The majority of these referrals are in respect of high net worth individuals, students, applicants providing incomplete data and applicants whose credit score results are close to the cut-off for the particular product.

An applicant whose application is approved is assigned a credit limit systematically based on their credit score, income and debt burden. For applications that are declined, an appeals process is available but only a very small percentage of such automated decisions are overruled.

### 2. Account Use and Maintenance

Cardholders may use their Accounts for purchases (i.e., to acquire goods or services) and cash advances (i.e., to obtain cash from a financial institution or ATM). Each purchase or cash advance is automatically authorised subject to the applicable credit limit and performance of fraud checks. The credit limit of any Account may be revised (a) automatically based on the performance of the account

and continuing evaluation of Cardholders' credit behaviour and suitability or (b) at the request of the Cardholder provided that a solvency check will be performed before an increase is made following a request.

The terms and conditions of each Account are governed by a Credit Card Agreement which may be amended or terminated by the relevant Originator at any time with prior notice to the Cardholder. Credit Card Agreements are subject to regular review to assess their compliance with applicable law and, more generally, whether the terms and conditions remain appropriate. Any amendments required as a result of such review will be implemented in accordance with the existing terms and conditions of the Credit Card Agreement and, where relevant, regulatory requirements.

Maintenance of the Accounts is primarily managed through a behavioural scoring system that recognises patterns in a Cardholder's usage of their Account based upon purchase and payment data. The scoring process uses a number of variables such as date of Account opening, date of last purchase and payment, usage frequency, type of usage and timing of repayments. A Cardholder is categorised for purposes of developing marketing and collection strategies based on the score allocated to them. The Originator's risk tolerance is evaluated regularly based on factors such as economic conditions, profitability, campaign objectives, competition and the analysis of historical data with each Cardholder being allocated a "Credit Risk Grade". The applicant's details are also subject to ongoing money laundering and fraud verifications.

The aim of the Account maintenance policy is to employ appropriate control mechanisms to monitor account usage and retain Cardholders who operate their Accounts responsibly.

### 3. Processing & Account Management

Processing services are currently provided by Total System Service Inc. ("TSYS") using its TS2 platform. TSYS is the largest processor of merchant acquirers and bank credit card issuers. TSYS global headquarters is located in Columbus, Georgia, U.S.A. with local offices spread across the Americas, Europe and Asia. TSYS provides processing services in respect of the Originators' products from its UK branch, including but not limited to:

- (a) maintenance of Cardholder data and account holder transaction management;
- (b) transmission of Cardholder data to the group's appointed card suppliers and statement printers; and
- (c) interface to the payment schemes (American Express®, VISA® and MasterCard®) enabling the daily processing of authorisations and settlement.

### 4. Card Production

Third party suppliers such as Trueb AG and Oberthur provide card production services including but not limited to the following:

- (a) receipt of daily transmissions from the TS2 processing system via a direct secure link containing Cardholder data relating to new Cards, replacement cards and re-issue cards;
- (b) magnetic strip, embedding, chip encoding and despatching;
- (c) plastic card personalised embossing;
- (d) matching of plastics to card carriers and insertion of relevant inserts; and
- (e) secure preparation of mail packages containing the cards.

### 5. Statement Printing

Statement data is generated on a 28 day cycle by the TS2 processing platform and then transmitted through secure channels to a printing centre for production, printing and dispatch to Cardholders. Each statement contains details of transactions on the account that have occurred since the previous statement date.

## 6. Billing and Payment

The Credit Card Agreements do not contain terms that allow for interest free periods. The interest rates are product based and are specified in the relevant application form, acceptance of which is deemed upon signature of the form by a Cardholder. Under Swiss consumer laws, interest rates are currently capped at 15 per cent. per annum and will, as of 1 July 2016 be capped at 12 per cent. per annum (see “*RISK FACTORS—Risk factors relating to the Notes—The credit card industry is highly regulated in Switzerland*” and “*—Legal and other considerations—Swiss Consumer Credit Act*”).

Repayment rates and requirements vary across products, certain Credit Card Agreements require Cardholders to make a minimum monthly payment of an amount equal to the greater of (a) 5 per cent. of the outstanding amount or (b) CHF 50, whilst other Credit Card Agreements require Cardholders to pay the full outstanding amount on a monthly basis.

Each product has a defined set of fees (e.g., the Coop SuperCard MasterCard and the Coop SuperCard Visa have no annual fees) based on the specific services (insurance, bonus programs, etc.) related to such product. The key fees include periodic finance charges, cash advance handling fees, reminder fees, returned payment fees, over-limit fees, and foreign exchange fees (i.e., FX Fees).

## 7. Payment Processing

Cardholders are able to make payments on their Accounts through a variety of methods including by (a) direct debit through any bank (Swiss LSV (*Lastschriftenverfahren*) provided that no partial payment is possible at present when paying by direct debit); (b) payment order at any bank or post office (e.g. *Einzahlungsschein*); or (c) e-billing (if supported by the Cardholder’s bank).

## 8. Delinquency and Loss Experience

An Account is considered to be contractually delinquent if the minimum payment is not received on the due date indicated on the Cardholder’s statement. Once an Account is recognised as delinquent it enters a collections system referred to as “**Flexcollect**” and Swisscard establishes contact with the Cardholder. A Defaulted Account is assigned a score by Flexcollect based on several criteria including the amount outstanding, the past performance and behavioural score. The timing, form and frequency of contact is then determined based on the score assigned to such Account.

The actions that may be taken to address Defaulted Accounts depend on the stage of the delinquency and include statement messages, formal letters and telephone calls. In addition, the credit limit for any Account that is delinquent may be reduced to the outstanding balance under such Account at the time it became delinquent. Such reduction will apply automatically to all Accounts that have missed two or more payments but also certain Accounts that have missed one payment.

The process is managed to minimise losses and accordingly focuses on working with Cardholders experiencing financial difficulties to protect and recover assets where possible. The objective is to keep assets performing rather than write them off. Receivables typically go through various stages of recovery and after 60 days past due (90 days past statement) the related Account is closed. At approximately 90 days past due an external collection agency may be utilised if, based on a continuous evaluation of in-house and third party collections performance, (i) it would be more cost efficient than continuing the internal collection process and (ii) there are no internal information advantages. An Account may be charged-off in the month in which such Account becomes 180 days past due (210 days past statement) if Swisscard is of the view that the Cardholder is unable to pay the amount owed or may be charged-off early in the event that an Originator or its agent receives confirmation of the Cardholder’s bankruptcy or notification of the Cardholder’s death where it is confirmed that there are no assets in the estate. Charged-off Accounts are not revived. In addition, although it is not presently part of the usual servicing procedures, the Selling Originator may sell Charged-off Accounts to a third party in order to maximise Recoveries on such Accounts.

## TOTAL PORTFOLIO INFORMATION

As at 31 March 2016

The following tables show information relating to the historic performance of the Total Portfolio as of 31 March 2016.

### Delinquency and charge-off experience

The following tables display the delinquency and charge-off experience for each of the periods shown for the Total Portfolio. Receivables outstanding include both Principal Receivables and Finance Charge Receivables but excludes Charged-Off Accounts. Average Receivables outstanding is the average of the total Receivables balances as of the last day of the referenced year and the last day of immediately preceding year. For the three months ended 31 March 2016, the average Receivables outstanding are an average of the Receivables outstanding on the last day of the 2015 calendar year and on 31 March 2016.

#### Delinquency Table

*(non percentage amounts are expressed in Swiss francs)*

|                                | Three months ended |           | Year ended 31 December |           |             |           |
|--------------------------------|--------------------|-----------|------------------------|-----------|-------------|-----------|
|                                | 31 March<br>2016   | Per cent. | 2015                   | Per cent. | 2014        | Per cent. |
| Receivables                    |                    |           |                        |           |             |           |
| outstanding.....               | 944,574,194        |           | 991,386,226            |           | 998,443,360 |           |
| 30-59 dpd <sup>(1)</sup> ..... | 16,021,471         | 1.70      | 16,028,429             | 1.62      | 15,029,961  | 1.51      |
| 60-89 dpd.....                 | 4,829,967          | 0.51      | 5,732,646              | 0.58      | 5,122,611   | 0.51      |
| 90-119 dpd.....                | 2,037,181          | 0.22      | 2,673,796              | 0.27      | 2,526,796   | 0.25      |
| 120-149 dpd.....               | 1,790,380          | 0.19      | 1,885,476              | 0.19      | 1,833,065   | 0.18      |
| 150-179 dpd.....               | 1,696,861          | 0.18      | 1,321,895              | 0.13      | 1,442,226   | 0.14      |
| 180+ dpd.....                  | 12,530             | 0.00      | 11,401                 | 0.00      | 8,089       | 0.00      |
| Total                          |                    |           |                        |           |             |           |
| Delinquencies .....            | 26,388,389         | 2.79      | 27,653,643             | 2.79      | 25,962,748  | 2.60      |

|                                | 2013        | Per cent. | 2012        | Per cent. |
|--------------------------------|-------------|-----------|-------------|-----------|
| Receivables                    |             |           |             |           |
| outstanding.....               | 972,066,713 |           | 939,608,705 |           |
| 30-59 dpd <sup>(1)</sup> ..... | 15,069,213  | 1.55      | 13,427,937  | 1.43      |
| 60-89 dpd.....                 | 4,416,996   | 0.45      | 4,113,838   | 0.44      |
| 90-119 dpd.....                | 2,457,211   | 0.25      | 2,476,464   | 0.26      |
| 120-149 dpd.....               | 1,641,223   | 0.17      | 1,514,005   | 0.16      |
| 150-179 dpd.....               | 1,419,505   | 0.15      | 1,599,281   | 0.17      |
| 180+ dpd.....                  | 5,527       | 0.00      | 5,273       | 0.00      |
| Total                          |             |           |             |           |
| Delinquencies .....            | 25,009,675  | 2.57      | 23,136,798  | 2.46      |

Notes: (1) dpd = days past due



**Charge-off Table**  
(non-percentage amounts are expressed in Swiss Francs)

|  | Three months ended | Year ended 31 December |                |                |                |
|--|--------------------|------------------------|----------------|----------------|----------------|
|  | 31 March 2016      | 2015                   | 2014           | 2013           | 2012           |
| Average Receivables outstanding.....   | 830,832,171        | 914,728,357            | 942,587,460    | 921,995,921    | 915,206,270    |
| Gross charge-off .....   | 4,117,795          | 14,084,121             | 13,476,571     | 13,907,204     | 17,120,499     |
| Recoveries .....   | 2,326,448          | 8,356,556              | 7,962,771      | 8,585,237      | 9,419,041      |
| Net charge-off.....  | 1,791,347          | 5,727,565              | 5,513,800      | 5,321,967      | 7,701,457      |
| Gross charge-off as a percentage of average Receivables outstanding (annualised) ..... | 1.98 per cent.     | 1.54 per cent.         | 1.43 per cent. | 1.51 per cent. | 1.87 per cent. |
| Net charge-off as a percentage of average Receivables outstanding (annualised) .....   | 0.86 per cent.     | 0.63 per cent.         | 0.58 per cent. | 0.58 per cent. | 0.84 per cent. |

**Monthly Payment Rate Experience**

The following table sets forth the highest and lowest Cardholder monthly payment rates for the Total Portfolio during any month in the periods shown and the average Cardholder monthly payment rates for all months during the periods shown. Monthly payment rates shown in the table are based on amounts which would be deemed payments of Principal Receivables and Finance Charge Receivables with respect to the related Credit Card Accounts. The monthly payment rate is calculated by *dividing* (i) the sum of Collections by (ii) the Receivables outstanding as of the last day of the referenced year and the last day of immediately preceding year, which includes both Principal Receivables and Finance Charge Receivables but excludes Charged-Off Accounts.

Generally, Cardholders must make a monthly minimum payment on the account of a certain percentage of the statement balance. There can be no assurance that the monthly payment rates by Cardholders in the future will be similar to the historical experience as set out in this Prospectus. In addition, the amount of Collections may vary from month to month due to seasonal variations, general economic conditions and payment habits of individual Cardholders.

**Monthly Payment Rate Table**  
(amounts are expressed as percentages)

|                      | Three months ended | Year ended 31 December |       |       |       |
|----------------------|--------------------|------------------------|-------|-------|-------|
|                      | 31 March 2016      | 2015                   | 2014  | 2013  | 2012  |
| Lowest month .....   | 51.72              | 51.02                  | 49.15 | 49.62 | 52.25 |
| Highest month.....   | 66.51              | 74.81                  | 76.07 | 74.78 | 76.43 |
| Monthly average..... | 58.27              | 62.52                  | 62.46 | 62.24 | 64.70 |

## Yield Experience

The following table shows the gross revenues from finance charges and fees billed to Accounts in the Total Portfolio for each of the years 2012, 2013, 2014, 2015 and the three months ended 31 March 2016. These revenues vary for each Account (based on the type and volume). The historical yield figures in these tables are calculated on an accrual basis.

Collections will be on a cash basis and may not reflect the historical yield experience in the table set forth below. During periods of increasing delinquencies, accrual yields may exceed cash amounts accrued. Conversely, as delinquencies decrease, cash yields may exceed accrual yields as amounts collected in a current period may include amounts accrued during prior periods. However, the Originator believes that during the periods referred to in the table set forth below, the yield on an accrual basis closely approximates the yield on a cash basis. The yield on both an accrual and a cash basis will be affected by numerous factors, including the monthly periodic finance charges on the Receivables, changes in the delinquency rate on the Receivables and the percentage of Cardholders who pay their balances in full each month and do not incur monthly periodic finance charges.

Finance charges and fees are comprised of monthly periodic interest income, late fees, FX Fees, credit insurance, card protection insurance, overlimit fees, cash advance fees, ATM fees, balance transfer fees and other fees related to credit cards net of adjustments made pursuant to Swisscard. The interchange fees are not considered.

Receivables outstanding includes both Principal Receivables and Finance Charge Receivables but excludes Charged-Off Accounts. Average Receivables outstanding is the average of the total Receivables balance as of the last day of the referenced year and the last day of the immediately preceding year. For the 3 months ended 31 March 2016, the average receivables outstanding are an average of the last day of the 2015 calendar year and on 31 March 2016.

### Yield Table

*(non-percentage amounts are expressed in Swiss Francs)*

|  | Three months<br>ended | Year ended 31 December |                 |                 |                 |
|--|-----------------------|------------------------|-----------------|-----------------|-----------------|
|  | 31 March 2016         | 2015                   | 2014            | 2013            | 2012            |
| Billed finance charges and fees.....                   | 52,964,171            | 231,019,499            | 238,031,817     | 228,336,728     | 214,048,001     |
| Average Receivables outstanding.....                   | 830,832,171           | 914,728,357            | 942,587,460     | 921,995,921     | 915,206,270     |
| Yield from finance charges and fees (annualised) ..... | 25.50 per cent.       | 25.26 per cent.        | 25.25 per cent. | 24.77 per cent. | 23.39 per cent. |

### Static Pool Data

The static pool data set forth in the tables below is grouped by year of account origination. There can be no assurance that the performance for the Receivables in the future will be similar to the historical experience set forth in these tables.

The delinquency rate is calculated by *dividing* (i) the 30+ days past due delinquent amount as of the end of the specified period by (ii) the total Receivables outstanding as of the end of the specified period. The net charge-off rate is calculated by *dividing* (i) the aggregate of the charge-offs net of Recoveries during the period indicated by (ii) the average Receivables outstanding (calculated as a yearly average by the total Receivables outstanding as of the last day of each calendar month *divided* by 12). The average monthly payment rate is calculated by *dividing* (i) the aggregate of the average sum of Collections indicated by (ii) the average Receivables outstanding (calculated as a yearly average by the total Receivables outstanding as of the last day of each calendar month *divided* by 12).

**30+ Delinquency Table**  
(amounts are expressed as percentages)

| Origination Year    | Year ended 31 December |      |      |      |
|---------------------|------------------------|------|------|------|
|                     | 2015                   | 2014 | 2013 | 2012 |
| 2015 .....          | 5.36                   |      |      |      |
| 2014 .....          | 3.08                   | 3.30 |      |      |
| 2013 .....          | 2.94                   | 2.93 | 2.95 |      |
| 2012 .....          | 2.96                   | 2.52 | 3.24 | 3.10 |
| 2011 .....          | 3.00                   | 2.89 | 3.26 | 3.27 |
| 2010 .....          | 2.88                   | 3.19 | 2.70 | 2.82 |
| 2009 .....          | 2.61                   | 2.99 | 2.83 | 3.02 |
| 2008 .....          | 2.68                   | 2.47 | 2.57 | 2.54 |
| 2007 .....          | 2.59                   | 2.82 | 2.68 | 2.57 |
| 2006 .....          | 2.34                   | 2.19 | 2.20 | 1.94 |
| Prior to 2006 ..... | 2.38                   | 2.35 | 2.31 | 2.21 |

**Net Charge-Off Table**  
(amounts are expressed as percentages)

| Origination Year    | Year ended 31 December |      |      |      |
|---------------------|------------------------|------|------|------|
|                     | 2015                   | 2014 | 2013 | 2012 |
| 2015 .....          | 1.16                   |      |      |      |
| 2014 .....          | 2.35                   | 1.37 |      |      |
| 2013 .....          | 1.13                   | 2.60 | 0.96 |      |
| 2012 .....          | 0.14                   | 1.25 | 2.23 | 1.31 |
| 2011 .....          | 0.58                   | 0.54 | 1.29 | 3.72 |
| 2010 .....          | 0.80                   | 0.47 | 0.88 | 1.64 |
| 2009 .....          | 0.56                   | 0.31 | 0.51 | 0.62 |
| 2008 .....          | 0.66                   | 0.23 | 0.26 | 0.62 |
| 2007 .....          | 0.43                   | 0.34 | 0.31 | 0.62 |
| 2006 .....          | 0.12                   | 0.28 | 0.25 | 0.58 |
| Prior to 2006 ..... | 0.28                   | 0.23 | 0.26 | 0.41 |

**Average Monthly Payment Rate Table**  
(amounts are expressed as percentages)

| Origination Year    | Year ended 31 December |       |       |       |
|---------------------|------------------------|-------|-------|-------|
|                     | 2015                   | 2014  | 2013  | 2012  |
| 2015 .....          | 35.94                  |       |       |       |
| 2014 .....          | 75.58                  | 38.98 |       |       |
| 2013 .....          | 77.30                  | 75.22 | 37.66 |       |
| 2012 .....          | 73.22                  | 71.90 | 72.76 | 36.65 |
| 2011 .....          | 72.20                  | 69.64 | 69.45 | 67.78 |
| 2010 .....          | 74.11                  | 71.85 | 71.58 | 70.90 |
| 2009 .....          | 71.48                  | 69.41 | 68.78 | 66.63 |
| 2008 .....          | 71.61                  | 67.50 | 67.73 | 66.55 |
| 2007 .....          | 66.10                  | 64.04 | 64.98 | 63.72 |
| 2006 .....          | 66.38                  | 63.44 | 63.60 | 62.23 |
| Prior to 2006 ..... | 67.41                  | 64.24 | 64.65 | 63.58 |

## SECURITISED PORTFOLIO INFORMATION

As at 31 March 2016

The following tables summarise the Securitised Portfolio by various criteria. The Securitised Portfolio consists of Accounts selected as of 31 December 2015 with the tables below reflecting relevant in respect of such Accounts as at 31 March 2016. As the future composition of the Securitised Portfolio may change over time, these tables are not necessarily indicative of the composition of the Securitised Portfolio at any time subsequent to 31 March 2016.

### Recent Lump Additions and Removals

Swisscard may from time to time transfer Accounts in lump additions by designating additional accounts to the Asset SPV.

### Monthly Payment Rate Table of the securitised portfolio

The following table sets forth the highest and lowest Cardholder monthly payment rates for the Securitised Portfolio during any month in the periods shown and the average Cardholder monthly payment rates for all months during the periods shown. Monthly payment rates shown in the table are based on amounts which would be deemed payments of Principal Receivables and Finance Charge Receivables with respect to the related Credit Card Accounts. The monthly payment rate is calculated by *dividing* (i) the sum of Collections by (ii) the Receivables outstanding, which includes both Principal Receivables and Finance Charge Receivables but excludes Charged-Off Accounts.

#### Monthly Payment Rate Table of the securitised portfolio (amounts are expressed as percentages)

|                       | Three months<br>ended | Year ended 31 December |       |       |       |
|-----------------------|-----------------------|------------------------|-------|-------|-------|
|                       | 31 March 2016         | 2015                   | 2014  | 2013  | 2012  |
| Lowest month .....    | 53.37                 | 51.76                  | 50.28 | 51.21 | 50.45 |
| Highest month .....   | 70.29                 | 81.39                  | 77.32 | 75.53 | 74.78 |
| Monthly average ..... | 60.59                 | 65.18                  | 63.95 | 63.68 | 63.13 |

### Yield Experience

The following table shows the gross revenues from finance charges and fees billed to Accounts in the Securitised Portfolio for each of the years 2012, 2013, 2014, 2015 and the three months ended 31 March 2016 (the “Yield Table”). These revenues vary for each Account (based on the type and volume). The historical yield figures in these tables are calculated on an accrual basis.

Collections will be on a cash basis and may not reflect the historical yield experience in the table set forth below. During periods of increasing delinquencies, accrual yields may exceed cash amounts accrued. Conversely, as delinquencies decrease, cash yields may exceed accrual yields as amounts collected in a current period may include amounts accrued during prior periods. However, the Originators believe that during the periods referred to in the table set forth below, the yield on an accrual basis closely approximates the yield on a cash basis. The yield on both an accrual and a cash basis will be affected by numerous factors, including the monthly periodic finance charges on the Receivables, changes in the delinquency rate on the Receivables and the percentage of Cardholders who pay their balances in full each month and do not incur monthly periodic finance charges.

Finance charges and fees are comprised of monthly periodic interest income, late fees, FX Fees, credit insurance, card protection insurance, overlimit fees, cash advance fees, ATM fees, balance transfer fees and other fees related to credit cards net of adjustments made pursuant to Swisscard’s collection policy. The interchange fees are not considered.

Receivables outstanding includes both Principal Receivables and Finance Charge Receivables but excludes Receivables in Charged-Off Accounts. Average Receivables outstanding is the average of the total Receivables balances as of the last day of the referenced year and the last day of the immediately preceding year of the securitised portfolio selected as of 31 December of the referenced year. For the three months ended 31 March

2016, the average receivables outstanding are an average of the Receivables outstanding on the last day of the 2015 calendar year and on 31 March 2016.

### Yield Table

(non percentage amounts are expressed in Swiss Francs)

|  | Three months ended | Year ended 31 December |                 |                 |                 |
|--|--------------------|------------------------|-----------------|-----------------|-----------------|
|  | 31 March 2016      | 2015                   | 2014            | 2013            | 2012            |
| Billed finance charges and fees.....                   | 51,715,666         | 225,755,048            | 229,786,109     | 221,845,296     | 209,539,572     |
| Average Receivables outstanding.....                   | 868,210,033        | 845,463,095            | 878,711,046     | 879,567,928     | 866,610,127     |
| Yield from finance charges and fees (annualised) ..... | 23.83 per cent.    | 26.70 per cent.        | 26.15 per cent. | 25.22 per cent. | 24.18 per cent. |

### Composition and Distribution of the Portfolio in the pool

The tables set forth below show additional information about the Portfolio in the pool, which has been sold to the Asset SPV as at 31 March 2016 such as composition by outstanding balance, composition by credit limit, geographic distribution, composition by account age and probability of default. Receivables outstanding includes both Principal Receivables and Finance Charge Receivables but excludes Charged-Off Accounts. Credit balances presented in the following table are a result of Cardholder payments and credit adjustments applied in excess of an Account's unpaid balance. Accounts which have a credit balance are included because Receivables may be generated in these Accounts in the future.

#### Composition by outstanding balance of Account

| Outstanding balance range      | Number of Accounts | Number of Accounts (per cent.) | Outstanding Receivables (CHF) | Outstanding Receivables (per cent.) |
|--------------------------------|--------------------|--------------------------------|-------------------------------|-------------------------------------|
| Credit balance .....           | 48,767             | 6.81                           | -18,100,739                   | -2.07                               |
| No Balance .....               | 166,133            | 23.21                          | 0                             | 0.00                                |
| CHF0.01-CHF5,000.00.....       | 457,293            | 63.88                          | 532,449,299                   | 60.82                               |
| CHF5,000.01-CHF10,000.00.....  | 33,344             | 4.66                           | 213,855,829                   | 24.43                               |
| CHF10,000.01-CHF15,000.00..... | 6,691              | 0.93                           | 73,953,144                    | 8.45                                |
| CHF15,000.01-CHF20,000.00..... | 2,037              | 0.28                           | 32,654,778                    | 3.73                                |
| CHF20,000.01 or more .....     | 1,585              | 0.22                           | 40,662,119                    | 4.64                                |
| <b>Total</b> .....             | <b>715,850</b>     | <b>100.00</b>                  | <b>875,474,429</b>            | <b>100.00</b>                       |

#### Composition by Account credit limit

| Credit Limit range             | Number of Accounts | Number of Accounts (per cent.) | Outstanding Receivables (CHF) | Outstanding Receivables (per cent.) |
|--------------------------------|--------------------|--------------------------------|-------------------------------|-------------------------------------|
| Less than CHF5,000.00 .....    | 340837             | 47.61                          | 235,955,116                   | 26.95                               |
| CHF5,000.01-CHF10,000.00 ..... | 264313             | 36.92                          | 320,785,582                   | 36.64                               |
| CHF10,000.01-CHF15,000.00..... | 59665              | 8.33                           | 125,559,979                   | 14.34                               |
| CHF15,000.01-CHF20,000.00..... | 24236              | 3.39                           | 69,874,930                    | 7.98                                |
| CHF20,000.01 or more .....     | 26799              | 3.74                           | 132,298,823                   | 14.08                               |
| <b>Total</b> .....             | <b>715,850</b>     | <b>100.00</b>                  | <b>875,474,429</b>            | <b>100.00</b>                       |

| Composition by Geographic Region      |                    |                                |                               |                                     |
|---------------------------------------|--------------------|--------------------------------|-------------------------------|-------------------------------------|
| Credit Geographic Region <sup>1</sup> | Number of Accounts | Number of Accounts (per cent.) | Outstanding Receivables (CHF) | Outstanding Receivables (per cent.) |
| Switzerland-German .....              | 532,257            | 74.35                          | 620,995,895                   | 70.93                               |
| Switzerland-French .....              | 146,645            | 20.49                          | 214,000,010                   | 24.44                               |
| Switzerland-Italian .....             | 29,188             | 4.08                           | 31,750,761                    | 3.63                                |
| Other <sup>2</sup> .....              | 7,760              | 1.08                           | 8,727,764                     | 1.00                                |
| <b>Total</b> .....                    | <b>715,850</b>     | <b>100.00</b>                  | <b>875,474,429</b>            | <b>100.00</b>                       |

Notes:

(1) Based on the correspondence language of the Cardholder

(2) Region where correspondence language of the Cardholder is not an official Swiss language

| Composition by Account Age        |                    |                                |                               |                                     |
|-----------------------------------|--------------------|--------------------------------|-------------------------------|-------------------------------------|
| Account age                       | Number of Accounts | Number of Accounts (per cent.) | Outstanding Receivables (CHF) | Outstanding Receivables (per cent.) |
| Not more than 6 months .....      | 0                  | 0.00                           | 0                             | 0.00                                |
| Over 6 months to 12 months .....  | 10,307             | 1.44                           | 15,110,682                    | 1.73                                |
| Over 12 months to 24 months ..... | 40,682             | 5.68                           | 60,574,639                    | 6.92                                |
| Over 24 months to 36 months ..... | 50,062             | 6.99                           | 61,546,435                    | 7.03                                |
| Over 36 months to 48 months ..... | 51,788             | 7.23                           | 55,664,178                    | 6.36                                |
| Over 48 months to 60 months ..... | 60,146             | 8.40                           | 61,723,769                    | 7.05                                |
| Over 60 months to 72 months ..... | 44,242             | 6.18                           | 45,668,340                    | 5.22                                |
| Over 72 months .....              | 458,623            | 64.07                          | 575,186,386                   | 65.70                               |
| <b>Total</b> .....                | <b>715,850</b>     | <b>100.00</b>                  | <b>875,474,429</b>            | <b>100.00</b>                       |

### Probability of Default

The following table summarises the probability that an Account will become defaulted and is derived from the model underlying Swisscard's internal credit scoring system. See "*CREDIT CARD PORTFOLIO—Account Origination*".

| <b>Probability of becoming 90+ days delinquent within the next year</b> | <b>Outstanding Receivables (CHF)</b> | <b>Outstanding Receivables (per cent.)</b> | <b>Number of Accounts</b> | <b>Number of Accounts (per cent.)</b> |
|---|--------------------------------------|--|---------------------------|---------------------------------------|
| 15% and higher .....  | 93,350,595                           | 10.66                                      | 35,178                    | 4.91                                  |
| 10%-14.99% .....  | 78,897,313                           | 9.01                                       | 20,580                    | 2.87                                  |
| 5.0%-9.99% .....  | 169,024,590                          | 19.31                                      | 49,638                    | 6.93                                  |
| Lower than 5.0%.....  | 533,788,866                          | 60.97                                      | 583,529                   | 81.52                                 |
| Not scored.....   | 413,065                              | 0.05                                       | 26,925                    | 3.76                                  |
| <b>Total.....</b>   | <b>875,474,429</b>                   | <b>100.00</b>                              | <b>715,850</b>            | <b>100.00</b>                         |

## GENERAL DESCRIPTION OF THE NOTES

The following discussion and the discussion under “*THE NOTE TRUST DEED*” and “*TERMS AND CONDITIONS OF THE NOTES*” summarise the material terms of the Notes. These summaries do not purport to be complete and are qualified by the remainder of this Prospectus.

### 1. General

Pursuant to the Note Trust Deed, the Issuer will issue the Notes which will constitute direct, secured and, subject to certain limited recourse provisions, unconditional obligations of the Issuer. The Class A Notes will rank in priority to the Class B Notes and the Class C Notes; and the Class B Notes will rank in priority to the Class C Notes in accordance with the applicable Priority of Payments. The Notes will have the benefit of the Issuer Security granted to the Security Trustee in favour of the Noteholders (and all other Issuer Secured Creditors) pursuant to the Issuer Security Agreements.

The Issuer will pay principal and interest on the Notes solely from (a) the Net Finance Charge Collections, Principal Collections, income from Permitted Investments and certain other amounts which are allocable to Issuer as the holder of Issuer Certificate No. 5 and (b) any other amounts provided to the Issuer by way of support for the Notes. If those sources are not sufficient for the payment of principal or interest on a particular Note, the Noteholder of that Note will have no recourse to any other assets of the Issuer, or any other person or entity for the payment of principal or interest on that Note. See “*SOURCES OF FUNDS TO PAY THE NOTES*”.

### 2. Interest

Interest will accrue from the Closing Date on the Outstanding Principal Amount of the Notes and will be payable in arrears in CHF on each Interest Payment Date at the applicable Interest Rate for the Notes. Interest for any Interest Payment Date will accrue over the related Interest Period, which will be from (and including) the preceding Interest Payment Date (or, in the case of the first Interest Payment Date, from and including the Closing Date) to (but excluding) such Interest Payment Date.

On each Interest Payment Date, the Interest Amount for each Class of Notes will be calculated in accordance with Condition 8 (*Interest*).

The Interest Amount for any Class of Notes that is not paid on any Interest Payment Date will be deferred and payable as Deferred Interest on the earlier of the next succeeding Distribution Date or Interest Payment Date, in each case, on which funds are available to the Issuer to pay such Deferred Interest. Additional Interest will accrue on any Deferred Interest at the applicable Interest Rate and on the same basis as the Interest Amount on the applicable Class of Notes, and will accrue from the Interest Payment Date such Interest Amount was payable to but excluding the Distribution Date or Interest Payment Date on which such Deferred Interest is paid.

The Interest Amount, Deferred Interest and Additional Interest, together, will comprise the Interest Amount Payable that is to be paid to each Class of Notes on each Interest Payment Date. In order to ensure that a sufficient amount is available to pay the Interest Amount Payable for each Class of Notes on each Interest Payment Date, the Issuer will retain, from Available Finance Charge Collections, Reallocated Principal Collections or other amounts available for such purpose, an amount equal to the Monthly Interest Amount for each such Class of Notes in the Interest Ledger of the Issuer Distribution Account on each Distribution Date.

Specifically, on each Distribution Date, Available Finance Charge Collections will fund the Monthly Interest Amount for each Class of Notes in accordance with, and subject to, the Finance Charge Priority of Payments. To the extent that Available Finance Charge Collections are insufficient to pay the Monthly Interest Amount for any Class of Notes, Reallocated Principal Collections will be used to make such payments as described below in “—*Reallocated Principal Collections*”. Additionally, the Monthly Interest Amount may be funded from any amounts on deposit in the Accumulation Reserve Account if the Notes are in the Controlled Accumulation Period as described below under “—*Accumulation Reserve Account*” or the amount on deposit in the Liquidity Reserve Account as described below under “—*Liquidity Reserve Account*”.



### 3. Principal

The amount of principal that will be payable or allocable to any Class of Notes will depend on whether the Notes are in the Revolving Period, the Controlled Accumulation Period or the Early Amortisation Period. The final payment of principal on the Notes is scheduled to be made on the Scheduled Redemption Date.

If the Issuer does not have sufficient funds to redeem any Class of Notes on the Scheduled Redemption Date, it will not be an Event of Default. Instead, if the Outstanding Principal Amount of any Class of Notes is not paid on its Scheduled Redemption Date, an Early Amortisation Event with respect to such Class of Notes will occur. See “—*The Early Amortisation Period*” below. If, on the Final Redemption Date, the Nominal Liquidation Amount of any Class of Notes is not paid in full, an Event of Default will occur with respect to that Class of Notes (see “*THE NOTE TRUST DEED—Events of Default*” below). However, if the Nominal Liquidation Amount of any Class of Notes is paid in full as of the Final Redemption Date, but the Outstanding Principal Balance of such Class of Notes is not (after giving effect to all distributions on such date), then on the immediately following Business Day the remaining Outstanding Principal Balance shall cease to be due and payable by the Issuer.

#### 3.1 The Revolving Period

The Revolving Period begins on the Closing Date and ends on the earlier of the commencement of (a) the Controlled Accumulation Period and (b) the Early Amortisation Period. During the Revolving Period, no principal payments will be made to or for the benefit of the Notes. On each Distribution Date during the Revolving Period, Available Principal Collections, to the extent not utilised as Reallocated Principal Collections, will be applied in accordance with the Principal Priority of Payments.

#### 3.2 The Controlled Accumulation Period

In order to increase the likelihood that the Notes will be redeemed in full on the Scheduled Redemption Date, on each Distribution Date during the Controlled Accumulation Period the Issuer Cash Manager (acting on behalf of the Issuer) will accumulate, in the Principal Funding Account, Available Principal Collections received by the Issuer to be applied towards payment of principal on such Note at the end of the Controlled Accumulation Period, which will be the earlier to occur of (a) the Scheduled Redemption Date, and (b) the commencement of the Early Amortisation Period. No principal payments will be made on the Notes during the Controlled Accumulation Period. All amounts on deposit in the Principal Funding Account on any Distribution Date (after giving effect to any deposits to, or withdrawals from, the Principal Funding Account to be made on such Distribution Date) will be invested through the following Distribution Date in Permitted Investments. On each Distribution Date with respect to the Controlled Accumulation Period, the interest and other investment income (net of investment expenses and losses) earned on such investments will be withdrawn from the Principal Funding Account and will be treated as a portion of the Available Finance Charge Collections for such Distribution Date. On the Business Day immediately preceding the Scheduled Redemption Date, or, if earlier, the first Distribution Date following the commencement of the Early Amortisation Period, amounts accumulated in the Principal Funding Account for the Notes will be transferred and credited to the Issuer Principal Ledger. Following the occurrence of an Enforcement Event, the Issuer Cash Manager, on behalf of the Security Trustee, will withdraw the amounts deposited in the Principal Funding Account and cause such amount to be deposited in the Issuer Distribution Account to be distributed in accordance with the Enforcement Priority of Payments.

The amount to be accumulated in the Principal Funding Account on each Distribution Date during the Controlled Accumulation Period will be an amount equal to the least of:

- (a) the Available Principal Collections (less any Reallocated Principal Collections used on such Distribution Date) for such Distribution Date;
- (b) the Controlled Deposit Amount for such Distribution Date; and
- (c) the sum of the Aggregate Net Nominal Liquidation Amount of the Class A Notes, the Class B Notes and the Class C Notes.

The Controlled Accumulation Period for the Notes will commence, if the Early Amortisation Period has not already commenced, on the Controlled Accumulation Period Commencement Date, which, as of the Closing Date, is scheduled to be 1 March 2019. However, if the Issuer Cash Manager calculates the Controlled Accumulation Required Period to be less than 3 months, the Issuer Cash Manager may, at its option, postpone the commencement of the Controlled Accumulation Period such that the number of months included in the Controlled Accumulation Period will be equal to or exceed the Controlled Accumulation Required Period (but, in no event, will be less than one month). The effect of the foregoing adjustment is to permit the reduction of the length of the Controlled Accumulation Period without affecting the payment in full of the Notes on the Scheduled Redemption Date by taking into account the amount of Principal Collections that are expected to be available for the Notes (including any Shared Principal Collections available for Issuer Certificate No. 5), and the then current principal payment rate with respect to the Designated Accounts.

### 3.3 The Early Amortisation Period

#### (a) The Early Amortisation Events

The Early Amortisation Period will commence upon the occurrence of any of the following “**Early Amortisation Events**”:

- (i) the occurrence of an Early Redemption Event or an Event of Default;
- (ii) if, on any Distribution Date, the Excess Spread averaged over the three preceding Monthly Periods is less than the Excess Spread Required Amount for such Distribution Date;
- (iii) if over any period of 30 consecutive days the amount of the Adjusted Originator Invested Amount averaged over that period is less than the Minimum Originator Invested Amount for that period and such deficiency is not remedied within 10 Business Days of such 30 day period;
- (iv) if, on any date of determination, the Allocable Eligible Principal Receivables is less than the Aggregate Net Nominal Liquidation Amount, and the Allocable Eligible Principal Receivables fails to increase to an amount equal to or greater than the Aggregate Net Nominal Liquidation Amount within 10 Business Days of such date of determination; or
- (v) if, the Outstanding Principal Amount of any Note is not reduced to zero on the Scheduled Redemption Date for such Note.

#### (b) The Early Amortisation Period

On each Distribution Date during the Early Amortisation Period, payments of principal will not be accumulated by the Issuer in the Principal Funding Account for the Notes and will instead be paid by the Issuer to the relevant Noteholder on each Distribution Date. The holders of the Class A Notes will be entitled to receive, on each Distribution Date during the Early Amortisation Period, Available Principal Collections until the Class A Nominal Liquidation Amount is reduced to zero. After payment in full of the Class A Nominal Liquidation Amount, the holders of the Class B Notes will be entitled to receive, on each Distribution Date during the Early Amortisation Period, Available Principal Collections until the Class B Nominal Liquidation Amount is reduced to zero. After payment in full of the Class B Nominal Liquidation Amount, the holders of the Class C Notes will be entitled to receive, on each Distribution Date during the Early Amortisation Period, Available Principal Collections until the Class C Nominal Liquidation Amount is reduced to zero.

## 4. Allocations on the Notes

### 4.1 Allocation of Available Finance Charge Collections – The Finance Charge Priority of Payments

On each Distribution Date, the Issuer, acting on the advice of the Issuer Cash Manager, will apply and transfer Available Finance Charge Collections credited to the Issuer Finance Charge Ledger in the

following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full and to the extent permitted by applicable law):

- (a) to pay, in the following order of priority, to:
  - (i) the Note Trustee and the Security Trustee, on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable thereto, provided that in any event the aggregate amount payable pursuant hereto is not to exceed, on an annual basis, the Trustee Cap Amount; and
  - (ii) the Principal Paying Agent, the Issuer Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider and any other person to which Issuer Costs are due and payable, on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable thereto in each case, on such Distribution Date, provided that in any event the aggregate amount payable pursuant hereto is not to exceed, on an annual basis, CHF 500,000;
- (b) the Class A Monthly Interest Amount for such Distribution Date, to be credited to the sub-ledger for the Class A Notes of the Interest Ledger;
- (c) the Class B Monthly Interest Amount for such Distribution Date, to be credited to the sub-ledger for the Class B Notes of the Interest Ledger;
- (d) the Class C Monthly Interest Amount for such Distribution Date, to be credited to the sub-ledger for the Class C Notes of the Interest Ledger;
- (e) an amount equal to any Current Issuer Charge-Offs allocated to the Issuer as the holder of Issuer Certificate No. 5, if any, for the preceding Monthly Period, to be credited to the Issuer Principal Ledger to form part of Available Principal Collections for such Distribution Date;
- (f) an amount equal to the aggregate of (i) any Prior Issuer Charge-Offs and (ii) any reductions to the Nominal Liquidation Amount of any Note due to payments of Reallocated Principal Collections, in each case, which have not been previously reinstated, to be credited Issuer Principal Ledger to form part of Available Principal Collections for such Distribution Date;
- (g) an amount up to the excess, if any, of the Accumulation Reserve Required Amount over the amount on deposit in the Accumulation Reserve Account to be deposited into the Accumulation Reserve Account on such Distribution Date;
- (h) an amount up to the excess, if any, of the Liquidity Amount over the amount on deposit in the Liquidity Reserve Account to be deposited into the Liquidity Reserve Account on such Distribution Date;
- (i) an amount up to the excess, if any, of the Required Spread Amount over the amount on deposit in the Spread Account to be deposited into the Spread Account on such Distribution Date;
- (j) to pay, the following order of priority, to:
  - (i) the Note Trustee and the Security Trustee, on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable thereto that were not paid pursuant to clause (a)(i) above; and
  - (ii) the Principal Paying Agent, the Issuer Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider and any other person to which Issuer Costs are due and payable, on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable thereto in each case, on such Distribution Date, that were not paid pursuant to clause (a)(ii) above;
- (k) if on such Distribution Date the Originator Invested Amount is less than the Minimum Originator Invested Amount, an amount up to such shortfall to be credited to the Issuer

Principal Ledger to form part of the Available Principal Collections for such Distribution Date;

- (l) if an Early Amortisation Event has occurred, to be credited to the Issuer Principal Ledger to form part of the Available Principal Collections for such Distribution Date to make principal payments on the Class A Notes, the Class B Notes and the Class C Notes, in that order of priority, to the extent Principal Collections, including an Shared Principal Collections, allocated to the Issuer are not sufficient to pay the Notes in full;
- (m) an amount equal to the Issuer Monthly Profit Amount to be retained by Issuer; and
- (n) to pay any residual collections in respect of Issuer Certificate No. 5 to the Asset SPV.

#### 4.2 Reallocated Principal Collections

##### (a) Utilisation of Reallocated Principal Collections

On each Distribution Date following the application of the Available Finance Charge Collections in accordance with the Finance Charge Priority of Payments, the Issuer Cash Manager (acting on behalf of the Issuer) will determine and calculate any shortfalls due to there being insufficient Available Finance Charge Collections for payment of any of the Senior Costs, the Class A Monthly Interest Amount, the Class B Monthly Interest Amount and the Class C Monthly Interest Amount, in each case, for such Distribution Date. If any such shortfall exists on the applicable Distribution Date, the Issuer, acting on the advice of the Issuer Cash Manager, will reallocate from Available Principal Collections standing to the credit of the Issuer Principal Ledger on such Distribution Date (any such reallocated amount being referred to as “**Reallocated Principal Collections**”) as follows:

- (i) *first*, an amount up to the Senior Costs shortfall, but not to exceed the sum of the Nominal Liquidation Amount of the Class B Notes and the Class C Notes;
  - (ii) *second*, an amount up to the Class A Monthly Interest Amount shortfall, but not to exceed (a) the sum of the Nominal Liquidation Amount of the Class B Notes and the Class C Notes, *minus* (b) the amount (if any) reallocated *first* above;
  - (iii) *third*, an amount up to the Class B Monthly Interest Amount shortfall, but not to exceed (a) the sum of the Nominal Liquidation Amount of the Class B Notes and the Class C Notes, *minus* (b) the amount (if any) reallocated first through *second* above; and
  - (iv) *fourth*, an amount up to the Class C Monthly Interest Amount shortfall, but not to exceed (a) the Nominal Liquidation Amount of the Class C Notes, *minus* (b) the amount (if any) reallocated first through *third* above.
- (b) Allocation of Reallocated Principal Collections to reduce the Nominal Liquidation Amounts of the Notes

The use of Reallocated Principal Collections to meet shortfalls due to insufficient Available Finance Charge Collections to make certain payments on a Distribution Date as described above will cause the Nominal Liquidation Amount of each Class of Notes to be reduced in the following order of priority:

- (i) *first*, the Nominal Liquidation Amount of the Class C Notes will be reduced by such Reallocated Principal Collections until the Nominal Liquidation Amount thereof is zero; and
- (ii) *second*, the Nominal Liquidation Amount of the Class B Notes will be reduced by such Reallocated Principal Collections until the Nominal Liquidation Amount thereof is zero.

Reductions in the Nominal Liquidation Amount of any of the Class B Notes or the Class C Notes following from the utilisation of Reallocated Principal Collections may be reimbursed

on subsequent Distribution Dates from Available Finance Charge Collections as provided in clause (f)(ii) under the Finance Charge Priority of Payments. See also—*Allocation of Increases to the Nominal Liquidation Amount of the Notes*”. If the Nominal Liquidation Amount of any Class of Notes is reduced to zero, such Class of Notes will not receive any further allocations of Finance Charge Collections and Principal Collections, unless any portion of the Nominal Liquidation Amount thereof is subsequently increased.

#### 4.3 Allocation of Current Issuer Charge-Offs

To the extent any Current Issuer Charge-Offs for any Monthly Period in respect of the Receivables are allocated to Issuer Certificate No. 5 as described below under “*SOURCES OF FUNDS TO PAY THE NOTES—Allocation of Charged-Off Receivables; Current Issuer Charge-Offs*” and are not funded by the application of Available Finance Charge Collections, an amount equal to the shortfall will be allocated by (or on the behalf of the Issuer) on that Distribution Date as follows:

- (a) *first*, the Nominal Liquidation Amount of the Class C Notes will be reduced by the amount of this shortfall until the Nominal Liquidation Amount of the Class C notes is reduced to zero;
- (b) *second*, the Nominal Liquidation Amount of the Class B Notes will be reduced by the amount of this shortfall until the Nominal Liquidation Amount of the Class B Notes is reduced to zero; and
- (c) *third*, the Nominal Liquidation Amount of the Class A Notes will be reduced by the amount of this shortfall until the Nominal Liquidation Amount of the Class A Notes is reduced to zero.

Reductions in the Nominal Liquidation Amount of any Class of Notes following from the application of any Current Issuer Charge-Offs may be reimbursed on subsequent Distribution Dates from Available Finance Charge Collections as provided in clause (f)(i) under the Finance Charge Priority of Payments. See also—*Allocation of Increases to the Nominal Liquidation Amount of the Notes*”. If the Nominal Liquidation Amount of any Class of Notes is reduced to zero, such Class of Notes will not receive any further allocations of Finance Charge Collections and Principal Collections, unless any portion of the Nominal Liquidation Amount thereof is subsequently increased.

#### 4.4 Allocation of Increases to the Nominal Liquidation Amount of the Notes

If on any Distribution Date, Available Finance Charge Collections are available pursuant to clause (f) under the Finance Charge Priority of Payments for reimbursement for prior reductions in the Aggregate Nominal Liquidation Amount of the Notes due to Prior Issuer Charge-Offs and/or Reallocated Principal Collections, then prior to the allocation of Available Principal Collections in accordance with the Principal Priority of Payments, the Nominal Liquidation Amount of the Notes will be increased in the following order of priority:

- (a) *first*, the Nominal Liquidation Amount of the Class A Notes will be increased until the Nominal Liquidation Amount thereof equals Outstanding Principal Amount for the Class A Notes;
- (b) *second*, the Nominal Liquidation Amount of the Class B Notes will be increased until the Nominal Liquidation Amount thereof equals Outstanding Principal Amount for the Class B Notes; and
- (c) *third*, the Nominal Liquidation Amount of the Class C Notes will be increased until the Nominal Liquidation Amount thereof equals Outstanding Principal Amount for the Class C Notes.

#### 4.5 Allocation of Available Principal Collections

On each Distribution Date, following the application of the Available Finance Charge Collections and the Reallocated Principal Collections (as set out above), the Issuer, acting on the advice of the Issuer Cash Manager, will distribute all remaining Available Principal Collections credited to the Issuer Principal Ledger as follows:

- (a) on each Distribution Date during the Revolving Period, all such Available Principal Collections will be treated as a Reinvestment in Issuer Certificate No. 5 and will be transferred to the Asset SPV to be applied as described below under “*THE COLLATERAL CERTIFICATE TRUST DEED—Reinvestments made with respect to the Issuer Certificates*”;
- (b) on each Distribution Date during the Controlled Accumulation Period, all such Available Principal Collections will be deposited in the following priority:
  - (i) *first*, in the Principal Funding Account, an amount equal to the lesser of (A) the Controlled Deposit Amount for the Class A Notes, and (B) the Net Nominal Liquidation Amount of the Class A Notes;
  - (ii) *second*, in the Principal Funding Account, an amount equal to the lesser of (A) the Controlled Deposit Amount for the Class B Notes, and (B) the Net Nominal Liquidation Amount of the Class B Notes;
  - (iii) *third*, in the Principal Funding Account, an amount equal to the lesser of (A) the Controlled Deposit Amount for the Class C Notes, and (B) the Net Nominal Liquidation Amount of the Class C Notes; and
  - (iv) *fourth*, any remaining Available Principal Collections will be treated as a Reinvestment in Issuer Certificate No. 5 and will be transferred to the Asset SPV to be applied as described below under “*THE COLLATERAL CERTIFICATE TRUST DEED—Reinvestments made with respect to the Issuer Certificates*”;
- (c) on the Scheduled Redemption Date and each Distribution Date during the Early Amortisation Period, all such Available Principal Collections and any amounts on deposit in the Principal Funding Account will be distributed in the following priority:
  - (i) *first*, to the Class A Noteholders, an amount up to the Nominal Liquidation Amount of the Class A Notes as of such date;
  - (ii) *second*, to the Class B Noteholders, an amount up to the Nominal Liquidation Amount of the Class B Notes as of such date; and
  - (iii) *third*, to the Class C Noteholders, an amount up to the Nominal Liquidation Amount of the Class C Notes as of such date.

## 5. Allocations following the occurrence of an Enforcement Event

Following the occurrence of an Enforcement Event, any monies received by the Security Trustee in connection with the enforcement of the Issuer Security pursuant to the Security Trust Deed shall be applied to pay the Issuer Secured Obligations in accordance with the Enforcement Priority of Payments (See “*TERMS AND CONDITIONS OF THE NOTES*”).

## 6. Credit enhancement and other support

### 6.1 Subordination

The Class C Notes will provide subordination to the Class B Notes and the Class A Notes, and on each Distribution Date will not receive any payments of interest and principal until all payments of principal and interest (in each case, in accordance with the applicable Priority of Payments), to the extent due and payable, are made to the Class A Notes and the Class B Notes. Additionally, the Class B Notes will provide subordination to the Class A Notes, and on each Distribution Date will not receive any payments of interest and principal until all payments of principal and interest (in each case, in accordance with the applicable Priority of Payments), to the extent due and payable, are made to the Class A Notes.

## 6.2 Accumulation Reserve Account

The Issuer will establish and maintain the Accumulation Reserve Account. The Accumulation Reserve Account will be established to assist with the payment by the Issuer of the Monthly Interest Amount payable on each Class of Notes during the Controlled Accumulation Period.

On each Distribution Date during the Controlled Accumulation Period following the Accumulation Reserve Account Funding Date, the Issuer will apply the Available Finance Charge Collections in the order of priority described above under “—*Allocation of Available Finance Charge Collections—The Finance Charge Priority of Payments*” to increase the amount credited to the Accumulation Reserve Account to equal the Accumulation Reserve Required Amount for such Distribution Date. However, if the Servicer determines that the Controlled Accumulation Period is only required to be one monthly period then the Issuer will not be required to fund the Accumulation Reserve Account.

On or before each Distribution Date during the Controlled Accumulation Period, the Issuer will cause any amount on deposit in the Accumulation Reserve Amount to be transferred to the Issuer Finance Charge Ledger to the extent of any shortfalls in the payment of the Monthly Interest Amount of any Class of Notes.

On each Distribution Date, after giving effect to any deposit to be made to, and any withdrawal to be made from, the Accumulation Reserve Account on that Distribution Date, the Issuer will withdraw from the Accumulation Reserve Account an amount equal to any excess on deposit in the Accumulation Reserve Account over the Accumulation Reserve Required Amount for such Distribution Date. The Issuer will cause this excess to be distributed as Available Finance Charge Collections on the applicable Distribution Date and it will cease to be the property of Issuer.

Upon the earlier to occur of (a) the first Distribution Date during the Early Amortisation Period, and (b) the Scheduled Redemption Date, the Issuer will withdraw the amounts deposited in the Accumulation Reserve Account and will cause such amount to be paid as part of the Available Finance Charge Collections for any such date.

All amounts on deposit in the Accumulation Reserve Account on any Distribution Date will be invested in Permitted Investments. This will be done after giving effect to any deposits to, or withdrawals from, the Accumulation Reserve Account to be made on that Distribution Date. Permitted Investments must mature so that such funds will be available for withdrawal on or prior to the following Distribution Date. No such Permitted Investment will be disposed of prior to its maturity. The interest and other income – net of investment expenses and losses – earned on the Permitted Investments will be retained in the Accumulation Reserve Account to the extent that the amount on deposit in the Accumulation Reserve Account is less than the Accumulation Reserve Required Amount.

On the Closing Date, the Accumulation Reserve Account will have a balance of zero.

## 6.3 Spread Account

The Issuer will establish and maintain the Spread Account for the purpose of providing credit support for the Class C Notes. The Spread Account will be established to assist with the payment by the Issuer of amounts payable on the Class C Notes.

On the Closing Date, the Spread Account will have a balance of zero. Following the Spread Account Funding Date, the amount targeted to be deposited in the Spread Account on any Distribution Date from the Available Finance Charge Collections is equal to the Required Spread Amount over the amount on deposit in the Spread Account on such Distribution Date.

On each Distribution Date following the Spread Account Funding Date, the Issuer Cash Manager (acting on behalf of the Issuer) will withdraw from the Spread Account (up to the amount standing to the credit of the Spread Account), an amount equal to make payments to the holders of the Class C Notes in the following order of priority:

- (a) to pay any Class C Monthly Interest Amount shortfall for such Distribution Date;

- (b) to pay the holder(s) of the Class C Notes in an amount up to any Nominal Liquidation Amount Deficit on the Class C Notes for such Distribution Date; and
- (c) to cause any excess of the amount on deposit in the Spread Account over the Required Spread Amount to be distributed as Available Finance Charge Collections on the applicable Distribution Date and such amount will cease to be the property of Issuer.

If on any Distribution Date following the Spread Account Funding Date, after giving effect to all withdrawals from and deposits to the Spread Account, the amount (including any interest and other income – net of investment expenses and losses – earned on the Permitted Investments) on deposit in the Spread Account exceeds the Required Spread Amount then in effect, the Issuer Cash Manager (acting on behalf of the Issuer) will cause such excess to be credited to the Issuer Finance Charge Ledger to be distributed as part of the Available Finance Charge Collections in accordance with the Finance Charge Priority of Payments on such Distribution Date.

Upon the earliest to occur of (a) the payment in full of the Class A Notes and the Class B Notes and (b) the Final Redemption Date, the Issuer Cash Manager (acting on behalf of the Issuer) will withdraw the amount deposited in the Spread Account and cause such amount to be distributed in or towards payment of amounts then due and unpaid in respect of the Class C Notes *pro rata* and *pari passu* to the Class C Noteholders.

Upon the occurrence of an Enforcement Event, the Issuer Cash Manager, on behalf of the Security Trustee, shall withdraw the amounts deposited in the Spread Account and cause such amounts to be distributed in the following order of priority:

- (a) *first*, in or towards payment of amounts then due and unpaid in respect of the Class C Notes *pro rata* and *pari passu* to the Class C Noteholders;
- (b) *second*, in or towards payment of amounts then due and unpaid in respect of the Class A Notes *pro rata* and *pari passu* to the Class A Noteholders; and
- (c) *third*, in or towards payment of amounts then due and unpaid in respect of the Class B Notes *pro rata* and *pari passu* to the Class B Noteholders.

All amounts on deposit in the Spread Account on any Distribution Date will be invested in Permitted Investments. This will be done after giving effect to any deposits to, or withdrawals from, the Spread Account to be made on that Distribution Date. Permitted Investments must mature so that such funds will be available for withdrawal on or prior to the following Distribution Date. No such Permitted Investment will be disposed of prior to its maturity. The interest and other income – net of investment expenses and losses – earned on the Permitted Investments will be retained in the Spread Account to the extent that the amount on deposit therein is less than the Required Spread Amount.

#### 6.4 Liquidity Reserve Account

The Issuer will establish and maintain the Liquidity Reserve Account. The Liquidity Reserve Account will be established to assist with the payment by the Issuer of interest owing on the Notes.

On the Closing Date, the Liquidity Reserve Account will have a balance of zero. On each Distribution Date following a Liquidity Trigger Event, the Issuer will apply Available Finance Charge Collections in accordance with the Finance Charge Priority of Payments to increase the amount on deposit in the Liquidity Reserve Account to the extent the amount on deposit therein is less than the Liquidity Amount on such Distribution Date.

All amounts on deposit in the Liquidity Reserve Account on any Distribution Date will be invested in Permitted Investments to the following Distribution Date. This will be done after giving effect to any deposits to, or withdrawals from, the Liquidity Reserve Account to be made on that Distribution Date.

If Available Finance Charge Collections with respect to any Distribution Date are insufficient to distribute or deposit the full amounts required under items (a) through (d) of the Finance Charge Priority of Payments, then prior to the allocation of Reallocated Principal Collections, the Issuer Cash Manager (acting on behalf of the Issuer) will withdraw from the Liquidity Reserve Account on such Distribution Date in an amount sufficient to make up any such shortfalls.



Upon:

- (a) the earliest to occur of (i) the payment in full each Class of Notes and (ii) the Scheduled Redemption Date, the Issuer Cash Manager (acting on behalf of the Issuer) will withdraw the amount deposited in the Liquidity Reserve Account and cause such amount to be paid as part of the Available Finance Charge Collections for any such date; and
- (b) the occurrence of an Enforcement Event, the Issuer Cash Manager, on behalf of the Security Trustee (unless otherwise instructed in writing by the Security Trustee), shall withdraw the amounts deposited in the Liquidity Reserve Account and cause such amount to be deposited in the Issuer Distribution Account to be distributed in accordance with the Enforcement Priority of Payments.

## SOURCES OF FUNDS TO PAY THE NOTES

### 1. Issuer Certificate No. 5

The primary source of funds for the payment of principal of and interest on the Notes is Issuer Certificate No. 5 which will be issued by the Asset SPV to the Issuer on the Closing Date. The following discussion and the discussion under “*THE COLLATERAL CERTIFICATE TRUST DEED*” summarise the material terms of Issuer Certificate No. 5. These summaries do not purport to be complete and are qualified by the remainder of this Prospectus.

### 2. General

Issuer Certificate No. 5 will be issued pursuant to a Supplement to the Collateral Certificate Trust Deed, namely Issuer Supplement No. 5. As of the Closing Date, Issuer Certificate No. 2, Issuer Certificate No. 3, Issuer Certificate No. 4 and Issuer Certificate No. 5 are the only Issuer Certificates issued by the Asset SPV, but, subject to certain conditions, additional Issuer Certificates may be issued in the future (see “*THE COLLATERAL CERTIFICATE TRUST DEED—New Issuer Certificates or increases in existing Issuer Certificates*” for further information on the issuance of additional Issuer Certificates). In addition to Issuer Certificate No. 5, the Asset SPV issued an Originator Certificate to Swisscard on the First Issue Date, Issuer Certificate No. 2 to Swiss Credit Card Issuance No. 2 AG on the Second Issue Date, Issuer Certificate No. 3 to Swiss Credit Card Issuance 2015-1 AG on the Third Issue Date and Issuer Certificate No. 4 to Swiss Credit Card Issuance 2015-2 AG on the Third Issue Date. For a description of the Originator Certificates issued by the Asset SPV, see “*THE COLLATERAL CERTIFICATE TRUST DEED—Originator Certificates*”.

Issuer Certificate No. 5 (a) has no specified interest rate, but instead will be paid the Issuer Disbursement Amount (if any) on each Transfer Date, (b) will have a final maturity that is one year and one day after the Final Discharge Date for all Classes of the Notes, and (c) will represent the rights that the Issuer has with respect to the assets of the Asset SPV, which are comprised primarily of the specified Asset SPV Collateral Property.

As the holder of Issuer Certificate No. 5, the Issuer will receive a share of the Net Finance Charge Collections (up to the Issuer Disbursement Amount owing on Issuer Certificate No. 5), Principal Collections and any Current Issuer Charge-Offs, in each case, based on the then outstanding Issuer Invested Amount of Issuer Certificate No. 5. In general, the Issuer Invested Amount of Issuer Certificate No. 5 (and any other Issuer Certificate) is a fluctuating amount that will equal the stated net nominal liquidation amount of all Related Debt for such Issuer Certificates issued to investors less any unreimbursed charge-offs and principal payments. Issuer Certificate No. 5 will at all times equal the Aggregate Net Nominal Liquidation Amount of the Notes and on the Closing Date the initial Issuer Invested Amount of Issuer Certificate No. 5 is CHF 200,000,000.

### 3. Allocation of Finance Charge Collections

#### 3.1 Determination of the Net Finance Charge Collections and Distribution of the Asset SPV Expense Amount

On each Business Day on which Finance Charge Collections are transferred to the Collection Account, the Asset SPV (or the Asset SPV Cash Manager on its behalf) will deduct from such Finance Charge Collections and transfer to the Asset SPV Expense Account an amount equal to the Asset SPV Expense Amount.

On each Business Day following the transfer of the Asset SPV Expense Amount, the Asset SPV (or the Asset SPV Cash Manager on its behalf) will allocate and/or distribute such amount in the following order of priority:

- (a) an amount up to the Monthly Asset SPV Costs will be credited to a separate ledger of the Asset SPV Expense Account, which ledger will be debited to pay the Asset SPV Costs, on a *pro rata* and *pari passu* basis, to each applicable party on the date on which such costs are due and payable;

- (b) an amount up to the Servicing Fee (if any) will be credited to a separate ledger of the Asset SPV Expense Account, which ledger will be debited to pay to the Servicing Fee to the Servicer on the date on which such fee is due and payable;
- (c) an amount up to the Monthly Asset SPV Profit Amount will be credited to a separate ledger of the Asset SPV Expense Account, which ledger will be debited to pay required income and local capital taxes of the Asset SPV (and other permitted amounts) on the date on which any such amount is due and payable; and
- (d) an amount up to the Initial FC Purchase Price will be credited to a separate ledger of the Asset SPV Expense Account, which ledger will be debited to pay the Initial FC Purchase Price to the Originators on the date on which such amount is due and payable.

### 3.2 Allocations of Net Finance Charge Collections to the Group I Finance Collections Ledger

The Finance Charge Collections remaining after the deduction and transfer of the Asset SPV Expense Amount will comprise the Net Finance Charge Collections. On each Business Day following the determination of the Net Finance Charge Collections, the Asset SPV Cash Manager will credit to the Group I Finance Collections Ledger in the Collection Account a portion of such Net Finance Charge Collections corresponding to the Non-Principal Allocation Percentage for Issuer Certificate No. 5. In addition to the Net Finance Charge Collections allocated to Issuer Certificate No. 5 on any Business Day, the Asset SPV will cause all Net Finance Charge Collections allocated to all Issuer Certificates in Group I (based on the sum of their respective Non-Principal Allocation Percentage) to be credited to the Group I Finance Collections Ledger. The amount of Net Finance Charge Collections that are not allocated to the Issuer Certificates in Group I will be allocated to any other Issuer Certificates (based on their respective Non-Principal Allocation Percentage) and any amount not allocated to an Issuer Certificate will be allocated to the Originator Certificates in accordance with the Collateral Certificate Trust Deed.

The calculation of amounts available for distribution to the Issuer as holder of Issuer Certificate No. 5 in respect of Net Finance Charge Collections will be determined on the basis of the Non-Principal Allocation Percentage of Issuer Certificate No. 5 for the Monthly Period in which the related Finance Charge Collections arise. In broad terms, the Non-Principal Allocation Percentage (solely with respect to the allocation of Finance Charge Collections) will be calculated by reference to the Fixed Invested Amount for Issuer Certificate No. 5. This will take into account whether the Notes are in the Revolving Period, the Early Amortisation Period or the Controlled Accumulation Period.

### 3.3 Reallocation of amounts credited to the Group I Finance Collections Ledger to the Issuer Certificates in Group I

On each Transfer Date, the aggregate amount of Net Finance Charge Collections credited to the Group I Finance Collections Ledger for the immediately preceding Monthly Period and any Investment Earnings in the Asset SPV Bank Accounts as of such Transfer Date will be reallocated to Issuer Certificate No. 5 and any other Issuer Certificates in Group I in the following order of priority:

- (a) to Issuer Certificate No. 5 and each other Issuer Certificate in Group I, on a *pro rata* basis, an amount up to (i) with respect to Issuer Certificate No. 5, the Senior Costs related to the Notes, and (ii) for all other Issuer Certificates in Group I, the Senior Costs for all Related Debt;
- (b) to Issuer Certificate No. 5 and each other Issuer Certificate in Group I, on a *pro rata* basis, an amount up to (i) with respect to Issuer Certificate No. 5, the Class A Monthly Interest Amount, and (ii) for all other Issuer Certificates in Group I, the Class A monthly interest amount (or a corresponding senior interest amount) for all Related Debt;
- (c) to Issuer Certificate No. 5 and each other Issuer Certificate in Group I, on a *pro rata* basis, an amount up to (i) with respect to Issuer Certificate No. 5, the Class B Monthly Interest Amount, and (ii) for all other Issuer Certificates in Group I, the Class B monthly interest amount (or a corresponding subordinated interest amount);
- (d) to Issuer Certificate No. 5 and each other Issuer Certificate in Group I, on a *pro rata* basis, an amount up to (i) with respect to Issuer Certificate No. 5, the Class C Monthly Interest Amount,

and (ii) for all other Issuer Certificates in Group I, the Class C monthly interest amount (or a corresponding subordinated interest amount);

- (e) to Issuer Certificate No. 5 and each other Issuer Certificate in Group I, on a *pro rata* basis, an amount up to (i) with respect to Issuer Certificate No. 5, the Additional Cost Amount, and (ii) for all other Issuer Certificates in Group I, the additional cost amount for all Related Debt; and
- (f) any remaining Net Finance Charge Collections will be transferred to the Originators as payment of Deferred FC Purchase Price for the Finance Charge Receivables previously purchased by the Asset SPV.

### 3.4 Transfer of the Issuer Disbursement Amount to the Issuer Distribution Account

The aggregate of the amounts allocated to Issuer Certificate No. 5 in sub clause (i) of each of clauses 3.3 (a) through (e) above will comprise the Issuer Disbursement Amount to which the Issuer is entitled as the holder of Issuer Certificate No. 5 and will be transferred from the Group I Finance Collections Ledger to the Issuer Finance Charge Ledger on each Transfer Date.

### 3.5 Application of the Available Finance Charge Collections by the Issuer

The Issuer Disbursement Amount credited to the Issuer Finance Charge Ledger will form part of the Available Finance Charge Collections, and on each Distribution Date, the Issuer will apply all Available Finance Charge Collections from the Issuer Finance Charge Ledger in accordance with the Finance Charge Priority of Payments.

## 4. Allocation of Principal Collections

### 4.1 Allocations of Principal Collections and Available Principal Collections

On each Business Day on which Principal Collections are transferred to the Collection Account, the Asset SPV will cause transfers from, or credits to separate sub-ledgers in the Collection Account as follows:

- (a) the amount of any such Principal Collections that are Ineligible Collections will be transferred to the Originator Certificateholders in accordance with the provisions of the Collateral Certificate Trust Deed; and
- (b) the amount of any such Principal Collections that are Eligible Principal Collections:
  - (i) *first*, will be *multiplied* by the Principal Allocation Percentage for Issuer Certificate No. 5 and any other Issuer Certificate and the resulting amounts will be credited to the sub-ledger corresponding to each such Issuer Certificate in the Principal Collections Ledger of the Collection Account in an amount up to the Required Retained Principal Amount for any such Issuer Certificate;
  - (ii) *second*, any Eligible Principal Collections not required to be retained in the Principal Collections Ledger as part of the Required Retained Principal Amount for any Issuer Certificate, will be treated as Shared Principal Collections to be retained as the Required Retained Principal Amount for any Issuer Certificates in the same sharing group to the extent such amount remains unfunded following the allocation pursuant to clause (i) above; and
  - (iii) *third*, any Eligible Principal Collections not transferred or otherwise allocated pursuant to clauses (i) and (ii) above will be transferred to the Excess Funding Account to be distributed as described below under “*THE COLLATERAL CERTIFICATE TRUST DEED—Application of amounts in the Excess Funding Account*”.

The calculation of amounts available for distribution to the Issuer in respect of Eligible Principal Collections described in paragraph (b)(i) above will be determined on the basis of the Principal Allocation Percentage for the Monthly Period in which such Principal Collections arise. In broad

terms, the Principal Allocation Percentage will be calculated by reference to the Fixed Invested Amount for Issuer Certificate No. 5. This will take into account whether the Notes are in the Revolving Period, the Early Amortisation Period or the Controlled Accumulation Period.

#### 4.2 Transfer of the Available Principal Collections to the Issuer Distribution Account

On each Distribution Date, the aggregate of the amount allocated to the sub-ledger for Issuer Certificate No. 5 in the Principal Collections Ledger in paragraphs 4.1(b)(i) and (ii) above will comprise the Principal Collections to which the Issuer is entitled as the holder of Issuer Certificate No. 5 and will be transferred from the Principal Collections Ledger to the Issuer Principal Ledger on each Transfer Date to form part of the Available Principal Collections to be distributed by the Issuer. On any Distribution Date during the Early Amortisation Period on which the Principal Collections allocable to the Issuer exceed the Aggregate Net Nominal Liquidation Amount of the Notes, the amount of such excess will be transferred to the Excess Funding Account instead of the Issuer Distribution Account.

#### 4.3 Application of the Available Principal Collections by the Issuer

On each Distribution Date, from the Issuer Principal Ledger, the Issuer will apply the Available Principal Collections in accordance with the Principal Priority of Payments.

#### 4.4 Group I Shared Principal Collections

Together with Issuer Certificate No. 2, Issuer Certificate No. 3 and Issuer Certificate No. 4, Issuer Certificate No. 5 has been designated as being in the “**Group I**” sharing group. This means that any Reinvestment (see “*THE COLLATERAL CERTIFICATE TRUST DEED—Reinvestments made with respect to the Issuer Certificates*” below) in Issuer Certificate No. 5 by the Issuer after application of the Available Principal Collections pursuant to the applicable of clauses (a), (b)(i), (b)(ii) or (b)(iii) under the Principal Priority of Payments will first be made available to cover any principal shortfalls on the Related Debt of any Issuer Certificates that are also designated as being in the Group I sharing group. See “*THE COLLATERAL CERTIFICATE TRUST DEED—Sharing of Available Principal Collections*” for a further description.

#### 4.5 Allocation of Charged-Off Receivables; Current Issuer Charge-Offs

On each Distribution Date, the Asset SPV Cash Manager (on behalf of the Asset SPV) will calculate the aggregate Charged-Off Amount on all Principal Receivables for the preceding Monthly Period. A portion of any such aggregate Charged-Off Amount will be allocated to Issuer Certificate No. 5 and any other Issuer Certificate equal to the product of the relevant Non-Principal Allocation Percentage as of such Distribution Date and such aggregate Charged-Off Amount (such amount being referred to as the “**Current Issuer Charge-Off**”).

If the Current Issuer Charge-Off allocated to Issuer Certificate No. 5 exceeds the Available Finance Charge Collections available to be applied pursuant to item (e) under the Finance Charge Priority of Payments, any such excess will be applied to cause the Nominal Liquidation Amount of each Class of Notes to be reduced. See “*GENERAL DESCRIPTION OF THE NOTES—Allocations on the Notes—Allocation of Current Issuer Charge-Offs*”. The remainder of such Charged-Off Amount that is not allocated as a Current Issuer Charge-Off to any Issuer Certificate, will be applied to reduce the Originator Invested Amount of the Originator Certificates (but not below zero).

## THE COLLATERAL CERTIFICATE TRUST DEED

### 1. General

In order to fund its acquisition of Receivables arising under Designated Accounts, the Asset SPV entered into the Collateral Certificate Trust Deed. Pursuant to the Collateral Certificate Trust Deed, which is governed by English law, the Asset SPV issues Collateral Certificates by executing a Supplement. The Collateral Certificates are secured obligations of the Asset SPV pursuant to the Asset SPV Security Agreements. See also “*DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS—Asset SPV Claims Assignment Agreement*”. The specific terms of the Collateral Certificates, including the related Issuer Invested Amount or Originator Invested Amount (as applicable), are set out in the relevant Supplement, and all other terms of the Collateral Certificates shall be governed by the terms of the Collateral Certificate Trust Deed. Each Collateral Certificate is secured by the Asset SPV Security, and if set forth in the applicable Supplement, any other Asset SPV Collateral Property expressly segregated for the benefit of such Collateral Certificate, with recourse limited to such Asset SPV Security and such Asset SPV Collateral Property.

On the First Issue Date, the Asset SPV issued an Originator Certificate to Swisscard. On the Second Issue Date, the Asset SPV issued Issuer Certificate No. 2 and on or around the Closing Date, all amounts owed pursuant to the Issuer Certificate No. 2 are expected to be repaid in full and thereafter Issuer Certificate No. 2 will be cancelled. On the Third Issue Date, the Asset SPV issued Issuer Certificate No. 3 and Issuer Certificate No. 4. On the Closing Date, the Asset SPV will issue the Issuer Certificate No. 5 to the Issuer. In addition, the Asset SPV is permitted to issue additional Collateral Certificates subject to, and in accordance with, the terms of the Collateral Certificate Trust Deed.

### 2. Collateral Certificates

#### 2.1 Issuer Certificates

Subject to the applicable Supplement, each Issuer Certificate entitles, from time to time, the relevant Issuer Certificateholder to:

- (a) a share of the Principal Collections received in any Monthly Period;
- (b) a share of Net Finance Charge Collections received in any Monthly Period equal to the Issuer Disbursement Amount for such Monthly Period;
- (c) a share of investment earnings on Permitted Investments made using monies deposited in the Asset SPV Bank Accounts (which investment earnings are available for payment of the Issuer Disbursement Amount); and
- (d) any other Asset SPV Collateral Property expressly segregated for the benefit of such Issuer Certificate pursuant to the Collateral Certificate Trust Deed and the applicable Supplement.

#### 2.2 New Issuer Certificates or increases in Issuer Invested Amounts

The Asset SPV may issue additional Issuer Certificates, or an existing Issuer Certificate may increase its existing Issuer Invested Amount provided that:

- (a) in the case of:
  - (i) the issuance of a new Issuer Certificate, a Supplement specifying the principal terms of the Issuer Certificate to be issued pursuant thereto is executed by each of the parties to the Collateral Certificate Trust Deed, or
  - (ii) an increase to an existing Issuer Certificate, the Asset SPV receives the prior written consent of all existing Certificateholders;
- (b) the Asset SPV receives a Solvency Certificate from each Originator dated on or about the date of the applicable Additional Issuance Date or date of increase;

- (c) the Asset SPV receives a Ratings Confirmation in respect of such additional issuance or increase;
- (d) the Asset SPV confirms in writing to each Issuer Certificateholder that, in its reasonable opinion formed on the basis of due consideration no Early Redemption Event is continuing or would occur as a result of such additional issuance or increase;
- (e) the Asset SPV receives advice that no material adverse tax will accrue as a consequence of the issuance of an additional Issuer Certificate or increase to the Issuer Invested Amounts of such Issuer Certificate;
- (f) the applicable Issuer Certificateholder receives a new Issuer Certificate, or, if previously issued, a reissued Issuer Certificate indicating the increased Issuer Invested Amount thereof; and
- (g) the Asset SPV delivers a certificate to the Collateral Trustee (on behalf of the Certificateholders) confirming that the conditions set out in (a) to (f) above have been satisfied.

The Issuer Invested Amount for any newly issued, or reissued, Issuer Certificate (as the case may be) will be effected upon the applicable Issuer Certificateholder making an investment in an amount equal to the Issuer Invested Amount or in the event of an increase, an amount equal to the difference between the current Issuer Invested Amount of such Issuer Certificate and the Issuer Invested Amount contemplated by the increase. An Issuer Certificateholder may be a holder of more than one Issuer Certificate.

Certain Issuer Certificates may be subordinated to other Issuer Certificates. Whether or not an Issuer Certificate is subordinated to any other Issuer Certificate will be set out in the related Supplement. There is no limit on the number of increases that may be made with regard to an outstanding Issuer Certificate or the number of additional Certificateholders that may be added.

Pursuant to the terms of the Collateral Certificate Trust Deed, each Issuer Certificateholder has or will have agreed that it will consent to the issuance of additional Issuer Certificates following the Closing Date and to increases in the Invested Amounts of existing Issuer Certificates if the pre-conditions described in (a) through (f) above are met.

As at the Closing Date, the Issuer as the holder of Issuer Certificate No. 5, Swiss Credit Card Issuance No. 2 AG as holder of Issuer Certificate No. 2, Swiss Credit Card Issuance 2015-1 AG as holder of Issuer Certificate No. 3 and Swiss Credit Card Issuance 2015-2 AG as holder of Issuer Certificate No. 4 will be the only Issuer Certificateholders.

### 2.3 Originator Certificates

The Originator Certificates generally entitle, at any time, the relevant Originator Certificateholder to the following:

- (a) a share of the Principal Collections received in any Monthly Period;
- (b) a share of Net Finance Charge Collections received in any Monthly Period;
- (c) all Ineligible Collections related to the Ineligible Receivables originated by such Originator Certificateholder; and
- (d) any other Asset SPV Collateral Property expressly segregated for the benefit of such Originator Certificate pursuant to the related Originator Supplement.

The Originator Certificateholders are not directly entitled to investment earnings on Permitted Investments made using monies deposited in the Asset SPV Bank Accounts and segregated for a particular Issuer Certificate.

## 2.4 Issuance of new Originator Certificates

The Asset SPV may issue additional Originator Certificates to any person designated as an Originator pursuant to the terms of the Receivables Sale and Purchase Agreement provided that:

- (a) a Supplement specifying the principal terms of the Originator Certificate to be issued pursuant thereto is executed by each party to the Collateral Certificate Trust Deed;
- (b) the Asset SPV receives a Solvency Certificate from such Originator dated on or about the date of the applicable Additional Issuance Date;
- (c) the Asset SPV receives a Ratings Confirmation in respect of such additional issuance or increase;
- (d) the Asset SPV receives advice that no material adverse tax will accrue as a consequence of the issuance of an additional Originator Certificate; and
- (e) the Asset SPV delivers a certificate to the Collateral Trustee confirming that the conditions set out in (a) to (d) above have been satisfied.

## 2.5 Cancellation of Originator Certificates

Following the resignation or other termination of any Originator Certificateholder's designation as an Originator in accordance with the terms of the Receivables Sale and Purchase Agreement, the Registrar will cancel (or cause the cancellation of) the Originator Certificate held by such Originator Certificateholder upon confirmation from the Asset SPV, the Collateral Trustee, and the Asset SPV Cash Manager based on the Servicer's determination, that either (a) the Originator Invested Amount of such Originator Certificate has been paid in full or (b) all of the Receivables arising under Designated Accounts originated by such Originator Certificateholder have been fully realised or have been sold, assigned and transferred to another Originator pursuant to the Receivables Sale and Purchase Agreement.

In the event that all of the Receivables arising under Designated Accounts originated by any Originator Certificateholder are sold, assigned and transferred to another Originator as contemplated above, the existing Originator Invested Amount of the transferee's Originator Certificate shall be increased by the Originator Invested Amount of the transferor's Originator Certificate immediately prior to the time of the sale.

## 2.6 Cancellation of Issuer Certificates

Following the repayment in full of the Related Debt for any Issuer Certificate and upon confirmation from the Asset SPV, the Collateral Trustee, and the Asset SPV Cash Manager that the Invested Amount of such Issuer Certificate has been paid in full, the Registrar will cancel (or cause the cancellation of) such Issuer Certificate.

## 2.7 Disposals of Collateral Certificates

No Certificateholder may transfer, assign, exchange, place in any custodial arrangement for security purposes or otherwise convey or dispose of its respective Collateral Certificate in the Asset SPV or create any encumbrance thereover (each a "**Disposal**") (unless specified otherwise in any Supplement), except in the following permitted circumstances:

- (a) an Originator Certificateholder may make a Disposal of the whole or any part of its Originator Certificate if such Disposal is (i) to any affiliate or any other Originator without any further action, (ii) to any other person with the prior written consent of each other Originator Certificateholder, each Issuer Certificateholder and the Collateral Trustee (acting in its own interests) provided also that the Asset SPV receives a Ratings Confirmation in connection with such Disposal or (iii) part of a financing transaction that is in compliance with Article 405 of the CRR; or
- (b) any Issuer Certificateholder may make a Disposal of the whole or any part of its Issuer Certificate with the prior written consent of any Originator Certificateholder and each Issuer



Certificateholder. Under the terms of the Collateral Certificate Trust Deed, each Issuer Certificateholder agrees that, if requested in writing by the Originator Certificateholder, the Issuer Certificateholder will give its consent in accordance with such request.

## 2.8 Records

The Asset SPV causes to be kept and maintained at:

- (a) its registered office, a Collateral Certificate register to record (i) the identity of the Certificateholders from time to time, and their respective addresses, (ii) the date on which the Collateral Certificate was issued, the initial Issuer Invested Amount (including any increase to the Invested Amount of an existing Issuer Certificate but excluding any increase relating to a Reinvestment) or the initial Originator Invested Amount of each Originator Certificate (as applicable) and (iii) the cancellations, transfers, and assignments of the Issuer Certificates and any other relevant information in respect thereof; and
- (b) the registered office of the Asset SPV Cash Manager, a record detailing any increases or decreases to Issuer Invested Amounts in respect of each Issuer Certificate or Originator Invested Amounts in respect of each Originator Certificate on each Business Day.

## 3. Covenant to pay

The Asset SPV covenants with and undertakes to the Collateral Trustee that, in accordance with the Collateral Certificate Trust Deed and the relevant Supplement it pays to or procures to be paid:

- (a) to or to the order of or for the account of the Collateral Trustee on any date when amounts under the Collateral Certificate become due to be redeemed or repaid in whole or in part in accordance with the relevant Supplement, unconditionally, in immediately available funds in the same currency as that in which such Collateral Certificate is denominated, the Issuer Invested Amount or Originator Invested Amount (as applicable) and the Issuer Disbursement Amount or Originator Disbursement Amount and any other amount falling due on that date in respect of such Collateral Certificate; and
- (b) to the Asset SPV Secured Creditors, all amounts due in and payable by the Asset SPV in accordance with the terms and conditions of the Collateral Certificate Trust Deed and the relevant Supplement and all other amounts which the Collateral Trustee determines at its sole discretion are referable or allocable to the Asset SPV Secured Creditors (the “**Asset SPV Secured Obligations**”).

## 4. Other Asset SPV covenants

Pursuant to the Collateral Certificate Trust Deed, the Asset SPV covenants to the Collateral Trustee and Certificateholders that, for so long as any Certificates remain outstanding:

- (a) it will (unless and to the extent provided otherwise in the Transaction Documents):
  - (i) maintain its books, records and accounts separate from any other person or entity;
  - (ii) notify, or procure the delivery of notices to, the Cardholders and other relevant third parties following a Notification Trigger as contemplated by the Asset SPV Claims Assignment Agreement and the Receivables Sale and Purchase Agreement
  - (iii) cause to be prepared in respect of each of its financial years, separate financial statements;
  - (iv) conduct its own business in its own name;
  - (v) hold itself out as a separate entity;
  - (vi) take steps to pay its own liabilities out of its own funds;
  - (vii) use separate stationery, invoices, and cheques;

- (viii) correct any known misunderstanding regarding its separate identity; and
- (ix) maintain adequate capital in light of its contemplated business operations,
- (b) will not, save to the extent permitted by the Transaction Documents:
  - (i) create or permit to subsist any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital);
  - (ii) transfer, assign, exchange, place in any custodial arrangement for security purposes or otherwise convey or dispose of the Collateral Property or create any encumbrance thereover prior to the occurrence of an Enforcement Event;
  - (iii) commingle its assets with those of any other entity;
  - (iv) carry on any business other than as described in this Prospectus relating to the issue of the Collateral Certificates and in respect of that business will not engage in any activity or do anything whatsoever except as contemplated by the Transaction Documents;
  - (v) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under the relevant Transaction Documents;
  - (vi) use, invest or dispose of any of its property or assets except in the manner provided in or contemplated by the relevant Transaction Documents;
  - (vii) perform any act incidental to or necessary in connection with paragraphs (a) or (b) above;
  - (viii) have or form, or cause to be formed, any subsidiaries or subsidiary undertakings or undertakings of any other nature or have any employees or premises or have an interest in a bank account other than the Asset SPV Bank Accounts;
  - (ix) create, incur or suffer to exist any indebtedness (other than indebtedness permitted to be incurred under the terms of its articles of association and pursuant to or as contemplated in any of the Transaction Documents) or give any guarantee or indemnity in respect of any obligation of any person;
  - (x) waive, modify or amend, or consent to any waiver, modification or Amendment of, any of the provisions of the Transaction Documents or any relevant document without the prior written consent of the Collateral Trustee or, as the case may be, the Certificateholders;
  - (xi) offer to surrender to any company any amounts which are available for surrender by way of group relief;
  - (xii) consolidate or merge with any other persons or convey or transfer its properties or assets substantially as an entirety to any other person; and
  - (xiii) agree to the substitution of any other body corporate in place of the Issuer as principal debtor under the Collateral Certificate Trust Deed.

## 5. Security

### 5.1 Asset SPV English Law Security

Pursuant to the Collateral Certificate Trust Deed, the Asset SPV as beneficial owner, by way of fixed first security for the payment or discharge of the Asset SPV Secured Obligations, assigns absolutely and with full title guarantee in favour of the Collateral Trustee (acting for its own account and as trustee for the other Asset SPV Secured Creditors) all of its present and future rights, title and interest in, to and under the Asset SPV English Law Documents including:

- (a) all of its rights to receive payment of any amounts which may become payable to it pursuant to or with respect to the Asset SPV English Law Documents;
- (b) all monies received by it pursuant to or with respect to the Asset SPV English Law Documents;
- (c) all its rights to give notices and/or make demands pursuant to such Asset SPV English Law Documents and/or to take the steps which are required to cause payments to become due and payable thereunder or with respect to the Asset SPV English Law Documents;
- (d) all of its rights of action in respect of any breach of or default in respect of the Asset SPV English Law Documents; and
- (e) all of its rights to receive damages, compensation or obtain other relief, including in respect of any breach of or default in respect of the Asset SPV English Law Documents.

In addition, the Asset SPV irrevocably and by way of security appointed the Collateral Trustee and, if appointed by the Collateral Trustee pursuant to the terms of the Collateral Certificate Trust Deed, will appoint any receiver or manager and every delegate and each of them jointly and also severally to be its attorney (with full powers of substitution and delegation) and in its name or otherwise and on its behalf and as its act and deed to execute, deliver and perfect all instruments and other documents and do any other acts and things which may be required or which the attorney may consider desirable to, amongst other things, exercise the Asset SPV's rights in respect of the relevant Asset SPV Transaction Documents and Asset SPV Secured Assets.

## 5.2 Asset SPV Swiss Security

The Asset SPV grants the Asset SPV Swiss Security pursuant to and in accordance with the terms of the Asset SPV Swiss Security Agreements. Without limiting the rights of the Collateral Trustee under the Collateral Certificate Trust Deed and the trusts created thereunder, for the purposes of the further protection of the rights of the Asset SPV Secured Creditors, the Collateral Trustee holds:

- (a) the Asset SPV Swiss Security and any proceeds of such Asset SPV Swiss Security (but only in relation to an assignment or any other non-accessory security (*nicht akzessorische Sicherheit*)) as fiduciary (*treuhänderisch*) in its own name but for the account of all Asset SPV Secured Creditors which have the benefit of such Asset SPV Swiss Security in accordance with the Asset SPV Transaction Documents and the respective Asset SPV Swiss Security Agreement; and
- (b) the Asset SPV Swiss Security and any proceeds of such Asset SPV Swiss Security (but only in relation to any accessory security (*akzessorische Sicherheit*)) as direct representative (*direkter Stellvertreter*) of all Asset SPV Secured Creditors which have the benefit of such Asset SPV Swiss Security in accordance with the Asset SPV Transaction Documents and the respective Asset SPV Swiss Security Agreement.

By entering into (or acceding to) the Collateral Certificate Trust Deed, each present and future Asset SPV Secured Creditor will appoint and authorise the Collateral Trustee as follows:

- (c) to enter into each Asset SPV Swiss Security Agreement that constitutes a Swiss law pledge or any other Swiss law accessory security (*akzessorische Sicherheit*) as its direct representative (*direkter Stellvertreter*);
- (d) acting for itself and in the name and for the account of such Asset SPV Secured Creditor to accept as its direct representative (*direkter Stellvertreter*) any Swiss law pledge or any other Swiss law accessory security (*akzessorische Sicherheit*) made or expressed to be made to such Asset SPV Secured Creditor in relation to the Asset SPV Swiss Security Agreements, to hold, administer and, if necessary, enforce any such security on behalf of each relevant Asset SPV Secured Creditor which has the benefit of such security;
- (e) to agree as its direct representative (*direkter Stellvertreter*) to Amendments and alterations to any Asset SPV Swiss Security Agreement which creates a pledge or any other Swiss law accessory security (*akzessorische Sicherheit*);

- (f) to effect as its direct representative (*direkter Stellvertreter*) any release of a Security Interest created under an Asset SPV Swiss Security Agreement in accordance with the Asset SPV Transaction Documents; and
- (g) to exercise as its direct representative (*direkter Stellvertreter*) such other rights granted to the Collateral Trustee hereunder or under the relevant Asset SPV Swiss Security Agreement.

### 5.3 Declaration of Trust

The Collateral Trustee holds the Asset SPV English Law Security, the rights of the Collateral Trustee (as a as direct representative (*direkter Stellvertreter*) in relation to any accessory security (*akzessorische Sicherheit*)) under any Asset SPV Swiss Security Agreement and all monies received by the Collateral Trustee in respect of the Collateral Certificates or amounts payable under the Asset SPV English Law Documents (including any monies which represent principal or interest in respect of Collateral Certificates but excluding any amounts due to the Collateral Trustee in its own right) on trust for the Asset SPV Secured Creditors to apply them in accordance with the Collateral Certificate Trust Deed and the applicable Supplement and otherwise in accordance (subject to the enforcement provisions in the Collateral Certificate Trust Deed) with the terms of any other Asset SPV Security Agreement.

## 6. Application of Collections among sharing groups

### 6.1 Sharing of Available Principal Collections

If any Issuer Certificate is designated as being in a sharing group, any (a) Eligible Principal Collections that are not required to be retained in the Principal Collections Ledger of the Collection Account as part of the Required Retained Principal Amount for such Issuer Certificate on any Business Day on which Principal Collections are deposited into the Collection Account, and (b) Reinvestment of the Available Principal Collections for any Monthly Period not utilised on the related Distribution Date for payment of principal on the Related Debt of such Issuer Certificates, will be made available as “**Shared Principal Collections**” to cover any principal shortfalls on the Related Debt of any Issuer Certificates in the same sharing group.

If the aggregate of the principal shortfalls for the Related Debt of one or more Issuer Certificates in the same sharing group are greater than Shared Principal Collections for any Monthly Period, the principal shortfall in respect of each Issuer Certificate shall be reduced proportionately by application of such Shared Principal Collections by reference to the respective principal shortfalls of the Related Debt of such Issuer Certificate. In this context “proportionately” means, with respect to each Issuer Certificate as of any date of determination, the percentage equivalent (not to exceed 100 per cent.) of a fraction: (a) the numerator of which is the principal shortfalls for the Related Debt of the applicable Issuer Certificate for such Monthly Period; and (b) the denominator of which is the aggregate of the principal shortfalls for the Related Debt of each Issuer Certificate in the same sharing group.

To the extent that Shared Principal Collections exceed principal shortfalls (or the Required Retained Principal Amount on any applicable Business Day), the balance will be transferred to the Excess Funding Account and will be applied as described below under “—*Application of amounts in the Excess Funding Account*”. The utilisation of Shared Principal Collections will not reduce the Nominal Liquidation Amount of any Related Debt of the Issuer Certificates (and accordingly the Issuer Invested Amount of such Issuer Certificates will also not be reduced).

### 6.2 Sharing of Net Finance Charge Collections

Net Finance Charge Collections allocable to each Issuer Certificate in the same sharing group will be aggregated in a separate ledger under the Collection Account and, on each Distribution Date, will be shared *pro rata* based on the applicable interest payable on (and any costs payable in priority thereto), and all other costs payable with respect to, all Related Debt for such Issuer Certificates. See “*SOURCES OF FUNDS TO PAY THE NOTES—Allocation of Finance Charge Collections*” in this Prospectus.

Under this approach, Issuer Certificates in the same sharing group having Related Debt with high interest rates (or other high expenses) may take a larger proportion of the Net Finance Charge Collections aggregated in the ledger of the Collection Account for such sharing group than Issuer

Certificates having Related Debt with low interest rates (or other low expenses). Consequently, the issuance of later Issuer Certificates and Related Debt with high interest rates (or higher expenses) can have the effect of reducing the Net Finance Charge Collections available to pay interest on, or to reimburse reductions in the Nominal Liquidation Amount of, the Notes.

7. Reinvestments made with respect to the Issuer Certificates

On a Distribution Date during any of the Revolving Period or the Controlled Accumulation Period, not all of the Available Principal Collections may be utilised or set aside to pay principal on the Related Debt for any Issuer Certificates (see “*GENERAL, DESCRIPTION OF THE NOTES—Allocations on the Notes—Allocation of Available Principal Collections*”). Any such unutilised Available Principal Collections will be reinvested (a “**Reinvestment**”) by the applicable Issuer Certificateholder in the related Issuer Certificate. Any such Reinvestment will be applied or transferred on such Distribution Date by the Asset SPV as follows:

- (a) *first*, if the related Issuer Certificate is in a sharing group, such amount will be applied as Shared Principal Collections for any Issuer Certificate in the same sharing group (see “*—Sharing of Principal Collections and Finance Charge Collections among sharing groups*”); and
- (b) *second*, any Reinvestment not utilised as Shared Principal Collections will be transferred to the Excess Funding Account and applied as described below under “*—Application of amounts in the Excess Funding Account*”.

8. Application of amounts in the Excess Funding Account

On each Business Day, any amounts on deposit in the Excess Funding Account are applied by the Asset SPV Cash Manager as follows:

- (a) *first*, to make payments in respect of (*inter alia*) its purchase of Eligible Principal Receivables in accordance with the terms of the Receivables Sale and Purchase Agreement, provided however that if, on any such Business Day, there is an insufficient amount on deposit in the Excess Funding Account to fund the Asset SPV’s purchase of Eligible Receivables, the applicable Originator Certificateholder will be obliged to fund the Asset SPV in respect of the amount of the shortfall by an increase in the Originator Invested Amount for the Originator Certificate held by such Originator;
- (b) *second*, to make payments to the applicable Originator Certificateholder, to reduce such Originator Certificateholder’s Originator Invested Amount, but not below the Minimum Originator Invested Amount; and
- (c) *third*, the balance, if any, of amounts held in the Excess Funding Account on any Business Day, which are not to be otherwise utilised as described above remain in the Excess Funding Account to be utilised on the next and (if applicable) the following Business Days as described above.

9. Asset SPV Bank Accounts

(a) Permitted Investments

Funds maintained in the Asset SPV Bank Accounts may be invested in Permitted Investments and held in the Asset SPV Securities Account. Investment earnings on any Permitted Investments made with respect to the Asset SPV Bank Accounts (to the extent allocated to any Issuer Certificate) will be available on each Transfer Date as part of the Issuer Disbursement Amount on the Issuer Certificates. Any loss resulting from any Permitted Investment will be charged to the bank account that has incurred the loss. Any amounts not utilised to pay the Issuer Disbursement Amount on any Issuer Certificate may be utilised by the Asset SPV to pay Deferred FC Purchase Price.

(b) Qualifying Institution

If at any time the Asset SPV Account Bank is not a Qualifying Institution, the Asset SPV Cash Manager (acting on behalf of the Asset SPV) will be required, at the expense of the Asset SPV Account Bank, within 30 days of the Asset SPV Account Bank ceasing to be a Qualifying Institution or such longer period as may be necessary in the circumstances subject to receipt of a Ratings Confirmation, to procure that (A) another bank that is a Qualifying Institution guarantees the obligations of the Asset SPV Account Bank in favour of the Collateral Trustee, (B) the Asset SPV Bank Accounts are transferred to another Qualifying Institution; (C) in the event that there is no available Qualifying Institution, procure the transfer of the Asset SPV Bank Accounts to an institution which most closely meets the criteria to be a Qualifying Institution, provided that such transfer would not cause a downgrade or withdrawal of any of the then current ratings assigned to the Related Debt, or (D) any other steps which any Rating Agency may request in order to maintain the then current ratings assigned to the Related Debt.

10. Appointment, powers, responsibilities and liability of the Collateral Trustee

The Collateral Certificate Trust Deed sets out the terms upon which the Collateral Trustee is appointed, the indemnification of the Collateral Trustee, the payment it receives and the extent of the Collateral Trustee's authority. It also contains provisions limiting or excluding liability of the Collateral Trustee in certain circumstances giving the Collateral Trustee the ability to appoint a delegate or agent in the execution of any of its duties under the Collateral Certificate Trust Deed. The Collateral Certificate Trust Deed also sets out the circumstances in which the Collateral Trustee may resign or retire.

In relation to any right to be exercised or action to be taken by the Collateral Trustee, unless a contrary indication appears in an Asset SPV Transaction Document, the Collateral Trustee (a) may act in accordance with any instructions given to it by Certificateholders representing a majority of the aggregate Invested Amount (or, if so instructed by the Certificateholders or in the absence of an instruction from them, refrain from acting or exercising any power, authority, discretion or other right vested in it as Collateral Trustee); and (b) shall not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with an instruction of the Certificateholders. The Collateral Trustee may refrain from acting in accordance with the instructions of the Certificateholders until it has been indemnified and/or secured and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all Liabilities which it may incur in complying with the instructions; and from doing anything which may in its opinion be a breach of any law or duty of confidentiality or be otherwise actionable at the suit of any person. Notwithstanding any instructions from the Certificateholders or where a conflict of interests exists between the Certificateholders, the Collateral Trustee may act (or refrain from taking action) without liability as it considers to be in the best interests of all Certificateholders. In determining whether an act or omission or any other event is in the best interest of all Certificateholders, materially prejudicial to the interests of Certificateholders or could have a Material Adverse Effect on the interests of any or all of the Asset SPV Secured Creditors, the Collateral Trustee may call for and rely upon (i) an instruction from Issuer Certificateholders representing a majority of the aggregate Issuer Invested Amount for all Issuer Certificates or (ii) such expert advice as it considers appropriate.

No person may be appointed to act in the capacity of note trustee or security trustee in respect of any Related Debt without the consent of the Collateral Trustee (such consent not to be unreasonably withheld or delayed).

11. Appointment of the Asset SPV Cash Manager

Pursuant to the Collateral Certificate Trust Deed, the Asset SPV Cash Manager is appointed to act as agent of the Asset SPV and, following the service of an Asset SPV Acceleration Notice, the Collateral Trustee to perform certain services including (a) administering and managing the cash receipts and payments of the Asset SPV in the Asset SPV Bank Accounts; (b) tracking the movements of cash and liabilities through the Asset SPV Bank Accounts and the various ledgers; (c) making Permitted Investments from the amounts standing to the credit of the Collection Account; (d) operating the Asset SPV Bank Accounts and directing the Asset SPV Account Bank to make withdrawals from and deposits to the Asset SPV Bank Accounts; (e) administering all payments to be made to any Certificateholder (including, but not limited to, the Principal Collections, Finance Charge Collections and Ineligible Collections) and calculating all payments to be made by the Certificateholders and amounts payable by the Originators; (f) as applicable, establishing such Additional Bank Accounts as

may be required in accordance with the terms of this Deed and the other Transaction Documents; and (g) maintaining the records of Invested Amounts and Originator Invested Amounts (as applicable) for all Collateral Certificates.

12. Costs of the Asset SPV

The Asset SPV is obligated to pay certain costs in connection with its ownership of the Receivables, issuance of the Collateral Certificates and other related functions (such as audits in respect of the Receivables), including, *inter alia*, those of the Asset SPV Corporate Services Provider and the Collateral Trustee and income taxes on the Monthly Asset SPV Profit Amount. Any such costs are payable from the Asset SPV Expense Account on the dates on which such amounts become due and payable. In order to ensure that the Asset SPV has sufficient funds to pay such costs when they become due and payable, the Asset SPV (or the Asset SPV Cash Manager on its behalf) retains, on each Business Day during each Monthly Period on which Finance Charge Collections are deposited into the Collection Account, the amount of such costs equal to the Monthly Asset SPV Costs for that Monthly Period in the appropriate ledger of the Asset SPV Expense Account. See “*SOURCES OF FUNDS TO PAY THE NOTES—Allocation of Finance Charge Collections—Determination of the Net Finance Charge Collections and Distribution of the Asset SPV Expense Amount*”. In addition, in order to ensure that the Asset SPV will always be in a position to make timely payments of any amounts due and payable by it, the Asset SPV Cash Manager is permitted to make a payment to cover any Asset SPV Costs on or after the due date for such payment provided that the Asset SPV will reimburse the Asset SPV Cash Manager for the amount so paid pursuant to and in accordance with the Collateral Certificate Trust Deed.

13. Limited Recourse

The recourse of the Asset SPV Transaction Parties in respect of any obligation, representation and warranty or covenant or agreement of the Asset SPV contained in the Collateral Certificate Trust Deed or the Supplements will be limited to the Collateral Property available to meet such obligations from time to time and as applied pursuant to the relevant Priority of Payments.

14. Non-petition undertaking of Certificateholders

Each Certificateholder together with the other Asset SPV Transaction Parties (other than the Collateral Trustee) has undertaken or (in the case of the Issuer) will undertake to the Asset SPV that it will not take any corporate action or other steps or legal proceedings for the winding up, dissolution or re-organisation or for the appointment of a receiver, administrator, administrative receiver, trustee, liquidator, sequestrator or similar officer of the Asset SPV or of any or all of the revenues and assets of any of them or participate in any ex parte proceedings nor seek to enforce any judgment against any of such persons.

15. Early Redemption Events

An “**Early Redemption Event**” means the occurrence of any of the following events:

- (a) an Insolvency Event will occur with respect to a Selling Originator or the Asset SPV;
- (b) a Selling Originator will become unable for any reason to transfer Receivables arising on Designated Accounts to the Asset SPV in the manner contemplated in the Receivables Sale and Purchase Agreement for a continuous period of 30 days;
- (c) a Selling Originator ceases to be resident for tax purposes in Switzerland or otherwise ceases to be within the charge to Switzerland corporation tax;
- (d) a change in law or its interpretation or administration results in the Asset SPV becoming liable to make any payment on account of tax that will adversely affect the then current ratings of any Related Debt then outstanding;
- (e) failure on the part of a Selling Originator (i) to make any payment or deposit required by the terms of the Receivables Sale and Purchase Agreement on or before the date occurring five Business Days after the date such payment or deposit is required to be made herein or (ii) duly to observe or perform in any material respect any covenants or agreements of the applicable

Selling Originator set out in the Receivables Sale and Purchase Agreement, which failure has a material adverse effect on the interests of any Issuer Certificate and which continues unremedied for a period of 60 days after the date on which written notice of such failure requiring the same to be remedied will have been given to the applicable Selling Originator by the Asset SPV, or to the applicable Selling Originator and the Asset SPV by the Issuer Certificateholder and which continues unremedied during such 60-day period to have a material adverse effect on the interests of the Issuer Certificate for such period;

- (f) any representation or warranty made by a Selling Originator in the Receivables Sale and Purchase Agreement, or any information required to be delivered by a Selling Originator pursuant to the Receivables Sale and Purchase Agreement, (i) will prove to have been incorrect in any material respect when made or when delivered, which continues to be incorrect in any material respect for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, will have been given to the applicable Selling Originator by the Asset SPV, or to the applicable Selling Originator and the Asset SPV by the Issuer Certificateholder, and (ii) as a result of which there is a material adverse effect on the interests of the Issuer Certificateholder and which continues unremedied during such 60-day period to have a material adverse effect for such period; provided that an Early Redemption Event will not be deemed to have occurred hereunder if the applicable Selling Originator has complied with its obligations pursuant to the Receivables Sale and Purchase Agreement, in respect of the related Receivable, or all of such Receivables, if applicable, during such period in accordance with the provisions of the Receivables Sale and Purchase Agreement; or
- (g) the occurrence of a Servicer Termination Event which would have a material adverse effect on the Issuer Certificateholder, other than the occurrence of an Insolvency Event with respect to the Servicer as set out in item (e) of the definition of Servicer Termination Event which will not be subject to the limitation that it would have a material adverse effect.

Upon the occurrence of an Early Redemption Event, the Collateral Trustee may deliver an Asset SPV Acceleration Notice and shall do so at the direction of Certificateholders representing a majority of the aggregate of the Invested Amount and may thereafter take steps to enforce the Asset SPV Security created under the Asset SPV Security Agreements provided that the Collateral Trustee has been indemnified and/or secured and/or prefunded to its satisfaction. Upon enforcement of the Asset SPV Security securing the Collateral Certificates following service of an Asset SPV Acceleration Notice, the Collateral Trustee will have recourse only to the assets of the Asset SPV, which primarily are the Receivables arising under the Designated Accounts and related assets. The Collateral Trustee will only be able to pay to the Issuer as holder of Issuer Certificate No. 5 those funds which are realised from the enforcement of the Asset SPV Security and allocated to it pursuant to the Asset SPV Security Agreements.

#### 16. Amendments to the Collateral Certificate Trust Deed

The Collateral Certificate Trust Deed and any supplement thereto may be amended in writing by the Asset SPV Cash Manager, the Originator Certificateholders, the Asset SPV and the Collateral Trustee with the prior written consent of each Issuer Certificateholder:

- (a) at any time, provided that the Asset SPV has received a Ratings Confirmation in respect of such Amendment and the Asset SPV Cash Manager has certified in writing to the Collateral Trustee that, in its opinion, such Amendment will not result in a material change in the permitted activities of the Asset SPV; or
- (b) to provide for additional or substitute support with respect to an Issuer Certificate (so long as the amount of such substitute support, unless otherwise provided in any related Supplement, is equal to or greater than the original support for such Issuer Certificate) provided that the Asset SPV has received a Ratings Confirmation in respect of such Amendment,

provided that, in each case, the Collateral Trustee shall not be obliged to enter into any such Amendment which in its reasonable opinion affects the Collateral Trustee's rights, duties or immunities under the Collateral Certificate Trust Deed or otherwise.



Under the terms of the Collateral Certificate Trust Deed, each Issuer Certificateholder has agreed that it will give its consent, if so requested in writing by any of the Originators, provided that the above conditions are met.

## THE NOTE TRUST DEED

### 1. General

The Notes will be issued and constituted pursuant to the Note Trust Deed.

Pursuant to the Note Trust Deed, the Note Trustee will hold the benefit of the rights, powers and covenants in its favour contained in the Issuer Transaction Documents upon trust for itself and the Noteholders according to their respective interests, upon and subject to the terms and conditions of the Issuer Transaction Documents.

For the purposes of the Bondholder Provisions, the Note Trustee is appointed to act as sole representative of each Class of Noteholders and will be entitled to exercise their rights as contemplated in the Note Trust Deed but will not act as a representative of the Issuer.

Subject to the provisions of the Note Trust Deed, the Note Trustee has sole and absolute discretion as to the exercise or non-exercise of all its rights. The Note Trustee will not be responsible for any liability that may result from the exercise or non-exercise of this discretion, but whenever the Note Trustee is bound to act at the request or directions of the Noteholders, the Note Trustee will not be bound unless indemnified, prefunded and/or secured to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

The ability of the Issuer to meet its obligations to repay the principal of, and to pay interest on, the Notes will depend on the receipt by it of funds from the Asset SPV. Neither the Issuer nor the Note Trustee will have any recourse to Swisscard, Credit Suisse or any of their affiliates.

The Notes will be secured obligations and the Security Trustee will hold the benefit of the Issuer Security on trust for the Noteholders pursuant to the Issuer Security Agreements.

### 2. Covenant to Pay

In accordance with the Note Trust Deed and the Conditions, the Issuer will pay or procure the payment of (a) the principal amount of all of the Notes or any of them or any part thereof becoming due for redemption or repayment as and when the Notes or any of them become due to be redeemed or any principal on the Notes or any of them becomes due to be repaid and (b) until payments of principal amounts are duly made, pay interest on the Aggregate Outstanding Principal Amount of the Notes on the dates provided for in the Conditions.

Payments of principal and interest will be made to the Principal Paying Agent, who in turn will make payments in the manner provided in the Principal Paying Agency Agreement. In any case where payment of the whole or any part of the principal and/or interest amount due in respect of any Note is not paid when due, interest will accrue on the whole or such part of such principal and/or interest amount until paid in full together with interest so accrued.

The Notes represent obligations of the Issuer only and do not represent an interest or obligations of the Note Trustee, the Collateral Trustee, the Originators or any other Transaction Party or any other third party.

#### 2.1 Issuer Covenants

Pursuant to the Note Trust Deed, the Issuer will covenant with the Note Trustee that, for so long as any of the Notes remain outstanding, it will (unless and to the extent provided otherwise in the Issuer Transaction Documents):

- (a) maintain its books, records and accounts separate from any other person or entity;
- (b) cause to be prepared in respect of each of its financial years, separate financial statements;
- (c) conduct its own business in its own name;
- (d) hold itself out as a separate entity;
- (e) pay its own liabilities out of its own funds;

- (f) use separate stationery, invoices, and cheques;
- (g) correct any known misunderstanding regarding its separate identity; and
- (h) maintain adequate capital in light of its contemplated business operations.

### 3. Negative Covenants of the Issuer

Pursuant to the Note Trust Deed, so long as any of the Notes remains outstanding, the Issuer will not, save to the extent permitted by the Transaction Documents:

- (a) commingle its assets with those of any other entity;
- (b) create or permit to subsist any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital);
- (c) carry on any business other than as described in this Prospectus relating to the issue of the Notes and, in respect of that business, will not engage in any activity or do anything whatsoever except as contemplated in the issuer Transaction Documents;
- (d) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under the relevant issuer Transaction Documents;
- (e) use, invest or dispose of any of its property or assets in the manner provided in or contemplated by the relevant Transaction Documents;
- (f) perform any act incidental to or necessary in connection with paragraphs (a) or (b) above;
- (g) have or form, or cause to be formed, any subsidiaries or subsidiary undertakings or undertakings of any other nature or have any employees or premises or have an interest in a bank account other than the Issuer Bank Accounts;
- (h) create, incur or suffer to exist any indebtedness (other than indebtedness permitted to be incurred under the terms of its articles of association and pursuant to or as contemplated in any of the Transaction Documents) or give any guarantee or indemnity in respect of any obligation of any person;
- (i) waive, modify or amend, or consent to any waiver, modification or Amendment of, any of the provisions of the Transaction Documents or any relevant document without the prior written consent of the Note Trustee or, as the case may be, the Noteholders;
- (j) offer to surrender to any company any amounts which are available for surrender by way of group relief;
- (k) consolidate or merge with any other persons or convey or transfer its properties or assets substantially as an entirety to any other person; and
- (l) agree to the substitution of any other body corporate in place of the Issuer as principal debtor under the Note Trust Deed.

### 4. Events of Default

Condition 10 (*Event of Default*) contains provisions for the acceleration of the Notes and the enforcement actions that may be taken by the Note Trustee on behalf of the Noteholders following the occurrence of an Event of Default subject to it being indemnified and/or secured and/or prefunded to its satisfaction.

### 5. Declaration of trust

The Note Trustee will hold the benefit of (a) the Covenant to Pay, (b) the Issuer Representations and Warranties, (c) the Issuer Covenants, (d) all monies received by the Note Trustee in respect of the

Notes or amounts payable under the Issuer Transaction Documents (including any monies which represent principal or interest in respect of the Notes which have become void under the Conditions but excluding any amounts due to the Note Trustee in its own right) and (e) all other rights in its favour contained in the Note Trust Deed and the other Issuer Transaction Documents upon trust for itself and the Noteholders according to its and their respective interests. All monies received by the Note Trustee in respect of the Notes or amounts payable under the Issuer Transaction Documents will, notwithstanding any other appropriation by the Issuer, be held by the Note Trustee on trust to apply them in accordance with the applicable Priority of Payments.

6. Appointment, powers, directions and liability of the Note Trustee

The Note Trust Deed sets out the terms upon which the Note Trustee is appointed, the indemnification of the Note Trustee, the payment it receives and the extent of the Note Trustee's authority. It also contains provisions limiting or excluding liability of the Note Trustee in certain circumstances (some of which are summarised below) and giving the Note Trustee the ability to appoint a delegate or agent in the execution of any of its duties under the Note Trust Deed.

Pursuant to the Conditions, the Noteholders will agree that the Note Trustee will be appointed as sole representative of each Class of Noteholders for the purposes of the Bondholder Provisions and, as contemplated in the Note Trust Deed, it will be vested with power to exercise certain rights of the Noteholders. In exercising such rights, the Note Trustee will be entitled to act at its discretion or may seek a direction from a majority of the Most Senior Class of the Noteholders. Under the Note Trust Deed, the Note Trustee would not be liable for taking action in reliance on such a direction. To the extent that the Note Trustee is entitled to act on behalf of the Noteholders in accordance with the provisions of the Note Trust Deed, they may not independently exercise their rights. (See "*RISK FACTORS—Noteholders delegate authority to Note Trustee*").

In relation to any right to be exercised or action to be taken by the Note Trustee under any Issuer Transaction Document, the Note Trustee can rely on the provisions of the Note Trust Deed for its benefit and shall have regard to the interests of the Noteholders as a whole. The Note Trustee will not be obliged to exercise such discretion or take such action unless it will have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing and provided that the Note Trustee will not be held liable for the consequences of exercising its rights or taking any such action and may do so without having regard to the effect of such action on individual Noteholders. If, in the Note Trustee's sole opinion, there is a conflict between the interests of the Noteholders, the Note Trustee will in the exercise of its duties, powers and discretions, have regard solely to the interests of the Noteholders as a whole and no individual Noteholder shall have any claim against the Note Trustee for so doing.

Without prejudice to any provision of any Issuer Transaction Document which requires the Note Trustee to obtain the consent of the Requisite Percentage of Noteholders to a particular action, the Note Trustee may exercise any or all of its rights if and to the extent that such exercise would not contravene any instruction, consent or direction given by the Noteholders.

7. Proceedings by the Note Trustee

The Note Trustee may at its discretion and without further notice, institute such proceedings as it thinks fit to enforce its rights under the Note Trust Deed in respect of the Notes and under the other Issuer Transaction Documents on behalf and in the interests of the Noteholders if and to the extent that such exercise of its rights would not contravene any direction given by the Noteholders or Resolution, but it will not be bound to do so unless so requested by means of a Resolution passed by the Requisite Percentage of Noteholders and in any such case, only if it will have been indemnified, prefunded and/or secured to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

8. Amendments

The Note Trustee may agree to any Amendment of the Conditions or the other Transaction Documents, without the consent of the Noteholders, provided that such Amendment (i) does not adversely alter the rights of the Noteholders nor impose obligations upon them or (ii) is to correct a manifest error or an error that is of a formal, minor or technical nature. In such circumstances, the Note Trustee may,

subject to the terms of the Note Trust Deed, seek direction from a majority of the Most Senior Class of the Noteholders. Any other Amendment of an Issuer Transaction Document will not be effective unless approved by the Requisite Percentage of Noteholders

Unless expressly agreed otherwise, no Amendment will constitute a general waiver of any provisions of the Notes, the Note Trust Deed or any of the other Transaction Documents, nor will it affect any rights or obligations under or pursuant to the Notes, the Note Trust Deed or any other Transaction Documents which have accrued up to the date of the Amendment, and the rights and obligations of the relevant Transaction Parties will remain in full force and effect, except and only to the extent set out in the Amendment. Each Noteholder shall be bound by any Amendment provided that it has been approved by a resolution passed in accordance with the Bondholder Provisions and, if required under Article 1176 CO, approved by the competent higher cantonal composition authority in Switzerland.

Unless the Note Trustee agrees otherwise, the Issuer will cause any such Amendment to be notified to the Noteholders, as soon as practicable after it has been made in accordance with Condition 15.

9. Remuneration

As remuneration for its services as trustee, the Note Trustee will receive a fee at the rate agreed between the Issuer and the Note Trustee. Such remuneration will be payable in accordance with the applicable Priority of Payments until the Final Discharge Date.

10. Retirement

The Note Trustee may retire at any time upon giving not less than three calendar months' notice in writing to the Issuer without assigning any reason therefore and without being responsible for any Liabilities occasioned by such retirement. The retirement of the Note Trustee will not become effective unless there remains a trustee hereof in office after such retirement. The Issuer will use its best endeavours to procure a new trustee to be appointed. If the Issuer has not appointed a new trustee prior to the expiry of the notice period given by the Note Trustee, the Note Trustee will be entitled to nominate a replacement. No failure to procure the consent of the Noteholders by way of Resolution to the retirement of the Note Trustee and/or appointment of a successor noteholder representative will operate to prevent the succession of a successor note trustee in respect of all other rights of the Note Trustee.

11. Limited Recourse

The recourse of the Note Trustee and the Noteholders in respect of any obligation, representation and warranty or covenant or agreement of the Issuer contained in the Conditions will be limited to the assets of the Issuer available to meet such obligations from time to time and as applied pursuant to the relevant Priority of Payments.

12. Non-Petition

The enforcement of the payment obligations under the Notes will only be effected by the Note Trustee for the benefit of the Noteholders provided that each Noteholder will be entitled to proceed directly against the Issuer in the event that the Note Trustee, after having become obliged to do so in accordance with the terms of the Note Trust Deed, fails to take action within a reasonable time period and such failure continues.

13. Prescription

In respect of the Notes, claims for (a) principal will become void where application for payment is made more than 10 years; and (b) interest will become void where application for payment is made more than 5 years, in each case after the due date therefore.

14. Applicable law and jurisdiction

The Note Trust Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law. All disputes arising out of or in connection with the Note Trust Deed including matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies shall be subject to the non-

exclusive jurisdiction of the courts of England provided that any disputes arising out of or in connection with the application of the Bondholder Provisions shall be resolved by the competent Swiss courts where required by mandatory Swiss law.

## TERMS AND CONDITIONS OF THE NOTES

*The following are the terms and conditions of the Notes in the form (subject to amendment) in which they will be set out in the Note Trust Deed.*

The following is the text of the terms and conditions which will be applicable to the Notes.

On or about the Signing Date, Swiss Credit Card Issuance 2016-1 AG (the “**Issuer**”) and Wells Fargo Trust Corporation Limited (the “**Note Trustee**”) as trustee for, *inter alia*, the holders of the Notes (the “**Noteholders**”) entered into a note trust deed (the “**Note Trust Deed**”). The CHF 190,000,000 Class A notes, 2016-1 due June 2021 (the “**Class A Notes**”), CHF 6,000,000 Class B notes, 2016-1 due June 2021 (the “**Class B Notes**”) and CHF 4,000,000 Class C notes, 2016-1 due June 2021 (the “**Class C Notes**” and together with the Class A Notes and the Class B Notes, the “**Notes**”) are constituted by the Note Trust Deed.

The Notes are secured pursuant to and on the terms set out in (a) a Swiss law governed claims assignment agreement (the “**Issuer Claims Assignment Agreement**”) and (b) an English law governed security trust deed (the “**Security Trust Deed**”), in each case dated on or about the Signing Date.

Pursuant to a principal paying agency agreement (the “**Principal Paying Agency Agreement**”) dated on or about the Signing Date between the Issuer, the Note Trustee and Credit Suisse AG as principal paying agent (in such capacity, the “**Principal Paying Agent**”, which expression shall include its permitted successors and assigns), provision is made for the payment of principal and interest in respect of the Notes.

References to each of the Transaction Documents are to the relevant Transaction Document as from time to time modified in accordance with its provisions and/or any deed or document expressed to be supplemental to it, as from time to time so modified.

The statements in these terms and conditions (the “**Conditions**”) include summaries of, and are subject to the detailed provisions of, the other Transaction Documents, copies of which (other than copies of the Subscription Agreement) are available for inspection during normal business hours at the Specified Office for the time being of the Principal Paying Agent. The Noteholders are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions contained in the Note Trust Deed, the Security Trust Deed and the other Transaction Documents.

Capitalised terms and expressions used and not otherwise defined in these Conditions shall have the meanings given to them in a master framework agreement entered into between, among others, the Issuer, the Note Trustee, the Security Trustee, the Principal Paying Agent, the Issuer Cash Manager, the Issuer Account Bank and the Issuer Corporate Services Provider dated the Signing Date (as the same may be supplemented, otherwise amended, replaced or novated from time to time with the consent of the parties thereto) (the “**Issuer Master Framework Agreement**”),

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 8 June 2016.

### 1. FORM AND DENOMINATION

- (a) Swiss Credit Card Issuance 2016-1 AG, a stock corporation (*Aktiengesellschaft*) incorporated in, and under the laws of, Switzerland (company register number CHE-193.199.639) with its registered office c/o Swisscard AECS GmbH at Neugasse 18, 8810 Horgen, Switzerland issues the Notes in bearer form in denominations of CHF 5,000 in the case of the Class A Notes and of CHF 100,000 in the case of the Class B Notes and the Class C Notes and integral multiples thereof. The Notes will be issued on the Closing Date.
- (b) The Class A Notes, the Class B Notes and the Class C Notes shall each be represented by a Global Note in the aggregate principal amount on issue of CHF 190,000,000, CHF 6,000,000, CHF 4,000,000, respectively, in bearer form without interest coupons in accordance with Article 973b of the Swiss Code of Obligations. Each Global Note shall be deposited by the Principal Paying Agent on the Closing Date with SIX SIS Ltd, Baslerstrasse 100, CH-4600 Olten, Switzerland, as common depository or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange (the “**Common Depository**”).

- (c) Once the Global Notes have been deposited with the Common Depository and entered into the accounts of one or more participants of the Common Depository, the Notes represented thereby will constitute intermediated securities (*Bucheffekten*) (“**Intermediated Securities**”) within the meaning ascribed to the term in FISA.
- (d) Each Noteholder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the relevant Global Note to the extent of his or her claim against the Issuer provided that for so long as the respective Global Note remains deposited with the Common Depository or any other collective safe custody organisation approved by the SIX Swiss Exchange, the co-ownership interest shall be suspended and the Notes may only be transferred by the entry of the transferred Notes in a securities account of the transferee in accordance with FISA.
- (e) The records of the Common Depository will determine and be conclusive evidence with respect to the number of Notes held by each Noteholder. The Noteholders will be the persons holding the Notes in a securities account (*Effektenkonto*) which is in their name, or the intermediaries (*Verwahrungsstellen*) holding the Notes for their own account in a securities account (*Effektenkonto*) that is in their name. No register of the Notes or copy of such register shall be created, kept or maintained in, or brought into, the United Kingdom.
- (f) The conversion of the Global Notes into uncertificated securities (*Wertrechte*) or individually certificated securities (*Wertpapiere*) is excluded. None of the Issuer, the Noteholders, the Principal Paying Agent or any other party shall at any time have the right to effect or demand the conversion of the Global Notes into, or the delivery of, uncertificated securities (*Wertrechte*) or individually certificated securities (*Wertpapiere*). No physical delivery of Notes shall be made.

## 2. STATUS AND PRIORITY

- (a) The Class A Notes constitute direct, secured and, subject to Condition 4.1 (*Limited Recourse*), unconditional obligations of the Issuer. The Class A Notes rank *pari passu* without preference or priority amongst themselves.
- (b) The Class B Notes constitute direct, secured and, subject to Condition 4.1 (*Limited Recourse*), unconditional obligations of the Issuer. The Class B Notes rank *pari passu* without preference or priority amongst themselves but junior to the Class A Notes as provided in these Conditions and the Issuer Transaction Documents.
- (c) The Class C Notes constitute direct, secured and, subject to Condition 4.1 (*Limited Recourse*), unconditional obligations of the Issuer. The Class C Notes rank *pari passu* without preference or priority amongst themselves but junior to the Class A Notes and the Class B Notes as provided in these Conditions and the Issuer Transaction Documents.
- (d) The Note Trust Deed contains provisions requiring the Note Trustee to have regard to the interests of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders as a Class in connection with the exercise of any of its rights, powers, trusts, authorities, duties and discretions (except where expressly provided otherwise).

## 3. SECURITY

### 3.1 Security interests

As security for the payment of all monies payable in respect of the Notes under the Note Trust Deed, the Issuer will:

- (a) pursuant to the Issuer Claims Assignment Agreement (i) assign for security purposes (*Sicherungscession*) to the Security Trustee all of its present and future rights and claims under and in relation to (A) the Issuer Swiss Law Documents and (B) the Issuer Bank Accounts (other than the Issuer Securities Account) against the Issuer Account Bank; and (ii) create a security interest in accordance with Article 25 para. 2(b) FISA over all Intermediated Securities held by the Issuer in the Issuer Securities Account (the “**Issuer Swiss Security**”); and



- (b) pursuant to the Security Trust Deed, assign by way of security interest (i) all of its present and future rights, title and interest in, to and under Issuer Certificate No. 5 as Issuer Certificateholder thereof and to the extent specified in the Collateral Certificate Trust Deed and Issuer Supplement No. 5, including all of its rights to receive payment of any amounts which may become payable to it pursuant to or with respect to Issuer Certificate No. 5; and (ii) all of its present and future rights, title and interest in, to and under the other Issuer English Law Documents (the “**Issuer English Law Security**” and together with the Issuer Swiss Security, the “**Issuer Security**”) and declare a trust over the Issuer Security.

### 3.2 Security mandate

For the purpose of the Security Interest created over the Intermediated Securities held by the Issuer in the Issuer Securities Account pursuant to the Issuer Claims Assignment Agreement and any other Issuer Swiss Security Agreement which creates a Security Interest that is accessory in nature (each a “**Relevant Security Agreement**”), each Noteholder, by subscribing for or otherwise acquiring the Notes authorises and mandates the Note Trustee (and it is noted and acknowledged that the Note Trustee will delegate the authorisation and the mandate so received to the Security Trustee) to:

- (a) enter into each Relevant Security Agreement on its behalf as its direct representative (*direkter Stellvertreter*);
- (b) accept as its direct representative (*direkter Stellvertreter*) the security interest created in accordance with Article 25 para. 2(b) FISA or a Swiss law accessory (*akzessorische Sicherheit*) Security Interest as per any Relevant Agreement, to hold, administer and, if necessary, enforce any such security on behalf of each Noteholder;
- (c) agree as its direct representative (*direkter Stellvertreter*) to Amendments and alterations to any Relevant Security Agreement;
- (d) effect as its direct representative (*direkter Stellvertreter*) any release of a Security Interest created under an Issuer Swiss Security Agreement in accordance with the Asset SPV Transaction Documents; and
- (e) exercise as its direct representative (*direkter Stellvertreter*) such other rights granted to the Security Trustee hereunder or under the relevant Issuer Swiss Security Agreement.

## 4. LIMITED RECOURSE AND NON-PETITION

### 4.1 Limited Recourse

The recourse of the Noteholders in respect of any obligation, representation and warranty or covenant or agreement of the Issuer contained in the Conditions shall be limited to the amount of the Issuer Secured Assets available to meet such obligations from time to time and as applied pursuant to the relevant Priority of Payments. Any claim remaining unsatisfied after the realisation of the Issuer Secured Assets and the application of the proceeds thereof in accordance with the applicable Priority of Payments shall be extinguished and thereafter the Note Trustee shall have no further claim against the Issuer.

### 4.2 Non-Petition

- (a) The enforcement of the payment obligations under the Notes shall be effected solely by the Note Trustee or, following the occurrence of an Enforcement Event, the enforcement of the Issuer Security shall be effected solely by the Security Trustee for the benefit of the Noteholders (and for and on behalf of the other Issuer Secured Creditors) provided that each Noteholder shall be entitled to proceed directly against the Issuer in the event that the Note Trustee or the Security Trustee (as applicable), after having become obliged to do so in accordance with the terms of the Note Trust Deed or the Security Trust Deed (as applicable), fails to take action within a reasonable time period and such failure continues.
- (b) Until one year and one day has elapsed following the Final Discharge Date, none of the Noteholders shall be entitled to:

- (i) take any legal steps nor institute any legal proceedings against the Issuer or its assets or corporate bodies for the purpose of asserting or enforcing any of its rights or claims against the Issuer; in particular it will not (A) file a request for payment (*Betreibungsbegehren*) under the DEBA or otherwise initiate any debt collection, attachment or enforcement proceedings against the Issuer or support any such proceedings; (B) initiate any arbitration, court, administrative or other proceedings against the Issuer, its assets or executive bodies or support any such proceedings; or (C) exercise any right of set-off,
- (ii) take any steps nor institute any proceedings against the Issuer to procure the bankruptcy, winding up, liquidation, restructuring, administration or any similar procedure in respect of the Issuer, and in particular it will not initiate or support any proceeding that might lead to an Insolvency Event of the Issuer; and
- (iii) other than by virtue of filing any of its claims in an insolvency of the Issuer, claim, rank, prove or vote as creditor of the Issuer or its estate in competition with any prior ranking creditors in the relevant Priority of Payments until all amounts then due and payable to creditors who rank higher in the applicable Priority of Payments have been paid in full.

## 5. PRIORITY OF PAYMENTS

### 5.1 Finance Charge Priority of Payments

On each Distribution Date prior to the occurrence of an Enforcement Event, the Issuer Cash Manager, acting on the advice of the Issuer, will apply and transfer Available Finance Charge Collections credited to the Issuer Finance Charge Ledger in the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full and to the extent permitted by applicable law):

- (a) to pay, in the following order of priority, to:
  - (i) the Note Trustee and the Security Trustee, on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable thereto, provided that in any event the aggregate amount payable pursuant hereto is not to exceed, on an annual basis, the Trustee Cap Amount; and
  - (ii) the Principal Paying Agent, the Issuer Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider and any other person to which Issuer Costs are due and payable, on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable thereto in each case, on such Distribution Date, provided that in any event the aggregate amount payable pursuant hereto is not to exceed, on an annual basis, CHF 500,000;
- (b) the Class A Monthly Interest Amount for such Distribution Date, to be credited to the sub-ledger for the Class A Notes of the Interest Ledger;
- (c) the Class B Monthly Interest Amount for such Distribution Date, to be credited to the sub-ledger for the Class B Notes of the Interest Ledger;
- (d) the Class C Monthly Interest Amount for such Distribution Date, to be credited to the sub-ledger for the Class C Notes of the Interest Ledger;
- (e) an amount equal to any Current Issuer Charge-Offs allocated to the Issuer as the holder of Issuer Certificate No. 5, if any, for the preceding Monthly Period, to be credited to the Issuer Principal Ledger to form part of the Available Principal Collections for such Distribution Date;
- (f) an amount equal to the aggregate of (i) any Prior Issuer Charge-Offs and (ii) any reductions to the Nominal Liquidation Amount of any Note due to payments of Reallocated Principal Collections, in each case, which have not been previously reinstated, to be credited to the

Issuer Principal Ledger to form part of the Available Principal Collections for such Distribution Date;

- (g) an amount up to the excess, if any, of the Accumulation Reserve Required Amount over the amount on deposit in the Accumulation Reserve Account to be deposited into the Accumulation Reserve Account on such Distribution Date;
- (h) an amount up to the excess, if any, of the Liquidity Amount over the amount on deposit in the Liquidity Reserve Account will be deposited into the Liquidity Reserve Account on such Distribution Date;
- (i) an amount up to the excess, if any, of the Required Spread Amount over the amount on deposit in the Spread Account will be deposited into the Spread Account on such Distribution Date;
- (j) to pay, in the following order of priority, to:
  - (i) the Note Trustee and the Security Trustee, on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable thereto that were not paid pursuant to clause (a)(i) above; and
  - (ii) the Principal Paying Agent, the Issuer Cash Manager, the Issuer Account Bank, the Issuer Corporate Services Provider and any other person to which Issuer Costs are due and payable, on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable thereto in each case, on such Distribution Date, that were not paid pursuant to clause (a)(ii) above;
- (k) if on such Distribution Date the Originator Invested Amount is less than the Minimum Originator Invested Amount, an amount up to such shortfall to be credited to the Issuer Principal Ledger to form part of the Available Principal Collections for such Distribution Date;
- (l) if an Early Amortisation Event has occurred, to be credited to the Issuer Principal Ledger to form part of the Available Principal Collections for such Distribution Date to make principal payments on the Class A Notes, the Class B Notes and the Class C Notes, in that order of priority, to the extent Principal Collections, including any Shared Principal Collections, allocated to the Issuer are not sufficient to pay the Notes in full;
- (m) an amount equal to the Issuer Monthly Profit Amount to be retained by Issuer; and
- (n) to pay any residual collections in respect of Issuer Certificate No. 5 to the Asset SPV.

## 5.2 Principal Priority of Payments

On each Distribution Date, following the application of the Available Finance Charge Collections and the Reallocated Principal Collections, the Issuer, acting on the advice of the Issuer Cash Manager, will distribute all remaining Available Principal Collections credited to the Issuer Principal Ledger as follows (in each case if and to the extent payments of a higher order of priority have been made in full and to the extent permitted by applicable law):

- (a) on each Distribution Date during the Revolving Period, all such Available Principal Collections will be transferred to the Excess Funding Account to be applied in accordance with the terms of the Collateral Certificate Trust Deed;
- (b) on each Distribution Date during the Controlled Accumulation Period, all such Available Principal Collections will be deposited in the following priority:
  - (i) *first*, in the Principal Funding Account, an amount equal to the lesser of (A) the Controlled Deposit Amount for the Class A Notes, and (B) the Net Nominal Liquidation Amount of the Class A Notes;

- (ii) *second*, in the Principal Funding Account, an amount equal to the lesser of (A) the Controlled Deposit Amount for the Class B Notes, and (B) the Net Nominal Liquidation Amount of the Class B Notes;
  - (iii) *third*, in the Principal Funding Account, an amount equal to the lesser of (A) the Controlled Deposit Amount for the Class C Notes, and (B) the Net Nominal Liquidation Amount of the Class C Notes; and
  - (iv) *fourth*, any remaining Available Principal Collections will be treated as a Reinvestment in Issuer Certificate No. 5 and will be transferred to the Asset SPV to be applied in accordance with the Collateral Certificate Trust Deed;
- (c) on the Scheduled Redemption Date and each Distribution Date during the Early Amortisation Period, all such Available Principal Collections and any amounts on deposit in the Principal Funding Account will be distributed in the following priority:
- (i) *first*, to the Class A Noteholders, an amount up to the Nominal Liquidation Amount of the Class A Notes as of such date;
  - (ii) *second*, to the Class B Noteholders, an amount up to the Nominal Liquidation Amount of the Class B Notes as of such date; and
  - (iii) *third*, to the Class C Noteholders, an amount up to the Nominal Liquidation Amount of the Class C Notes as of such date.

### 5.3 Enforcement Priority of Payments

Following the occurrence of an Enforcement Event, payments shall be applied in the following order of priority (the “**Enforcement Priority of Payments**”) (in each case if and to the extent payments of a higher order of priority have been made in full and to the extent permitted by applicable law):

- (a) to pay *pro rata* and *pari passu* the remuneration then due to the Note Trustee, the Security Trustee or any receiver and all amounts due in respect costs, fees or other Liabilities then incurred by or due to the Note Trustee under and in respect of the Issuer Transaction Documents and in enforcing the Issuer Security created by or pursuant to the Issuer Security Agreements or in perfecting title to the Issuer Security, together with interest thereon as provided in any such Issuer Transaction Document;
- (b) on a *pro rata* and *pari passu* basis, any costs, fees or other amounts due and payable to: (A) the Principal Paying Agent, (B) the Issuer Cash Manager, (C) the Issuer Account Bank, (D) the Issuer Corporate Services Provider and (E) any other Issuer Costs;
- (c) in or towards payment of any accrued and unpaid Class A Interest Amount Payable, to be paid to the holder(s) of the Class A Notes;
- (d) to the Class A Noteholders, an amount up to the Outstanding Principal Amount of the Class A Notes as of such date;
- (e) in or towards payment of any accrued and unpaid Class B Interest Amount Payable, to be paid to the holder(s) of the Class B Notes;
- (f) to the Class B Noteholders, an amount up to the Outstanding Principal Amount of the Class B Notes as of such date;
- (g) in or towards payment of any accrued and unpaid Class C Interest Amount Payable, to be paid to the holder(s) of the Class C Notes;
- (h) to the Class C Noteholders, an amount up to the Outstanding Principal Amount of the Class C Notes as of such date;
- (i) to pay any taxes due to a Tax Authority;
- (j) to pay any sums due in respect of the Issuer Profit Amount;

- (k) to pay any other sums due to Noteholders or sums due to third parties under obligations of the Issuer incurred in the course of its business; and
- (l) to pay to the Asset SPV any residual collections in respect of Issuer Certificate No. 5.

## **6. COVENANTS OF THE ISSUER**

### **6.1 Restrictions on activities**

The Note Trust Deed will contain certain covenants in favour of the Note Trustee from the Issuer (the “**Issuer Covenants**”) which, amongst other things, restrict the ability of the Issuer to create or incur any indebtedness, dispose of assets or change the nature of its business. So long as any Note remains outstanding, the Issuer shall comply with the Issuer Covenants.

### **6.2 Appointment of Note Trustee and the Security Trustee**

As long as any Notes are outstanding, the Issuer shall ensure that a trustee is, or separate trustees are, appointed at all times who is or are bound to perform the same functions and obligations as the Note Trustee and the Security Trustee (as applicable) pursuant to these Conditions, the Note Trust Deed and the Issuer Security Agreements.

## **7. PAYMENTS ON THE NOTES**

### **7.1 Interest Payment Dates**

Prior to an Enforcement Event and subject to Condition 8.3 (*Deferred Interest and Additional Interest*), payments of interest in respect of the Notes to the Noteholders shall become due and payable on each Interest Payment Date, and will be payable from the amounts standing to the credit of the Interest Ledger of the Issuer Distribution Account on such Interest Payment Date (after giving effect to all distributions (if any) on such Interest Payment Date) in the following order of priority:

- (a) the Class A Interest Amount Payable for such Interest Payment Date, to be paid to the holder(s) of the Class A Notes;
- (b) the Class B Interest Amount Payable for such Interest Payment Date, to be paid to the holder(s) of the Class B Notes; and
- (c) the Class C Interest Amount Payable for such Interest Payment Date, to be paid to the holder(s) of the Class C Notes.

Following the occurrence of an Enforcement Event, the Interest Amount Payable for each Class of Notes shall be paid in accordance with the Enforcement Priority of Payments.

To the extent any Interest Amount Payable on any Class of Notes is not paid on an Interest Payment Date, such amount shall be deferred and paid in accordance with Condition 8.3 (*Deferred Interest and Additional Interest*).

### **7.2 Principal Payment Dates**

Payments of principal on the Notes will be made on each Distribution Date in accordance with Condition 9 (*Redemption*) and subject to the applicable Priority of Payments. For the avoidance of doubt, no payments of principal on the Notes shall be made on any Distribution Date falling during the Revolving Period.

### **7.3 Payments and Discharge**

- (a) Payments of principal and interest in respect of the Notes shall be made by, or on behalf of, the Issuer, through the Principal Paying Agent, on each Distribution Date for subsequent transfer to the Noteholders.
- (b) All payments made by the Issuer to the Principal Paying Agent shall, on receipt of cleared funds, discharge the liability of the Issuer under the relevant Notes to the extent of the sums so paid.

#### 7.4 Payments subject to fiscal laws

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

### 8. INTEREST

#### 8.1 Interest Calculation

- (a) Subject to the limitations set forth in Condition 4.1 (*Limited Recourse*), each Class of Notes shall bear interest on its Outstanding Principal Amount from (and including) the Closing Date. Subject to Condition 8.3 (*Deferred Interest and Additional Interest*), interest in respect of each Class of Notes is payable in arrears in CHF on each Interest Payment Date.
- (b) Interest will accrue from the Closing Date on the Outstanding Principal Amount of the Notes and, subject to Condition 8.3 (*Deferred Interest and Additional Interest*), will be payable in arrears in CHF on each Interest Payment Date at the applicable Interest Rate for the Notes. Interest for any Interest Payment Date will accrue over the related Interest Period, which will be from (and including) the preceding Interest Payment Date (or, in the case of the first Interest Payment Date, from and including the Closing Date) to (but excluding) such Interest Payment Date.
- (c) On each Interest Payment Date, the Interest Amount for each Class of Notes will be equal to the product of:
  - (i) the applicable Interest Rate for such Class of Notes;
  - (ii) the Day Count Fraction; and
  - (iii) the Outstanding Principal Amount of the applicable Class of Notes as of the preceding Interest Payment Date,and rounding the result to the nearest CHF 0.01 (with CHF 0.005 being rounded upwards).

#### 8.2 Interest Rate and Day Count Fraction

The applicable “**Interest Rate**” for:

- (a) the Class A Notes shall be 0.130% per annum;
- (b) the Class B Notes shall be 1.250% per annum; and
- (c) the Class C Notes shall be 2.500% per annum.

The “**Day Count Fraction**” for each Class of Notes shall be the number of days in the Interest Period *divided by* 360 (the number of days to be calculated on the basis of a year of 360 days with twelve (12) 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period, the Final Discharge Date of any such Class of Notes is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

#### 8.3 Deferred Interest and Additional Interest

- (a) To the extent that the monies which are deposited in the Interest Ledger as of an Interest Payment Date (after giving effect to all distributions in accordance with the applicable Priority of Payments and any Reallocated Principal Collections on such Interest Payment) are insufficient to pay the full Interest Amount on any Class of Notes on such Interest Payment Date, payment of the interest shortfall (“**Deferred Interest**”), which will be borne by each Note within a Class in a proportion equal to the proportion that the Outstanding Principal Amount of the applicable Note bears to the aggregate Outstanding Principal Amount of all Notes within the same Class (as determined on the Interest Payment Date on which such Deferred Interest arises), will be deferred and will be payable on the earlier of the next

Distribution Date or Interest Payment Date, in each case, on which funds are available to the Issuer to pay such Deferred Interest.

- (b) Any Deferred Interest will accrue interest (“**Additional Interest**” and together with the Interest Amount and any Deferred Interest for any Class of Notes remaining unpaid as of any Interest Payment Date, the “**Interest Amount Payable**”) at the then current Interest Rate for the applicable Class of Notes, and payment of any Additional Interest will also be deferred until the earlier of the next Distribution Date or Interest Payment Date, in each case, on which funds are available to the Issuer to pay such Additional Interest in the order of priority set out in Condition 7.1 (*Interest Payment Dates*).
- (c) In the event that, on any Interest Payment Date, the amount of monies which are credited to the Interest Ledger is insufficient to pay in full the Interest Amount Payable for any Class of Notes, such monies will be applied first, to the payment of any Interest Amount, second, to the payment of any outstanding Deferred Interest and thereafter, to the payment of any Additional Interest in respect of any such Class of Notes in the order of priority set out in Condition 7.1 (*Interest Payment Dates*).

#### 8.4 Monthly Interest Amount

- (a) On each Distribution Date, the Issuer, subject to the applicable Priority of Payments (or the amounts otherwise available therefore), shall cause an amount equal to the Monthly Interest Amount for each Class of Notes to be retained in the Interest Ledger of the Issuer Distribution Account.
- (b) On each Distribution Date, the Monthly Interest Amount for each Class of Notes will be equal to:
  - (i) the Interest Amount Payable for such Class of Notes that has accrued from (and including) the immediately preceding Interest Payment Date to (but excluding) such Distribution Date *plus* any Interest Amount Payable remaining unpaid from a prior Interest Period; *minus*
  - (ii) the funds credited to the applicable sub-ledger for such Class of Notes in the Interest Ledger of the Issuer Distribution Account as of such Distribution Date,

provided that such amount shall not be less than zero.

#### 8.5 Interest ceases to accrue

Interest will cease to accrue on any part of the Outstanding Principal Amount of any Class of Note from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 8.4 (after as well as before judgement) until whichever is the earlier of (a) the day on which all sums due in respect of the relevant Notes up to that day are received by or on behalf of the relevant Noteholder and (b) the day which is seven days after the Principal Paying Agent or the Note Trustee has notified the relevant Noteholders either in accordance with Condition 15 (*Notifications*) or individually that it has received all sums due in respect of the relevant Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

### 9. REDEMPTION

#### 9.1 Scheduled Redemption

- (a) Unless previously redeemed and cancelled, each Class of Notes shall be redeemed on its Scheduled Redemption Date to the following extent and in accordance with Condition 5.2 (*Principal Priority of Payments*).
- (b) If, on the Scheduled Redemption Date, the amount standing to the credit of the Issuer Principal Ledger is less than the Outstanding Principal Amount of any Class of Notes, then the Notes within such Class will be redeemed *pro rata* in part to the extent of the amount which is

so deposited, and the Early Amortisation Period will commence with effect from the Scheduled Redemption Date.

## 9.2 Mandatory Redemption

Unless previously redeemed and cancelled, each Class of Notes, on each Distribution Date falling on or after the commencement of the Early Amortisation Period, shall be redeemed to the extent and in accordance with (a) item (c) of the Principal Priority of Payments prior to the occurrence of an Enforcement Event and (b) the Enforcement Priority of Payments following the occurrence of an Enforcement Event.

## 9.3 Final Redemption

- (a) Unless previously redeemed and cancelled, each Class of Notes remaining outstanding shall be finally redeemed at their then Nominal Liquidation Amount together with accrued Monthly Interest Amount thereon on the Final Redemption Date to the extent and in accordance with item (c) of the Principal Priority of Payments.
- (b) If the Issuer fails to pay the Nominal Liquidation Amount in full in respect of any of the Notes on the Final Redemption Date, an Event of Default shall occur, subject to any applicable grace period, with respect to such Notes.
- (c) If the Nominal Liquidation Amount of any Class of Notes is paid in full as of the Final Redemption Date, but the Outstanding Principal Balance of such Class of Notes is not (after giving effect to all distributions on such date), then on the immediately following Business Day the remaining Outstanding Principal Balance shall cease to be due and payable by the Issuer and shall be fully discharged.

## 9.4 Purchase

The Issuer may not, at any time, purchase the Notes in the open market or otherwise.

## 9.5 Cancellation

All Notes redeemed pursuant to the foregoing provisions shall be cancelled forthwith and may not be reissued or resold.

# 10. EVENT OF DEFAULT

- (a) An “**Event of Default**” will be deemed to occur if:
  - (i) the Issuer fails to pay the Nominal Liquidation Amount in full in respect of any of the Notes within 7 days of the Final Redemption Date or fails to pay any amount of interest in respect of any of the Notes within 15 days of the due date for payment thereof;
  - (ii) the Issuer defaults in the performance or observance of any of its obligations under the Note Trust Deed (other than, in such case, any obligation for the payment of any principal or interest on the Notes) or the Principal Paying Agency Agreement and the Note Trustee has given a written notice addressed to the Issuer, certifying that such default is, in the opinion of the Note Trustee, materially prejudicial to the interests of the Noteholders and such default (except where such default is incapable of remedy) remains unremedied for 30 days after such written notice by the Note Trustee;
  - (iii) one or more final non-appealable judgment(s) or final non-appealable order(s) for the payment of any amount is rendered against the Issuer and continue(s) unsatisfied and unstayed for a period of 30 days after the date(s) thereof or, if later, the date specified for payment in any such judgement(s) or order(s);
  - (iv) an Insolvency Event occurs with respect to the Issuer;



- (v) any action, condition or thing at any time required to be taken, fulfilled or done in order to enable the Issuer lawfully to enter into, exercise its respective rights and perform and comply with its respective obligations under and in respect of the Notes and relevant Issuer Transaction Documents is not taken, fulfilled or done;
  - (vi) it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes; or
  - (vii) either (A) all or any substantial part of the undertaking, assets and revenues of the Issuer is condemned, seized or otherwise appropriated by any Person acting under the authority of any national, regional or local government or (B) the Issuer is prevented by any such Person from exercising normal control over all or any substantial part of its undertaking, assets and revenues.
- (b) Upon the occurrence of any Event of Default which constitutes a Mandatory Acceleration Event, the Note Trustee shall, subject to being indemnified, secured and/or prefunded to its satisfaction, deliver a notice to the Issuer declaring the Notes to be immediately due and payable. If any other Event of Default occurs, the Note Trustee may in its absolute discretion, and if so directed in writing by the holders of at least 25 per cent. of the Aggregate Outstanding Principal Amount of the Notes shall, deliver a notice to the Issuer (with a copy to the Security Trustee, the Issuer Cash Manager, the Issuer Account Bank and the Principal Paying Agent provided that failure to deliver any such copy shall not invalidate such notice) declaring the Notes to be immediately due and payable (an “**Issuer Acceleration Notice**”). In each case, each Note will become immediately due and payable at its Outstanding Principal Amount together with accrued interest (if any) without further action or formality. Upon the delivery of an Issuer Acceleration Notice, the Issuer Security will become enforceable in accordance with the Issuer Security Agreements.
- (c) The Issuer consents generally in respect of any proceedings to the giving of any relief or the issue of any process in connection with such proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which is made or given in such proceedings.

## 11. PRINCIPAL PAYING AGENT AND ISSUER CASH MANAGER

- (a) The Issuer has appointed Credit Suisse AG as Principal Paying Agent pursuant to the Principal Paying Agency Agreement and Swisscard AECS GmbH as Issuer Cash Manager pursuant to the Issuer Cash Management Agreement.
- (b) The Issuer shall procure that for as long as any Notes are outstanding there shall always be a principal paying agent and a cash manager to perform the functions assigned to it in these Conditions. Pursuant to the Principal Paying Agency Agreement and the Issuer Cash Management Agreement, the Issuer may at any time, by giving not less than 60 calendar days’ notice by publication in accordance with Condition 15 (*Notifications*), replace the Principal Paying Agent or the Issuer Cash Manager by one or more other banks or other financial institutions which assume such functions. Pursuant to the Principal Paying Agency Agreement and the Issuer Cash Management Agreement, each of the Principal Paying Agent or the Issuer Cash Manager shall act solely as agent for the Issuer and following the occurrence of an Enforcement Event, the Security Trustee or such other person as it may designate from time to time and shall not have any agency, trustee or other fiduciary relationship with the Noteholders.

## 12. TAXATION

- (a) All payments in respect of the Notes will be made by the Issuer or the Principal Paying Agent (as the case may be) after the deduction and withholding of current or future taxes, levies or governmental charges, regardless of their nature, which are imposed, levied or collected (collectively, “**taxes**”) under any applicable system of law or in any country which claims fiscal jurisdiction by, or for the account of, any political subdivision thereof or government agency therein authorised to levy taxes, to the extent that such deduction or withholding is required by law. The Issuer or the Principal Paying Agent (as the case may be) shall account

for the deducted or withheld taxes with the competent government agencies and shall, upon request of a Noteholder, provide proof thereof. Neither the Issuer, the Principal Paying Agent nor any other person is obliged to pay any additional amounts as compensation for any amount so deducted or withheld.

- (b) In accordance with applicable Swiss laws in force and effective as at the date hereof, the interest on the Notes shall be subject to the Swiss Federal Withholding Tax (which may be amended from time to time) calculated on the face value of the rate of interest payable on the Notes. Such Swiss withholding tax will be deducted by the Issuer from any payment of interest of the Notes and paid directly to the Swiss Federal Tax Administration.
- (c) In accordance with applicable Swiss law in force and effective as at the date hereof, any discount or premium on the issue price paid out upon redemption of the Notes shall be subject to the Swiss Federal Withholding Tax (which may be amended from time to time) calculated on the amount of discount or premium paid out upon redemption on the Notes. Such Swiss withholding tax will be deducted by the Issuer upon redemption from the amount of principal attributable to such discount or premium which is payable pursuant to Condition 5 (*Priority of payments*) and which is paid to the Swiss Federal Tax Administration.

### **13. MEETINGS OF NOTEHOLDERS**

- (a) A Meeting:
  - (i) may be convened by the Issuer at any time and must be convened by the Issuer upon a request in writing by the Note Trustee (subject to its being first indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may render itself liable or which it may incur by so doing) or by Noteholders representing not less than 5 per cent. of the Aggregate Outstanding Principal Amount of the relevant Class of Notes; and
  - (ii) will be held in accordance with the Bondholder Provisions.
- (b) Each Noteholder appoints the Note Trustee as the sole representative of the Noteholders pursuant to Article 1158 for the purposes of the Bondholder Provisions.

### **14. AMENDMENTS, MODIFICATIONS AND WAIVER**

Any supplement or other Amendment of, or any authorisation or other waiver of any actual or prospective breach of any term of any Issuer Transaction Document (including any of the schedules, exhibits or annexes to that Issuer Transaction Document) is valid only if it is (a) in writing, (b) signed by or on behalf of each Issuer Transaction Party being a party to such document and (c) approved by the Noteholders in accordance with the Bondholder Provisions and subject to the Rating Agencies being notified of such variation provided however that each Noteholder authorises the Note Trustee to agree to any Amendment without the consent of any Noteholder (but with prior notice to the Rating Agencies) if, in the opinion of the Note Trustee, such Amendment does not adversely alter the rights of the Noteholders nor impose obligations upon them or is to correct a manifest error or an error that is of a formal, minor or technical nature. In such circumstances, the Note Trustee may, subject to the terms of the Note Trust Deed, seek direction from a majority of the Most Senior Class of the Noteholders. The Note Trustee may rely on any such direction and shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction.

### **15. NOTIFICATIONS**

Any notice in respect of the Notes shall be published by the Principal Paying Agent on behalf of the Issuer in accordance with the relevant provisions under these Conditions and on behalf of and at the expense of the Issuer or the Note Trustee, as the case may be, (a) for so long as the Notes are admitted to trading on the SIX Swiss Exchange, on the Internet site of the SIX Swiss Exchange (where notices are currently published under the [http://www.six-exchange-regulation.com/publications/published\\_notifications/official\\_notices\\_en.html](http://www.six-exchange-regulation.com/publications/published_notifications/official_notices_en.html)) or otherwise in accordance with the regulations of the SIX Swiss Exchange, (b) in the event that the Notes cease to be listed and traded on the SIX Swiss Exchange, in accordance with the regulations of any alternate stock exchange or (c) if the Notes are no longer listed and traded on the SIX Swiss Exchange or any alternate stock exchange via Bloomberg. Any notice so

given shall be deemed to be validly given on the date of such publication or, if published more than once, on the date of the first such publication.

## **16. MISCELLANEOUS**

### **16.1 Note Trustee's right to Indemnity**

Under the Transaction Documents, the Note Trustee is entitled to be (a) indemnified and relieved from responsibility in certain circumstances, (b) secured and/or prefunded before taking any action, and (c) paid or reimbursed for any Liabilities incurred by it in priority to the claims of the Noteholders. In addition, the Note Trustee is entitled to enter into business transactions with the Issuer and any entity relating to the Issuer without accounting for any profit.

### **16.2 Note Trustee not responsible for loss or for monitoring**

The Note Trustee shall not be responsible for monitoring the compliance by any of the other Transaction Parties with their obligations under the Transaction Documents.

### **16.3 Regard to Noteholders**

In the exercise of its rights under these Conditions and the Note Trust Deed, the Note Trustee will:

- (a) have regard to the interests of all Noteholders as a Class and will not be responsible for any consequence for individual Noteholders as a result of such holders being domiciled or resident in, or otherwise connected in any way with, or subject to the jurisdiction of, a particular territory or taxing jurisdiction in any potential conflict between the Classes of Noteholders and the interests of the Noteholders as a whole; and
- (b) have regard only to the Noteholders then outstanding and, when acting in its capacity as Security Trustee, will not have regard to the interests of the other Issuer Secured Creditors except to ensure the application of the Issuer's funds after the occurrence of an Enforcement Event in accordance with the applicable Enforcement Priority of Payments.

### **16.4 Prescription**

In respect of the Notes, (a) claims for principal shall become void where application for payment is made more than 10 years; and (b) claims for interest shall become void where application for payment is made more than 5 years, in each case after the due date therefore.

### **16.5 Agent for service of process**

The Issuer (a) shall appoint Credit Suisse AG (London Branch) as its agent for service of process in respect of any proceedings before the courts of England arising out of or in connection with the Notes on the terms set forth in a separate process agent letter and (b) undertakes that in the event of Credit Suisse AG (London Branch) ceasing so to act it will appoint another person with a registered office in London as its agent for service of process.

### **16.6 Governing Law**

The form and content of the Notes and all of the contractual and non-contractual rights and obligations of the Noteholders and the Issuer under the Notes shall be governed by and construed in accordance with English law save that Condition 13 (*Meetings of Noteholders*) shall be governed by and construed in accordance with the substantive laws of Switzerland.

### **16.7 Jurisdiction**

All disputes arising out of or in connection with the Notes, including matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies, shall be subject to the non-exclusive jurisdiction of the courts of England provided that any disputes arising out of or in connection with the application of Articles 1157 to 1186 CO shall be resolved by the competent Swiss courts where required by mandatory Swiss law.

## DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS

### 1. ASSET SPV TRANSACTION DOCUMENTS

#### 1.1 Servicing Agreement

##### (a) Services

On the terms and subject to the conditions set out in the Servicing Agreement, the Servicer has been appointed by the Asset SPV to administer the Securitised Portfolio and has agreed, amongst other things, to:

- (i) carry out on behalf of the Asset SPV, all reasonable activities in order to provide for the collection and possible recovery of the Securitised Portfolio and to exercise all available remedies provided for by law, the relevant Credit Card Agreements, including the enforcement of any Security Interest related thereto, all in accordance with the relevant Credit Card Agreement and the relevant Credit Card Guidelines, and for these purposes to act in the name of and on behalf of the Asset SPV, provided that the Servicer shall, if required, disclose that it is acting in the name of and for the Asset SPV (*offene Stellvertretung*);
- (ii) process payments (including payments by direct debit) received in relation to the Securitised Portfolio and use its reasonable efforts to identify the source of any Collections received and to identify the relevant Cardholder or other third party having paid such Collection, as required by MLA and apply such payments to the relevant Designated Account and to credit and debit such Designated Accounts as appropriate;
- (iii) upon the occurrence of a Notification Trigger and/or upon being so instructed by the Asset SPV and/or the Collateral Trustee (on behalf of the Asset SPV), notify all Cardholders as contemplated by the Receivables Sale and Purchase Agreement;
- (iv) procure that all Collections in respect of the Securitised Portfolio are paid by the Cardholders and any other relevant third party directly into a Card Operating Account or after the occurrence of a Notification Trigger to a Substitute Card Operating Account;
- (v) credit any Collections received in non cash form (e.g., in the form of a cheque) to a Card Operating Account or, after the occurrence of a Notification Trigger, to a Substitute Card Operating Account as soon as reasonably possible in cash form;
- (vi) use its best efforts to ensure that any Collections relating to a Transferred Receivable paid by a Cardholder or any other relevant third party to a bank account of a Selling Originator or the Servicer other than a Card Operating Account are forwarded without any deduction made on such amount as soon as possible to a Card Operating Account or after the occurrence of a Notification Trigger to a Substitute Card Operating Account;
- (vii) transfer all Collections received with respect to the Securitised Portfolio from the Card Operating Accounts into the Collection Account;
- (viii) initiate, prosecute and manage, on behalf of the Asset SPV, in accordance with the terms of the Servicing Agreement, in relation to any Transferred Receivable arising under a Designated Account that has become a Defaulted Account, all proceedings on behalf and, if necessary, in the name of the Asset SPV pursuant to a Servicer Power of Attorney and in accordance with the relevant Credit Card Guidelines (such measures to include, always subject to the relevant Credit Card Guidelines, the selling of Securitised Portfolio to any third party collection agency);
- (ix) prepare and deliver, on behalf of the Asset SPV, all notices, communications and documents to be sent by the Asset SPV, in its capacity as owner of the Securitised Portfolio to the Cardholders;

- (x) conduct, on behalf of the Asset SPV, monitoring activities in relation to the Securitised Portfolio;
- (xi) hold in safe custody all Records in relation to the Securitised Portfolio for the Asset SPV;
- (xii) in the event that the Asset SPV becomes subject to take any action, counterclaim, set-off or other analogous claim or other proceedings in respect of claims made by Cardholders, the Servicer shall take all reasonable steps on behalf of the Asset SPV; and
- (xiii) prepare and deliver the Servicer Report to the Asset SPV and, on behalf of the Asset SPV, to the Asset SPV Cash Manager, the Asset SPV Corporate Services Provider, each Rating Agency and any other party specified by the Asset SPV from time to time.

The Servicer has been appointed by the Collateral Trustee to render certain limited services primarily relating to the notification of Cardholders in accordance with the terms of the Servicing Agreement and other relevant third parties as contemplated by the Asset SPV Claims Assignment Agreement and the Receivables Sale and Purchase Agreement. Following service of a notice by the Collateral Trustee confirming that (i) an Asset SPV Acceleration Notice has been delivered by the Collateral Trustee in accordance with the terms and conditions of the Collateral Certificate Trust Deed and accordingly, the Security Interest created by the Asset SPV Claims Assignment Agreement has become enforceable and (ii) the Collateral Trustee has decided that it will enforce the Security Interest created by the Asset SPV Claims Assignment Agreement (a “**Servicer Instruction Notice**”), the Collateral Trustee will appoint the Servicer to, amongst other things assist the Collateral Trustee in connection with (A) the notification of Cardholders and other relevant third parties as contemplated by the Asset SPV Claims Assignment Agreement and the Receivables Sale and Purchase Agreement, (B) the structuring of the collection and/or enforcement process of the Securitised Portfolio, (C) all reasonable activities in order to provide for the collection and possible recovery of the Securitised Portfolio and to exercise all available remedies provided for by law, the relevant Credit Card Agreements, including the enforcement of any Security Interest related thereto; and (D) the administration of the Collections.

The Servicer has delegated certain duties to Swisscard (as the “**Delegated Sub-Servicer**”) (see “—*Sub-contracts*” below). Following the completion of the Business Transfer, Swisscard will continue to perform such duties on behalf of the Servicer, however, Swisscard may ultimately assume the role of Servicer in its own right provided that, *inter alia*, the Asset SPV has received a Ratings Confirmation from each Rating Agency that its then existing rating of the outstanding Related Debt will not be adversely impacted as a result.

(b) Power of attorney

Subject to the terms of the Servicing Agreement, each of the Asset SPV and the Collateral Trustee will grant the Servicer authority to act on its behalf and in its name as representative (*Stellvertreter*), either indirectly (*stiller Stellvertreter*) or directly (*offener Stellvertreter*), as applicable and as relevant for purposes of rendering the services under the Servicing Agreement and to further do all the things necessary for the administration of the Securitised Portfolio, and the performance of all other duties to be performed by the Servicer thereunder.

(c) Authority

The Servicer has full power and authority, acting alone or through any party properly designated by it, to do any and all things in connection with the servicing and administration of the Securitised Portfolio as it may deem necessary or desirable in so far as such activities are carried out in accordance with the relevant Credit Card Agreements and the relevant Credit Card Guidelines. When exercising any discretion pursuant to the terms of the Servicing Agreement, the Servicer will refer, at all times, to the relevant Credit Card Guidelines, the instructions agreed with or provided by, directly or indirectly, the Asset SPV, and shall act in such a manner as it would be reasonable to expect from a prudent servicer of assets of the

nature of the Securitised Portfolio to act in providing services similar to those of the Servicer under the Servicing Agreement.

(d) Administration of Collections

Prior to a Notification Trigger, Cardholders will make payments in respect of the Designated Accounts to the relevant Card Operating Account and the Servicer will transfer all Collections received with respect to the Receivables in each Monthly Period from the Card Operating Accounts into the Asset SPV's Collection Account within two Business Days following the Processing Date of such Collections. After a Notification Trigger is breached for a Selling Originator or the Servicer, the Servicer (acting on behalf of the Asset SPV) shall direct Cardholders to make payments directly to an account established at a Qualified Institution in the name of the Asset SPV.

(e) Netting of deposits into the Collection Account

With respect to the Finance Charge Collections and Principal Collections that are required to be transferred in to the Collection Account on any day, pursuant to the Collateral Certificate Trust Deed and the Servicing Agreement, the Servicer will only be required to transfer the amount of such Finance Charge Collections net of any amounts that would be payable on such day (or a Distribution Date in the case of any such Finance Charge Collections to be transferred on the Business Day immediately preceding such Distribution Date) to itself or Swisscard, in each case, in any of their capacities as Originator, Originator Certificateholder and Servicer. The Servicer will be required to allocate and pay any such retained Collections to itself or Swisscard as the case may be. The ability of the Servicer to only make net payments of Collections will cease upon the occurrence of any Early Redemption Event.

(f) Reporting

The Servicer prepares and, on each Servicer Report Date, delivers to the Asset SPV and the Collateral Trustee (with a copy to the Asset SPV Corporate Services Provider, the Asset SPV Cash Manager, each Rating Agency and any other relevant Transaction Party) the Servicer Report relating to the entire Securitised Portfolio (held, for the avoidance of doubt, by the Asset SPV) reflecting the status of the Securitised Portfolio as of the end of the immediately preceding calendar month and covering such preceding calendar month. The Servicer is permitted to amend the form the Servicer Report provided that such amendments (i) are not prejudicial to the quality and extent of information provided by the Servicer Report and the new form of Servicer Report will still contain the same data on the Securitised Portfolio as the format used previously; or (ii) are required by law or regulations; and in each case that the Servicer delivers a copy of the new form Servicer Report to the Asset SPV, the Collateral Trustee, the Asset SPV Corporate Services Provider and the Asset SPV Cash Manager at least 20 Business Days before the Servicer Report Date on which the new form of Servicer Report will be used,

(g) Records

During the subsistence of the Servicing Agreement, and subject to the terms thereof, the Servicer shall keep and maintain Records in whatever medium or media may be expedient in relation to the Securitised Portfolio on behalf of and for the Asset SPV and/or Collateral Trustee (as applicable). The Records are required to show all transactions and proceedings relating to each Transferred Receivable and in an adequate form as is necessary to enforce the Transferred Receivable. The Servicer ensures that Records are kept in safe custody and under its control in accordance with all applicable laws and in the case of Records held on its IT systems, use or ensure the use of appropriate recovery and back-up systems and data-storage methods to protect against fire, damage and other disasters. In addition, the Servicer shall not part with the possession, custody or control of a Record without the prior written consent of the Asset SPV and the Collateral Trustee, except as otherwise permitted by the terms of Servicing Agreement. The Servicer shall not destroy such Records (and shall procure that the Records are not wilfully destroyed) except as required by and in accordance with the applicable Credit Card Guidelines or applicable law.

Prior to the occurrence of a Servicer Termination Event, subject to no less than 10 Business Days prior written request by the Asset SPV, the Servicer will furnish the Asset SPV and/or the Collateral Trustee with such information with respect to the Securitised Portfolio as the Asset SPV and/or the Collateral Trustee (as applicable) may reasonably request and/or grant access to the Asset SPV and/or the Collateral Trustee (as applicable) during normal business hours to the Servicer's facilities, personnel, books and records in order to examine and inspect the Records for the purposes of allowing the Issuer and/or its representatives to review the Servicer's conduct of its activities under the Servicing Agreement, without causing unnecessary business disruption to the ordinary business activities of the Servicer and make copies of them.

Upon the occurrence and during the continuation of a Servicer Termination Event, the Servicer shall deliver and hand over to the Asset SPV or, after the service of a Servicer Instruction Notice by the Collateral Trustee, the Collateral Trustee, or, at the option of the Asset SPV and/or the Collateral Trustee (as applicable), shall provide the Asset SPV and/or the Collateral Trustee with access to, at any time, all of the Servicer's facilities, personnel, books and records pertaining to the Securitised Portfolio.

Neither the Asset SPV nor the Collateral Trustee have been or will be granted access to any personal data of Cardholders, save to the extent that it is made available (i) in encrypted form, or (ii) in accordance with and subject to the terms and conditions of the Receivables Sale and Purchase Agreement and/or the Asset SPV Claims Assignment Agreement.

(h) The Servicer's Liability

The Servicer will indemnify and hold harmless the Asset SPV and/or the Collateral Trustee from and against all reasonable loss, liability, expense, damage or injury suffered or sustained by reason of any fraud, wilful misconduct, bad faith or grossly negligent acts or omissions of the Servicer with respect to its activities pursuant to the Servicing Agreement. However, in certain circumstances the Servicer will not indemnify the Asset SPV in connection with any Liabilities incurred as a consequence of, for example, (i) acts or omissions by the Asset SPV which constitute or are caused by fraud, gross negligence, bad faith or wilful misconduct by the Asset SPV or its agents; (ii) any action taken by the Asset SPV and/or the Collateral Trustee at the request of the Certificateholders or the Servicer at the request of the Asset SPV and/or the Collateral Trustee; or (iii) Designated Accounts becoming Defaulted Accounts and any loss incurred by the Asset SPV and/or the Collateral Trustee in connection with the credit risks inherent to the Securitised Portfolio; or (iv) any tax law (or arising from a failure to comply therewith) having an impact on the Asset SPV or the Certificateholders in connection with the Servicing Agreement.

None of the directors, officers, employees or agents of the Servicer nor the Servicer itself will be under any liability to the Asset SPV or the Certificateholders, any support provider or any other person under the Servicing Agreement or pursuant to any document delivered pursuant to the Servicing Agreement except in the case of fraud, wilful misconduct, bad faith or gross negligence of any such person or the Servicer in the performance of duties under the Servicing Agreement.

(i) Servicing fee

As full remuneration for its servicing duties and activities and as reimbursement for any expense incurred by it in connection therewith, the Servicer (including a Successor Servicer) may be entitled to receive a Servicing Fee. The Servicing Fee accrues at a per annum rate and is payable by the Asset SPV in accordance with the Servicing Agreement. The per annum rate at which the Servicing Fee accrues shall not exceed the Servicing Fee Rate. Prior to the Business Transfer Effective Date, the Servicing Fee shall be regarded as remuneration for the servicing of that portion of the Securitised Portfolio that is related to any Issuer Certificate and no servicing fee shall be payable for the servicing of that portion of the Securitised Portfolio that is related to any Originator Certificate and for any period following the Business Transfer Effective Date, the Servicing Fee shall be regarded as remuneration for the servicing of the Securitised Portfolio as a whole.

(j) Sub-contracts

The Servicer may, at any time and at its discretion, delegate its duties under the Servicing Agreement (in whole or in part) to any other person (a “**Third Party Service Provider**”). The Servicer has delegated certain duties to Swisscard. Any such delegation will not relieve the Servicer of its liabilities and responsibility with respect to such duties, and will not constitute a resignation by the Servicer of its obligations and duties under the Servicing Agreement for which it shall continue to be solely liable towards the Asset SPV and/or the Collateral Trustee as if the Servicer had rendered the services himself (and the duties of the Servicer shall not be limited to selection of the Third Party Service Provider, instruction of the Third Party Service Provider and monitoring of the Third Party Service Provider). The appointment of the Third Party Service Provider is subject to an undertaking from the Third Party Service Provider to the Servicer to perform all the obligations of the Servicer under the activities delegated and provide that (i) the Asset SPV and/or the Collateral Trustee shall have no liability whatsoever to the appointed Third Party Service Provider in relation to any cost, claim, charge, damage or expense suffered or incurred by such Third Party Service Provider; and (ii) the Asset SPV may directly hold liable the Third Party Service Provider for any damage caused by the Third Party Service Provider by breaching its obligations in rendering the services hereunder.

(k) Resignation and Termination of the Servicer

Within two Business Days of the Servicer becoming aware of any Servicer Termination Event, the Servicer must give written notice thereof to the Asset SPV, the Collateral Trustee, each Issuer Certificateholder and each Rating Agency specifying the nature of such event. The appointment of Credit Suisse as Servicer under the Servicing Agreement, and the appointment of any Successor Servicer, may be terminated upon or following the occurrence of a Servicer Termination Event by notice in writing to the Servicer (a “**Servicer Termination Notice**”). Under the terms of the Servicing Agreement, any Issuer Certificateholder may, with the prior written consent of all the other Issuer Certificateholders, instruct the Asset SPV in writing to waive such Servicer Termination Event (other than an Insolvency Event in respect of the Servicer) and its consequences. Upon any such waiver of a Servicer Termination Event, such Servicer Termination Event will be deemed not to have occurred. No such waiver will extend to any subsequent or other default or impair any right consequent thereon except to the extent expressly so waived.

The Servicer may resign from its obligations and duties as Servicer under the Servicing Agreement, by giving not less than 30 days prior written notice to the Asset SPV and the Collateral Trustee (with a copy to the Asset SPV Corporate Services Provider and the Asset SPV Cash Manager) provided that no such resignation will become effective until a Successor Servicer has assumed the Servicer’s responsibilities and obligations under the Servicing Agreement. Any resignation that is not compliant with the terms of the Servicing Agreement shall be regarded as a resignation at an inappropriate point in time (*Auflösung/Kündigung zur Unzeit*).

The resignation or termination of the Servicer’s appointment will not take effect until a Successor Servicer has been appointed on substantially the same terms as the Servicing Agreement (the “**Servicer Termination Date**”). The Servicer will continue to act as Servicer until the Servicer Termination Date and the Servicing Agreement sets out certain requirements in respect of such transfer of the servicing role including without limitation as to the transfer of authority over Collections, the transfer of Records and the disclosure of information.

(l) Applicable law and jurisdiction

The Servicing Agreement is in all respects governed by and construed in accordance with the substantive laws of Switzerland. The courts of Zurich 1, Canton Zurich, Switzerland have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Servicing Agreement.



## 1.2 Asset SPV Claims Assignment Agreement

### (a) Assignment

Pursuant to the Asset SPV Claims Assignment Agreement, the Asset SPV assigned for security purposes (*Sicherungscession*) to the Collateral Trustee (i) all existing and future rights and claims the Asset SPV has under the Asset SPV Swiss Law Documents, now and at any time thereafter (the “**Asset SPV Transaction Claims**”), (ii) all existing and future Receivables acquired by the Asset SPV now or in the future under the Receivables Sale and Purchase Agreement and (iii) all assets held in, and monies standing from time to time to the credit of Asset SPV Bank Accounts (other than the Asset SPV Securities Account) (*i.e.*, the respective claims against the Asset SPV Account Bank) (such assigned rights and claims together, the “**Asset SPV Assigned Claims**”).

### (b) Security interest pursuant to Article 25 para. 2(b) FISA

The Asset SPV has also created a security interest over the Intermediated Securities held in the Asset SPV Securities Account pursuant to Article 25 para. 2(b) FISA in favour of the Asset SPV Secured Creditors represented by the Collateral Trustee as direct representative (*direkter Stellvertreter*) and in order to perfect such security interest the Asset SPV, the Collateral Trustee and the Asset SPV Account Bank have entered into an account control agreement. For purposes of the Security Interest created over the Intermediated Securities deposited in the Asset SPV Securities Account (the “**Asset SPV Intermediated Securities Assets**”) and becoming a party to the Asset SPV Claims Assignment Agreement, each Asset SPV Secured Creditor has signed, or will on the Closing Date sign, the Asset SPV Claims Assignment Agreement.

### (c) Accessory Rights

If and insofar as accessory rights and rights which are or will be dependent upon any Asset SPV Assigned Claims, have not already passed to the Collateral Trustee by virtue the assignment of the Asset SPV Assigned Claims, the Asset SPV will promptly assign or transfer such accessory rights to the Collateral Trustee by means of a separate declaration of assignment or transfer. However, to the extent that such accessory rights have not been assigned or transferred the Asset SPV grants a power of attorney to the Collateral Trustee and any of the Collateral Trustee’s successors, transferees or assignees in order to exercise such rights in the Asset SPV’s name and in its own interest at any time.

### (d) Confirmation by Asset SPV Account Bank

Pursuant to the Asset SPV Claims Assignment Agreement, the Asset SPV has delivered a confirmation agreement under which the Asset SPV Account Bank has (i) acknowledged the security interest created by the Asset SPV Claims Assignment Agreement, (ii) waived any priority rights the Asset SPV Account Bank may have in relation to the Asset SPV Bank Accounts and (iii) agreed to block the Asset SPV Bank Accounts (other than the Asset SPV Securities Account) subject to the occurrence of certain events.

### (e) Power of attorney

The Collateral Trustee has granted the Asset SPV the power of attorney to (i) dispose over the Asset SPV Bank Accounts and use any balance thereof and the Asset SPV Intermediated Securities Assets freely in accordance with and subject to the Asset SPV Transaction Documents and (ii) collect and apply any Principal Receivable, any Finance Charge Receivable and any Asset SPV Transaction Claim freely in accordance with and subject to the terms and conditions of the Transaction Documents, in each case for as long as no Asset SPV Acceleration Notice has been delivered by the Collateral Trustee in accordance with the terms and conditions of the Collateral Certificate Trust Deed.

(f) Application of proceeds

Any monies received by the Collateral Trustee pursuant to the Asset SPV Claims Assignment Agreement will be applied in or towards satisfaction of the Asset SPV Secured Obligations, all in accordance with and subject to the Collateral Certificate Trust Deed.

(g) Enforcement

Upon delivery of an Asset SPV Acceleration Notice:

- (i) the Asset SPV will instruct, at the request and in the name of the Collateral Trustee but at its own expense, each third party debtor of each Asset SPV Assigned Claim to make all payments thereunder into an account specified by the Collateral Trustee;
- (ii) the Collateral Trustee (acting, for purposes of the Security Interest created pursuant to Article 25 para. 2(b) FISA for itself and as direct representative of the other Asset SPV Secured Creditors) will have the right, but not the obligation, to take certain actions, including, but not limited to, notifying the third party debtors of the Asset SPV Assigned Claims of the assignment of such claims to the Collateral Trustee and demand payment to itself or, instead of awaiting the receipt of payments from such third party debtors, realise the Asset SPV Assigned Claims by means of a sale; and
- (iii) the Collateral Trustee and any other Asset SPV Secured Creditor is at liberty to enforce any Asset SPV Secured Obligations prior to the collection or enforcement of any Asset SPV Assigned Claims and/or Asset SPV Intermediated Securities Asset and to commence or pursue the regular debt enforcement proceedings against the Asset SPV without having first to collect or enforce any Asset SPV Assigned Claims and/or Asset SPV Intermediated Securities Asset, without foregoing any of its rights in relation to the Asset SPV Assigned Claims and/or Asset SPV Intermediated Securities Asset.

(h) Applicable law and jurisdiction

The Asset SPV Claims Assignment Agreement is in all respects governed by and construed in accordance with the substantive laws of Switzerland. The courts of Zurich 1, Canton Zurich, Switzerland have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Asset SPV Claims Assignment Agreement.

1.3 Asset SPV Account Bank Agreement

(a) General

Pursuant to the Asset SPV Account Bank Agreement, the Asset SPV Account Bank provides the Asset SPV with certain banking functions which include:

- (i) the establishment and operation of Asset SPV Bank Accounts;
- (ii) crediting interest accrued on each Asset SPV Bank Account in accordance with its Applicable Terms and Practices;
- (iii) complying with directions in respect of the Asset SPV Bank Accounts in accordance with the terms and conditions of the Asset SPV Account Bank Agreement;
- (iv) maintenance of records and making the balance of the Asset SPV Bank Accounts available via the Asset SPV Account Bank Online Banking System; and
- (v) delivery of quarterly statements and notifications of interest credited to the Asset SPV Bank Accounts.

(b) Entitlement to rely on instructions

When operating the Asset SPV Bank Account in accordance with the terms and conditions of the Asset SPV Account Bank Agreement, the Asset SPV Account Bank is entitled to act as

instructed by the Asset SPV Cash Manager, the Collateral Trustee or any successor Asset SPV Cash Manager dependant on the circumstances subsisting at the time. The Asset SPV, the Asset SPV Cash Manager and the Asset SPV Account Bank agree that in the case of any conflict between any instructions given to the Asset SPV Account Bank by the Collateral Trustee and any other person, (i) prior to Asset SPV Account Bank's receipt of a blocking notice served by the Collateral Trustee, the instructions of the Asset SPV Cash Manager will prevail and (ii) following the Asset SPV Account Bank's receipt of a blocking notice served by the Collateral Trustee the instructions of the Collateral Trustee will prevail and the Asset SPV Account Bank shall be entitled to rely exclusively on those instructions.

(c) Termination and resignation

Upon the occurrence of an Insolvency Event in relation to the Asset SPV Account Bank and subject to the appointment of a successor, the appointment of the Asset SPV Account Bank under the Asset SPV Account Bank Agreement will terminate automatically. Subject to the terms of the Collateral Certificate Trust Deed, the appointment of the Asset SPV Account Bank under the Asset SPV Account Bank Agreement may also be terminated if the Asset SPV Account Bank ceases to be a Qualifying Institution (see "*THE COLLATERAL CERTIFICATE TRUST DEED—Asset SPV Bank Account*").

In addition, (i) the Asset SPV may revoke its appointment of the Asset SPV Account Bank by not less than 60 days' notice to the Asset SPV Account Bank (with a copy to the Collateral Trustee and following the Asset SPV Account Bank's receipt of a blocking notice served by the Collateral Trustee, subject to the prior written approval of the Collateral Trustee) subject to the appointment of a successor in accordance with the Asset SPV Account Bank Agreement or (ii) the Asset SPV Account Bank may resign its appointment under the Asset SPV Account Bank Agreement (A) upon the expiry of not less than 60 days' prior notice to the Asset SPV (with a copy to the Asset SPV Cash Manager and the Collateral Trustee) provided that if such resignation would otherwise take effect less than 5 Business Days before any Distribution Date, it will not take effect until the Business Day immediately following such Distribution Date and subject to any right or obligation of the parties to appoint a successor in accordance with the Asset SPV Account Bank Agreement or (B) at any time if its appointment as Asset SPV Account Bank under the Asset SPV Account Bank Agreement would result in a breach of any Requirement of Law and/or Regulatory Direction or in the event of fraud or wilful misconduct by the Asset SPV provided that the Asset SPV will be granted reasonable time to appoint a successor.

(d) Successor Account Bank

The Asset SPV may appoint a successor Asset SPV account bank with notice of such appointment to the Asset SPV Cash Manager and the Collateral Trustee if such successor is an affiliate of the Asset SPV Account Bank or otherwise with the prior written approval of the Collateral Trustee. Any successor account bank will (i) be a Qualifying Institution unless otherwise agreed with the Asset SPV Cash Manager and, following the Asset SPV Account Bank's receipt of a blocking notice served by the Collateral Trustee, subject to the prior written approval of the Collateral Trustee) and (ii) enter into an agreement substantially on the same terms as the relevant provisions of the Asset SPV Account Bank Agreement and the Asset SPV Account Bank will not be released from its obligations under the relevant provisions of the Asset SPV Account Bank Agreement until (subject to the terms of the Asset SPV Account Bank Agreement) such successor account bank has entered into such new agreement, has assumed the role of the successor account bank and the rights under such agreement are charged in favour of the Collateral Trustee on terms satisfactory to the Collateral Trustee.

(e) Fees

Subject to the applicable Priority of Payments, the Asset SPV agrees to pay a fee to the Asset SPV Account Bank as remuneration for the operation of the Asset SPV Bank Accounts in accordance with the terms of the Asset SPV Account Bank Agreement.

(f) Applicable law and jurisdiction

The Asset SPV Account Bank Agreement is in all respects to be governed by and construed in accordance with the substantive laws of Switzerland. The courts of Zurich 1, Canton Zurich, Switzerland have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Asset SPV Account Bank Agreement.

#### 1.4 Asset SPV Corporate Services Agreement

##### (a) General

Pursuant to the Asset SPV Corporate Services Agreement, the Asset SPV Corporate Services Provider provides the Asset SPV with certain corporate and administrative functions which include:

- (i) making a domicile and business address available for the operations of the Asset SPV;
- (ii) taking all necessary steps to register the domicile and business address of the Asset SPV in the commercial register and informing contracting parties of the Issuer about such address;
- (iii) provision of a secretary to the extent the Asset SPV Board decides that a secretary be appointed for the purposes of taking minutes at a meeting of the Asset SPV Board or for any other services to be rendered by a secretary. The person nominated from time to time shall accept appointment as secretary without fee or remuneration from the Asset SPV;
- (iv) providing administrative services for the administration of the operations and day-to-day business of the Asset SPV as instructed by the Asset SPV Board;
- (v) accepting service of process and any other documents or notices served on the Asset SPV and prompt notification to the Asset SPV Board of any legal proceedings initiated of which the Asset SPV Corporate Services Provider becomes aware;
- (vi) responding to correspondence of the Asset SPV upon communication thereof with the Asset SPV Board (or any member thereof) and the shareholders of the Asset SPV as necessary;
- (vii) preparation and filing of all reports, statutory forms, statements and notices which the Asset SPV Board are required to issue, send or serve in accordance with applicable law;
- (viii) providing the Asset SPV Board such information and regular reports, whether in writing or otherwise, as required by applicable law or as reasonably requested by any director of the Asset SPV;
- (ix) maintaining the register of the shareholders of the Asset SPV and issuing share certificates, each time as instructed by the Asset SPV Board;
- (x) organising and convening the meetings of Shareholders and the Asset SPV Board;
- (xi) provision of information to the Auditors of the Asset SPV or other persons as required under the Asset SPV Transaction Documents;
- (xii) giving directions and information to any third party service providers or other agents appointed by the Asset SPV;
- (xiii) prepare and maintain in accordance with US GAAP and the accounting rules of the CO all reasonable and necessary books, ledgers and records as may be required in the normal course of business and by applicable law, or as required by the Asset SPV Transaction Documents;

- (xiv) ensure the preparation of the annual financial statements and the delivery of such financial statements within 120 days after the end of the relevant fiscal year;
- (xv) prepare and file tax declarations required by applicable law and determine and communicate to the applicable board the amount of tax and any withholding tax payable;
- (xvi) maintain tax records; and
- (xvii) providing such other administrative services as may be required by the Asset SPV from time to time.

The Asset SPV Corporate Services Provider is entitled to enter into one or several sub-contract(s) with members of the CS Group (“**Asset SPV CSG Sub-Contractors**”) on terms and conditions similar to the Asset SPV Corporate Services Agreement under which it delegates certain Asset SPV Corporate Services to such Asset SPV CSG Sub-Contractors. In such circumstances, the Asset SPV Corporate Services Provider shall only be liable towards the Asset SPV for proper instruction and proper monitoring of due performance by the Asset SPV CSG Sub-Contractors of its obligations under the relevant sub-contract(s) provided however, that in the event that any Asset SPV CSG Sub-Contractor is not able to perform the services due to termination of its appointment, the Asset SPV Corporate Services Provider remains obliged to perform those services that had otherwise been delegated.

(b) Resignation and termination

The Asset SPV Corporate Services Provider is entitled to resign its appointment under the Asset SPV Corporate Services Agreement by giving 60 days’ written notice to the Asset SPV, provided that a substitute corporate services provider has been appointed on substantially the same terms as those set out in the Asset SPV Corporate Services Agreement. In addition, the appointment of the Asset SPV Corporate Services Provider may be terminated immediately upon notice in writing given by the Asset SPV (as applicable) if the Asset SPV Corporate Services Provider breaches its obligations under the terms of the Asset SPV Corporate Services Agreement and/or certain insolvency related events occur in relation to the Asset SPV Corporate Services Provider. In each case, the costs incurred in connection with the termination of the Asset SPV Corporate Services Provider’s appointment and appointment of a substitute will be borne by the terminating party.

(c) Applicable law and jurisdiction

The Asset SPV Corporate Services Agreement is in all respects to be governed by and construed in accordance with the substantive laws of Switzerland. The courts of Zurich 1, Canton Zurich, Switzerland have exclusive jurisdiction to hear any disputes that may arise out of or in connection with Asset SPV Corporate Services Agreement.

## 2. ISSUER TRANSACTION DOCUMENTS

### 2.1 Security Trust Deed

(a) General

The Issuer will covenant with the Security Trustee (for its own account and as trustee for the other Issuer Secured Creditors) pursuant to and in accordance with the Security Trust Deed that it will:

- (i) duly, unconditionally and punctually pay and discharge, or procure the payment or discharge of, the Issuer Secured Obligations to each of the Issuer Secured Creditors at the time and in the manner provided in the relevant Issuer Transaction Document for their payment or discharge by the Issuer; and
- (ii) observe, perform and satisfy all its other obligations and liabilities under the Security Trust Deed and each other Issuer Transaction Document to which it is a party.

(b) English law security

The Issuer as beneficial owner, by way of fixed first security for the payment or discharge of the Issuer Secured Obligations, will assign absolutely and with full title guarantee in favour of the Security Trustee (acting for its own account and as trustee for the other Issuer Secured Creditors):

- (i) all of its present and future rights, title and interest in, to and under Issuer Certificate No. 5 as Issuer Certificateholder thereof and to the extent specified in the Collateral Certificate Trust Deed and Issuer Supplement No. 5 including all of its rights to receive payments of any amounts which may become payable to it pursuant to or with respect to Issuer Certificate No. 5; and
- (ii) all of its present and future rights, title and interest in, to and under the Issuer English Law Documents including (A) all of its rights to receive payment of any amounts which may become payable to it pursuant to or with respect to the Issuer English Law Documents, (B) all monies received by it pursuant to or with respect to the Issuer English Law Documents, (C) all its rights to give notices and/or make demands pursuant to such Issuer English Law Documents and/or to take the steps which are required to cause payments to become due and payable thereunder or with respect to the Issuer English Law Documents, (D) all of its rights of action in respect of any breach of or default in respect of the Issuer English Law Documents, and (E) all of its rights to receive damages, compensation or obtain other relief, including in respect of any breach of or default in respect of the Issuer English Law Documents,

together the “**Issuer English Law Security**”.

(c) Power of Attorney

Pursuant to a power of attorney the Issuer will irrevocably appoint the Security Trustee and, if appointed by the Security Trustee pursuant to the terms of the Security Trust Deed, any Receiver and every delegate and each of them jointly and severally to be its attorney (with full powers of substitution and delegation) and in its name or otherwise and on its behalf and as its act and deed to execute, deliver and perfect all instruments and other documents and do any other acts and things which may be required or which the attorney may consider desirable:

- (i) to exercise the Issuer’s rights, powers and discretions in respect of the relevant Issuer Transaction Documents and Issuer Secured Assets;
- (ii) to demand, sue for and receive all monies due or payable under or in respect of the relevant Issuer Transaction Documents and Issuer Secured Assets;
- (iii) upon payment of such monies or any part thereof to give good receipt and discharge for the same and to execute such receipts, releases, surrenders, instruments and deeds as may be requisite or advisable;
- (iv) generally to enable the Security Trustee and any Receiver to exercise the respective rights conferred on them by the Security Trust Deed or by applicable law and regulation; and
- (v) to execute, deliver and perfect all documents and do all things that each attorney may consider to be necessary for (a) carrying out any obligations imposed on the Issuer under or pursuant to the Security Trust Deed or (b) exercising any of the rights conferred on each attorney by or pursuant to the Security Trust Deed or by law (including, after the security constituted by or pursuant to the Security Trust Deed has become enforceable, the exercise of any right of a legal or a beneficial owner of, or holder of the beneficial interest in, the Issuer Secured Assets).

(d) Issuer Swiss Security

The Issuer will grant the Issuer Swiss Security pursuant to and in accordance with the terms of the Issuer Swiss Security Agreements. Without limiting the rights of the Security Trustee under the Security Trust Deed and the trusts created thereunder, for the purposes of the further protection of the rights of the Issuer Secured Creditors, the Security Trustee will hold:

- (i) the Issuer Swiss Security and any proceeds of such Issuer Swiss Security (but only in relation to an assignment or any other non-accessory security (*nicht akzessorische Sicherheit*)) as fiduciary (*treuhänderisch*) in its own name but for the account of all Issuer Secured Creditors which have the benefit of such Issuer Swiss Security in accordance with the Issuer Swiss Security Agreements and the other Issuer Transaction Documents; and
- (ii) the Issuer Swiss Security and any proceeds of such Issuer Swiss Security (but only in relation to any accessory security (*akzessorische Sicherheit*)) as direct representative (*direkter Stellvertreter*) of all Issuer Secured Creditors which have the benefit of such Issuer Swiss Security in accordance with the Issuer Swiss Security Agreements and the other Issuer Transaction Documents.

Each present and future Issuer Secured Creditor will authorise the Security Trustee (either directly, or, in the case of any Noteholder, acting through the Note Trustee) as follows:

- (i) to enter into each Issuer Swiss Security Agreement that constitutes a Swiss law pledge or any other Swiss law accessory security (*akzessorische Sicherheit*) as its direct representative (*direkter Stellvertreter*);
- (ii) acting for itself and in the name and for the account of such Issuer Secured Creditor to accept as its direct representative (*direkter Stellvertreter*) any Swiss law pledge or any other Swiss law accessory security (*akzessorische Sicherheit*) made or expressed to be made to such Issuer Secured Creditor in relation to the Issuer Swiss Security Agreements, to hold, administer and, if necessary, enforce any such security on behalf of each relevant Issuer Secured Creditor which has the benefit of such security;
- (iii) to agree as its direct representative (*direkter Stellvertreter*) to Amendments and alterations to any Issuer Swiss Security Agreement which creates a pledge or any other Swiss law accessory security (*akzessorische Sicherheit*);
- (iv) to effect as its direct representative (*direkter Stellvertreter*) any release of a Security Interest created under an Issuer Swiss Security Agreement in accordance with the Issuer Transaction Documents; and
- (v) to exercise as its direct representative (*direkter Stellvertreter*) such other rights granted to the Security Trustee hereunder or under the relevant Issuer Swiss Security Agreement.

(e) Declaration of Trust

Pursuant to the terms of the Security Trust Deed, the Security Trustee declares that, from and including the date of the Security Trust Deed, that it will hold the Issuer English Law Security, the rights of the Security Trustee (as direct representative (*direkter Stellvertreter*) in relation to any accessory security (*akzessorische Sicherheit*)) under the Issuer Claims Assignment Agreement and all monies received by the Security Trustee in respect of the Notes or amounts payable under the Issuer Transaction Documents (including any monies which represent principal or interest in respect of Notes which have become void under the Conditions but excluding any amounts received by the Security Trustee in its own right) on trust for the Issuer Secured Creditors to apply them (subject to the enforcement provisions of the Security Trust Deed) in accordance with the Priority of Payments or for distribution by the Issuer Cash Manager pursuant to the Issuer Cash Management Agreement, as applicable and otherwise in accordance with the terms of the Security Trust Deed.

(f) Enforcement

Following the occurrence of an Enforcement Event, the Issuer Security will become immediately enforceable and the Security Trustee will take such action as it may think fit to enforce the Issuer Security and all or any of its rights under the Issuer Security Agreements and applicable law provided that it will not be obliged to act unless it has first been indemnified, secured and/or prefunded to its satisfaction. Any monies received by the Security Trustee (or any of its delegates appointed under the Security Trust Deed or a Receiver) in connection with the enforcement of the Security pursuant to any of the Issuer Security Agreements will be applied to pay the Issuer Secured Obligations in accordance with the Enforcement Priority of Payments.

(g) Applicable law and jurisdiction

The Security Trust Deed, and any non-contractual obligations arising of or in connection with it, will be governed by and construed in accordance with English law. Any disputes that may arise out of or in connection with the Security Trust Deed will be subject to the exclusive jurisdiction of the English courts.

## 2.2 Issuer Claims Assignment Agreement

(a) Assignment

Under the Issuer Claims Assignment Agreement, the Issuer will (i) assign for security purposes (*Sicherungscession*) to the Security Trustee all existing and future rights and claims of, and proceeds accruing to, the Issuer Swiss Law Documents (the “**Issuer Transaction Claims**”) and (ii) all its title, interest and benefit in and to the Issuer Bank Accounts (other than the Issuer Securities Account) (*i.e.*, the claims of the Issuer thereunder against the Issuer Account Bank) (such assigned rights and claims together, the “**Issuer Assigned Claims**”).

(b) Security interest pursuant to Article 25 para. I FISA

The Issuer will also create a security interest over any current and future Intermediated Securities held in the Issuer Securities Account pursuant to Article 25 para. 2(b) FISA in favour of the Issuer Secured Creditors represented by the Security Trustee as direct representative (*direkter Stellvertreter*) and in order to perfect such security interest the Issuer Account Bank will enter into a control agreement with the Issuer and the Security Trustee. For purposes of the Security Interest created over the Intermediated Securities deposited in the Issuer Securities Account (the “**Issuer Intermediated Securities Assets**”), each Issuer Secured Creditor (in the case of the Noteholders, as represented by the Note Trustee) will sign the Issuer Claims Assignment Agreement.

(c) Accessory Rights

If and insofar as accessory rights and rights which are or will be dependent upon any Issuer Assigned Claims, have not already passed to the Security Trustee by virtue of the assignment of the Issuer Assigned Claims, the Issuer undertakes to promptly assign or transfer such accessory rights to the Security Trustee by means of a separate declaration of assignment or transfer. However, to the extent that such accessory rights have not been assigned or transferred to the Security Trustee, the Issuer will grant a power of attorney to the Security Trustee and any of the Security Trustee’s successors, transferees or assignees in order to exercise such rights in the Issuer’s name and in its own interest at any time.

(d) Confirmation by Issuer Account Bank

Pursuant to the Issuer Claims Assignment Agreement, the Issuer Account Bank and the Collateral Trustee will enter into the Issuer Confirmation Agreement under which the Issuer Account Bank will (i) acknowledge the security interest created by the Issuer Claims Assignment Agreement, (ii) waive any priority rights the Issuer Account Bank may have in relation to the Issuer Bank Accounts and (iii) agree to block the Issuer Bank Accounts (other than the Issuer Securities Account) subject to the occurrence of certain events.

(e) Power of attorney



The Security Trustee will grant the Issuer the power of attorney to (i) dispose over the Issuer Bank Accounts and use any balance thereof and the Issuer Intermediated Securities Assets freely in accordance with and subject to the Transaction Documents and (ii) collect and apply any Issuer Transaction Claim freely in accordance with and subject to the terms and conditions of the Transaction Documents, in each case for as long as no Enforcement Event has occurred. Following the occurrence of an Enforcement Event, the Issuer will not dispose of any Issuer Assigned Claims (including the Issuer Bank Accounts) without the prior written consent of the Security Trustee.

(f) Enforcement

Following the delivery of an Issuer Acceleration Notice, the Issuer Swiss Security will become enforceable and the Security Trustee may, amongst other things, (a) collect the Issuer Assigned Claims and/or (b) otherwise dispose of the Issuer Assigned Claims and the Issuer Intermediated Securities held in the Issuer Securities Account. Any monies received by the Security Trustee pursuant to the Issuer Claims Assignment Agreement and/or under the powers thereby conferred will be applied in or towards satisfaction of the Issuer Secured Obligations, all in accordance with and subject to the Security Trust Deed, all other relevant Issuer Transaction Documents and the relevant Priority of Payments.

(g) Applicable law and jurisdiction

The Issuer Claims Assignment Agreement will in all respects be governed by and construed in accordance with the substantive laws of Switzerland. The courts of Zurich 1, Canton Zurich, Switzerland will have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Issuer Claims Assignment Agreement.

## 2.3 Issuer Cash Management Agreement

(a) General

Pursuant to the Issuer Cash Management Agreement, the Issuer Cash Manager will provide certain cash management and bank account operation services including but not limited to:

- (i) administering and managing the cash receipts and payments of the Issuer in the Issuer Bank Accounts;
- (ii) tracking the movements of cash and liabilities through the Issuer Bank Accounts and the various ledgers;
- (iii) making Permitted Investments from the amounts standing to the credit of the Issuer Bank Accounts;
- (iv) operating the Issuer Bank Accounts and directing the Issuer Account Bank to make withdrawals from and deposits to the Issuer Bank Accounts;
- (v) administering the applicable Priority of Payments including calculating amounts payable by the Issuer; and
- (vi) establishing such Additional Issuer Bank Accounts as may be required in accordance with the terms of the Issuer Cash Management Agreement and the other Issuer Transaction Documents.

(b) Operation of the Issuer Bank Accounts

(i) Issuer Distribution Account

(1) Available Finance Charge Collections

On each Distribution Date prior to the occurrence of an Enforcement Event, the Issuer Cash Manager will advise the Issuer to apply and transfer Available Finance Charge Collections credited to the Issuer Finance Charge Ledger in or towards the

satisfaction of the payments, transfers and provisions set out, and in the order specified, in the Finance Charge Priority of Payments.

(2) Available Principal Collections

On each Distribution Date prior to the occurrence of an Enforcement Event, following the application of the Available Finance Charge Collections and the Reallocated Principal Collections and any adjustments to the Nominal Liquidation Amounts of the Notes, the Issuer Cash Manager will advise the Issuer to distribute all remaining Available Principal Collections standing to the credit of the Issuer Principal Ledger in accordance with the Principal Priority of Payments.

(3) Reallocated Principal Collections

On each Distribution Date, following the application of the Available Finance Charge Collections in accordance with the Finance Charge Priority of Payments, the Issuer Cash Manager (acting on behalf of the Issuer) will determine and calculate any shortfalls due to there being insufficient Available Finance Charge Collections for payment of any of the Senior Costs, the Class A Monthly Interest Amount, the Class B Monthly Interest Amount and the Class C Monthly Interest Amount, in each case, for such Distribution Date. If any such shortfall exists on the applicable Distribution Date, the Issuer Cash Manager will advise the Issuer to reallocate Available Principal Collections standing to the credit of the Issuer Distribution Account on such Distribution Date in the order of priority outlined under “*GENERAL DESCRIPTION OF THE NOTES—Allocations on the Notes—Reallocated Principal Collections*”.

(4) Interest Ledger

The Issuer Cash Manager will maintain the Interest Ledger with sub-ledgers for each Class of Notes. On each Interest Payment Date, the Issuer Cash Manager, will debit the amount standing to the credit of the Interest Ledger and pay such amount in the following order of priority: (A) to the holder(s) of the Class A Notes, (B) the holder(s) of the Class B Notes and (C) the holder(s) of the Class C Notes.

(ii) Accumulation Reserve Account

The Issuer will establish and maintain the Accumulation Reserve Account to assist with the payment by the Issuer of the Monthly Interest Amount payable on each Note during the Controlled Accumulation Period. On each Distribution Date following the Accumulation Reserve Account Funding Date and before the termination of the Accumulation Reserve Account, the Issuer Cash Manager (acting on behalf of the Issuer) will apply the Available Finance Charge Collections in the order of priority described above under “*GENERAL DESCRIPTION OF THE NOTES—Allocations on the Notes—Allocation of Available Finance Charge Collections—The Finance Charge Priority of Payments*” to increase the amount credited to the Accumulation Reserve Account to equal the Accumulation Reserve Required Amount for such Distribution Date. If the Servicer determines, pursuant to the Collateral Certificate Trust Deed that the Controlled Accumulation Period is only required to be one Monthly Period, the Issuer will not be required to fund the Accumulation Reserve Account. The Issuer Cash Manager (acting on behalf of the Issuer) may make withdrawals from the Accumulation Reserve Account in certain circumstances as outlined under “*GENERAL DESCRIPTION OF THE NOTES—Accumulation Reserve Account*”.

(iii) Spread Account

To assist with the payment by Issuer of amounts payable on the Class C Notes, the Issuer will establish and maintain the Spread Account. On each Distribution Date following the Spread Account Funding Date and before the termination of the Spread Account, the Issuer Cash Manager (acting on behalf of the Issuer) will (A) deposit in

the Spread Account an amount from the Available Finance Charge Collections which is equal to the Required Spread Amount over the amount on deposit in the Spread Account on such Distribution Date; and (B) make withdrawals from the Spread Account as outlined under “*GENERAL DESCRIPTION OF THE NOTES—Spread Account*”.

(iv) Principal Funding Account

On each Distribution Date (A) during the Controlled Accumulation Period, the Issuer Cash Manager (acting on behalf of the Issuer) will accumulate, in the Principal Funding Account, Available Principal Collections received by the Issuer to be applied towards payment of principal on the Notes at the end of the Controlled Accumulation Period; and (B) during the Early Amortisation Period, payments of principal will not be accumulated by the Issuer in the Principal Funding Account for the Notes and will instead be paid by the Issuer to the relevant Noteholder on each Distribution Date. In addition, the Issuer Cash Manager (acting on behalf of the Issuer) may make withdrawals from the Principal Funding Account as outlined under “*GENERAL DESCRIPTION OF THE NOTES—Principal Funding Account*”.

(v) Liquidity Reserve Account

On each Distribution Date falling on and following the occurrence of a Liquidity Trigger Event and before the termination of the Liquidity Reserve Account, the Issuer Cash Manager (acting on behalf of the Issuer) will apply the Available Finance Charge Collections in the order of priority described above under “*GENERAL DESCRIPTION OF THE NOTES—Allocations on the Notes—Allocation of Available Finance Charge Collections—The Finance Charge Priority of Payments*” to increase the amount credited to the Liquidity Reserve Account to an amount equal to the sum of the Liquidity Amount. The Issuer Cash Manager, (acting on behalf of the Issuer) may make a withdrawal from the Liquidity Reserve Account on any Distribution Date in an amount sufficient to make up any shortfalls in the Available Finance Charge Collections (see “*GENERAL DESCRIPTION OF THE NOTES—Credit enhancement and other support—Liquidity Reserve Account*”).

(vi) Permitted Investments

Prior to the occurrence of an Enforcement Event, after the Issuer Cash Manager has given effect to any deposits to, or withdrawals from (a) the Accumulation Reserve Account, (b) the Spread Account, and (c) the Principal Funding Account, to be made on that Distribution Date, all amounts outstanding to the credit of these accounts (as applicable) on any Distribution Date will be invested in Permitted Investments on the basis that such investments are due such that the full principal invested will be available in the Collection Account by no later than 10.00 a.m. (Zurich time) on the Transfer Date and the principal invested is returned in full.

Following the occurrence of an Enforcement Event, the Issuer Cash Manager will act in accordance with the directions of the Security Trustee in relation to any Permitted Investments.

(vii) Qualifying Institution

If at any time the Issuer Account Bank is not a Qualifying Institution, the Issuer Cash Manager (acting on behalf of the Issuer) will be required, at the expense of the Issuer Account Bank, within 30 days of the Issuer Account Bank ceasing to be a Qualifying Institution or such longer period may be necessary in the circumstances subject to receipt of a Ratings Confirmation, to procure that (A) another bank that is a Qualifying Institution guarantees the obligations of the Issuer Account Bank in favour of the Security Trustee, (B) the Issuer Bank Accounts are transferred to another Qualifying Institution, (C) in the event that there is no available Qualifying Institution, procure the transfer of the Issuer Bank Accounts to an institution which most closely meets the criteria to be a Qualifying Institution, provided that such

transfer would not cause a downgrade or withdrawal of any of the then current ratings of the Notes, or (D) any other steps which any Rating Agency may request in order to maintain the then current ratings assigned to the Notes.

(viii) Control over Issuer Bank Accounts

The Issuer Cash Manager shall not make any withdrawal from the Issuer Bank Accounts unless (A) permitted by the provisions of the Issuer Cash Management Agreement or the other Issuer Transaction Documents; (B) such withdrawal does not result in the applicable Issuer Bank Account becoming or remaining overdrawn or having a negative balance; and (C) an Event of Default has not occurred.

(c) Reports

For so long as Credit Suisse and/or Swisscard acts as Servicer and Swisscard acts as Asset SPV Cash Manager and Issuer Cash Manager, the reporting obligations in respect of the calculations, payments, transfers, credits and debits to be made on or prior to any Distribution Date will be satisfied by the delivery of the Servicer Report in accordance with the terms of the Servicing Agreement. On each Distribution Date, the Issuer Cash Manager will publish the Servicer Report on the website available at [www.scard.ch](http://www.scard.ch) and the Noteholders will be permitted to access such website to obtain each Servicer Report.

In the event that the roles of the Asset SPV Cash Manager, the Issuer Cash Manager and the Servicer are performed by a person other than Swisscard or Credit Suisse:

- (i) the Issuer Cash Manager will undertake to provide a report to the Asset SPV Cash Manager no later than 3 Business Days prior to each Transfer Date which report will include amongst other things, the Issuer Costs due and payable by the Issuer on the following Distribution Date; the Monthly Interest Amount for each class of Notes; the Issuer Monthly Profit Amount; and any other information required by the Asset SPV Cash Manager for determining the Issuer Disbursement Amount to be paid on such Transfer Date (the “**Issuer Disbursement Report**”);
- (ii) the Asset SPV Cash Manager, provided that it has received the Issuer Disbursement Report, will provide the Issuer Cash Manager with a report prepared in accordance with the Collateral Certificate Trust Deed which will contain, amongst other things the Issuer Disbursement Amount to be transferred by the Asset SPV to the Issuer (as the holder of Issuer Certificate No. 5) on the Transfer Date to which the Allocation Report relates; the Required Retained Principal Amount standing to the credit of the sub-ledger for Issuer Certificate No. 5 of the Principal Collections Ledger of the Collection Account that will be transferred to the Issuer on such Transfer Date; the aggregate Current Issuer Charge-Offs allocated to Issuer Certificate No. 5 for the related Monthly Period (the “**Allocation Report**”);
- (iii) on each Transfer Date, the Issuer Cash Manager shall provide the Issuer with a report, based on the information in the Allocation Report delivered in relation to such Transfer Date, containing information in respect of the payments, transfers, credits and debits to be made on the following Distribution Date pursuant to the Issuer Cash Management Agreement and in accordance with the applicable Priority of Payments; any Permitted Investment acquired or disposed of during the Monthly Period immediately prior to that Transfer Date; and calculations of (i) the Outstanding Principal Amount, (ii) the Net Nominal Liquidation Amount, (iii) the Monthly Interest Amount and (iv) all other amounts required to be paid pursuant to the relevant Priority of Payments (the “**Payment Report**”); and
- (iv) on each Distribution Date, the Issuer Cash Manager shall prepare and deliver an investor report (the “**Investor Report**”) to the Issuer (with a copy to the Security Trustee, the Note Trustee and the Principal Paying Agent and, for so long as any of the Notes are listed on or by one or more stock exchanges and/or competent listing authorities, the relevant stock exchanges and/or competent listing authorities) and (on

behalf of the Issuer) to the Noteholders in accordance with Condition 15 (*Notifications*) and make the Investor Report available on a suitable website

(d) Cash management fee

In consideration of the provision of the Issuer Cash Management Services, the Issuer will pay the fee set forth in the fee letter agreed between the Issuer and the Issuer Cash Manager (subject to the applicable Priority of Payments).

(e) Costs

Subject to the applicable Priority of Payments, the Issuer will reimburse the Issuer Cash Manager for all reasonable and duly documented out-of-pocket costs, expenses and charges (not being costs, general overheads or fees payable to sub-contractors or delegates) properly paid by the Issuer Cash Manager or by any delegate in the performance of the Issuer Cash Management Services in accordance with the terms of the Issuer Cash Management Agreement. In addition, in order to ensure that the Issuer will always be in a position to make timely payments of any amounts due and payable by it, the Issuer Cash Manager will be permitted to make a payment to cover any Issuer Costs or other amounts payable under items (a) and (j) of the Finance Charge Priority of Payments on or after the due date for such payment provided that the Issuer will reimburse the Issuer Cash Manager for such amount to the extent of funds available for application in accordance with the Finance Charge Priority of Payments on the next Distribution Date.

(f) Termination

In certain circumstances, the Issuer will have the right to terminate the appointment of the Issuer Cash Manager upon giving the Issuer Cash Manager not less than 30 calendar days' prior notice and to appoint a substitute cash manager on substantially the same terms as the Issuer Cash Management Agreement. The Issuer Cash Management Agreement will automatically terminate upon the Final Redemption Date. The Issuer Cash Manager may terminate its appointment upon not less than 30 days' notice to the Issuer (with a copy to the Security Trustee), provided that a substitute cash manager with the relevant experience enters into an agreement substantially on the same terms as the Issuer Cash Management Agreement. In each case, the costs incurred in connection with the termination of the Issuer Cash Manager's appointment and the appointment of a substitute will be borne by the terminating party.

(g) Applicable law and jurisdiction

The Issuer Cash Management Agreement, and any non-contractual obligations arising out of or in connection with it, will be governed by and construed in accordance with English law. All disputes arising out of or in connection with the Issuer Cash Management Agreement including matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies shall be subject to the exclusive jurisdiction of the English courts.

## 2.4 Principal Paying Agency Agreement

(a) General

Pursuant to the Principal Paying Agency Agreement, the Principal Paying Agent will, among other things, be responsible for:

- (i) the safe custody of all unauthenticated Notes delivered to it;
- (ii) the authentication and delivery of any Global Notes received by it from the Issuer in accordance with the terms of the Principal Paying Agency Agreement;
- (iii) the deposit of each Global Note following authentication with the Common Depository or any other collective safe custody organisation approved by the SIX Swiss Exchange in accordance with the Conditions and procure that the Common

Depository or another collective safe custody organisation hold and maintain on behalf of the Issuer a book-entry register of the participants that hold interests in the relevant Global Note until such time as that Global Note is redeemed in full;

- (iv) the cancellation of each of the Global Notes upon redemption or if mutilated or defaced;
- (v) instructing the Common Depository to make appropriate entries in their records to reflect the redemption, payment or cancellation of the Notes;
- (vi) forwarding to the Issuer and the Note Trustee a copy of any notice or communication received by it from any of the Noteholders and addressed to the Issuer;
- (vii) payments of principal and interest in respect of the Notes in accordance with the Conditions provided that funds have been received from the Issuer;
- (viii) instructing the Common Depository to cancel and destroy the Global Notes and upon request, furnish the Issuer and the Note Trustee with a certificate of instruction;
- (ix) as soon as practicable on a Distribution Date preceding each Interest Period, notifying the Noteholders of the aggregate Interest Amount for each Class of Notes and payable on the following Distribution Date in accordance with the Conditions; and
- (x) making certain documents available for inspection during normal business hours at its Specified Office.

(b) Fees

The Issuer will pay to the Principal Paying Agent the fee at the rate agreed between Issuer and the Principal Paying Agent.

(c) Termination

Subject to certain conditions, the Principal Paying Agent may resign its appointment upon not less than 60 days' notice to the Issuer (with a copy to the Note Trustee) provided that if such termination takes effect less than 30 days before or after the Final Redemption Date or other date for the redemption of the Notes or any Distribution Date in relation to the Notes, it shall not take effect until the Business Day following such date. The Issuer may (with the prior written approval of the Note Trustee) revoke its appointment of the Principal Paying Agent by not less than 60 days' notice to the Principal Paying Agent. In addition, the appointment of the Principal Paying Agent will terminate automatically if an Insolvency Event occurs in respect of the Principal Paying Agent. In each case such resignation or termination will not take effect until a successor has been duly appointed.

(d) Applicable law and jurisdiction

The Principal Paying Agency Agreement will in all respects be governed by and construed in accordance with the laws of Switzerland. The courts of Zurich 1, Canton Zurich, Switzerland have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Principal Paying Agency Agreement.

## 2.5 Issuer Account Bank Agreement

(a) General

Pursuant to the Issuer Account Bank Agreement, the Issuer Account Bank will provide the Issuer with certain banking functions which will include:

- (i) the establishment and operation of Issuer Bank Accounts;
- (ii) crediting interest accrued on each Issuer Bank Account in accordance with its Applicable Terms and Practices;

- (iii) complying with directions in respect of the Issuer Bank Accounts in accordance with the terms and conditions of the Issuer Account Bank Agreement;
- (iv) maintenance of records and making the balance of the Issuer Bank Accounts available via the Issuer Account Bank Online Banking System; and
- (v) delivery of quarterly statements and notifications of interest credited to the Issuer Bank Accounts.

(b) Entitlement to rely on instructions

When operating the Issuer Bank Accounts, the Issuer Account Bank will be entitled to act as instructed by the Issuer Cash Manager, the Security Trustee or any successor Issuer Cash Manager dependant on the circumstances subsisting at the time. The Issuer, the Issuer Cash Manager and the Issuer Account Bank will agree that in the case of any conflict between any instructions given to the Issuer Account Bank, (i) prior to the Issuer Account Bank's receipt of a blocking notice served by the Security Trustee, the instructions of the Issuer Cash Manager will prevail and (ii) following the Issuer Account Bank's receipt of a blocking notice served by the Security Trustee, the instructions of the Security Trustee will prevail and the Issuer Account Bank shall be entitled to rely exclusively on those instructions.

(c) Termination and resignation

Upon the occurrence of an Insolvency Event in relation to the Issuer Account Bank and subject to the appointment of a successor, the appointment of the Issuer Account Bank under the Issuer Account Bank Agreement will terminate automatically. Subject to the terms of the Issuer Cash Management Agreement, the appointment of the Issuer Account Bank under the Issuer Account Bank Agreement may also be terminated if the Issuer Account Bank ceases to be a Qualifying Institution (see "*Issuer Cash Management Agreement—Operation of Issuer Bank Accounts—Qualifying Institution*").

In addition, (i) the Issuer may revoke its appointment of the Issuer Account Bank by not less than 60 days' notice to the Issuer Account Bank (with a copy to the Security Trustee and, following the Issuer Account Bank's receipt of a blocking notice served by the Security Trustee, subject to the prior written approval of the Security Trustee) subject to the appointment a successor in accordance with the Issuer Account Bank Agreement or (ii) the Issuer Account Bank may resign its appointment under the Issuer Account Bank Agreement (A) upon the expiry of not less than 60 days' prior notice to the Issuer (with a copy to the Issuer Cash Manager and the Security Trustee) and provided that if such resignation would otherwise take effect less than 5 Business Days before any Distribution Date, it will not take effect until the Business Day immediately following such Distribution Date, and subject to any right or obligation of the parties to appoint a successor in accordance with the Issuer Account Bank Agreement or (B) at any time if its appointment as Issuer Account Bank under the Issuer Account Bank Agreement would result in a breach of any Requirement of Law and/or Regulatory Direction or in the event of fraud or wilful misconduct by the Issuer provided that the Issuer will be granted reasonable time to appoint a successor.

(d) Successor Account Bank

The Issuer may appoint a successor issuer account bank with notice of such appointment to the Security Trustee if such successor is an affiliate of the Issuer Account Bank or otherwise with the prior written approval of the Security Trustee, provided that if the Issuer Account Bank has given notice of its resignation and the Issuer has not appointed a successor by the tenth day before the expiry of such notice, the Issuer Account Bank may do so with the prior approval of the Security Trustee. Any successor account bank will (i) be a Qualifying Institution unless otherwise agreed by the Issuer Cash Manager and, following the Issuer Account Bank's receipt of a blocking notice served by the Security Trustee, with the prior written approval of the Security Trustee and (ii) enter into an agreement substantially on the same terms as the relevant provisions of the Issuer Account Bank Agreement and the Issuer Account Bank will not be released from its obligations under the relevant provisions of the Issuer Account Bank Agreement until such successor account bank has entered into such new

agreement, has assumed the role of the successor account bank and the rights under such agreement are charged in favour of the Security Trustee on terms satisfactory to the Security Trustee.

(e) Fees and negative interest

Subject to the applicable Priority of Payments, the Issuer agrees to pay a fee to the Issuer Account Bank as remuneration for the operation of the Issuer Bank Accounts in accordance with the Issuer Account Bank Agreement. In addition and as the case may be, negative interest might also be charged by the Issuer Account Bank on funds maintained on the Issuer Bank Accounts.

(f) Applicable law and jurisdiction

The Issuer Account Bank Agreement will in all respects be governed by and construed in accordance with the laws of Switzerland. The courts of Zurich 1, Canton Zurich, Switzerland have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Issuer Account Bank Agreement.

## 2.6 Issuer Corporate Services Agreement

(a) General

Pursuant to the Issuer Corporate Services Agreement, the Issuer will appoint the Issuer Corporate Services Provider to provide certain corporate and administrative functions (the “**Issuer Corporate Services**”) which will include:

- (i) making a domicile and business address available for the operations of the Issuer;
- (ii) taking all necessary steps to register domicile and business address of the Issuer in the commercial register and informing contracting parties of the Issuer about such address;
- (iii) the provision of a secretary to the extent the Issuer decides that a secretary be appointed for the purposes of taking minutes at a meeting of the Issuer Board or for any other services to be rendered by a secretary. The person nominated from time to time shall accept appointment as a secretary without fee or remuneration from the Issuer;
- (iv) providing administrative services for the administration of the operations and day-to-day business of the Issuer as instructed by the Issuer Board;
- (v) accepting service of process and any other documents or notices served on the Issuer and prompt notification to the Issuer Board of any legal proceedings initiated of which the Issuer Corporate Services Provider becomes aware;
- (vi) responding to correspondence of the Issuer upon communication thereof with the Issuer Board (or any member thereof) and the shareholders of the Issuer as necessary;
- (vii) preparation and filing of all reports, statutory forms, statements and notices which the Issuer Board is required to issue, send or serve in accordance with applicable law, its articles of association or its organisational regulations;
- (viii) providing the Issuer Board such information and regular reports, whether in writing or otherwise, as required by applicable law or as reasonably requested by any director of the Issuer;
- (ix) maintaining the register of the shareholders of the Issuer and issue share certificates, each time as instructed by the Issuer Board;
- (x) organising and convening the meetings of Shareholders and the Issuer Board;



- (xi) provision of information to the Auditors of the Issuer and to other persons as required under the Issuer Transaction Documents;
- (xii) prepare and maintain in accordance with US GAAP and the accounting rules of the CO all reasonable and necessary books, ledgers and records as may be required in the normal course of business and by applicable law, or as required by the Transaction Documents;
- (xiii) ensure the preparation of the annual financial statements and the delivery of such financial statements within 120 days after the end of the relevant fiscal year;
- (xiv) prepare and file tax declarations required by applicable law and determine and communicate to the applicable board the amount of tax and any withholding tax payable;
- (xv) maintain tax records;
- (xvi) giving directions and information to any third party service providers or other agents appointed by the Issuer; and
- (xvii) providing such other administrative services as may be required by the Issuer from time to time.

The Issuer Corporate Services Provider will be entitled to enter into one or several sub-contract(s) with members of the CS Group (“**Issuer CSG Sub-Contractors**”) on terms and conditions similar to the Issuer Corporate Services Agreement under which it will delegate certain Issuer Corporate Services to such Issuer CSG Sub-Contractors. In such circumstances, the Issuer Corporate Services Provider shall only be liable towards the Issuer for proper instruction and proper monitoring of due performance by the Issuer CSG Sub-Contractors of its obligations under the relevant sub-contract(s) provided however, that in the event that any Issuer CSG Sub-Contractor is not able to perform the services due to termination of its appointment, the Issuer Corporate Services Provider remains obliged to perform those services that had otherwise been delegated.

(b) Resignation and termination

The Issuer Corporate Services Provider will be entitled to resign its appointment under the Issuer Corporate Services Agreement by giving not less than 60 calendar days’ written notice to the Issuer, provided that a substitute corporate services provider has been appointed on substantially the same terms as those set out in the Issuer Corporate Services Agreement. In addition, the appointment of the Issuer Corporate Services Provider may be terminated immediately upon notice in writing given by the Issuer if the Issuer Corporate Services Provider breaches certain of its obligations under the terms of the Issuer Corporate Services Agreement and/or certain insolvency related events occur in relation to the Issuer Corporate Services Provider. In each case, the costs incurred in connection with the termination of the Issuer Corporate Services Provider’s appointment and the appointment of a substitute will be borne by the terminating party.

(c) Applicable law and jurisdiction

The Issuer Corporate Services Agreement will in all respects be governed by and construed in accordance with the laws of Switzerland. The courts of Zurich 1, Canton Zurich, Switzerland will have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Issuer Corporate Services Agreement.

## 2.7 Subscription Agreement

(a) General

On the Signing Date, the Issuer, the Asset SPV, the Joint Lead Managers and the Originators will enter into a subscription agreement (the “**Subscription Agreement**”) pursuant to which the Joint Lead Managers will undertake to the Issuer that, subject to and in accordance with

the provisions and certain conditions of the Subscription Agreement, it will subscribe and pay for, or procure the subscription of, the Notes on the Closing Date in an initial aggregate principal amount of CHF 200,000,000 (the “**Gross Proceeds**”) whereas certain fees and expenses will be paid by Swisscard as Originator to the Joint Lead Managers. Each Joint Lead Manager benefits from certain representations, warranties and undertakings given by the Issuer, the Asset SPV and the Originators in the Subscription Agreement. See “*SUBSCRIPTION AND SALE*”.

(b) Applicable law and jurisdiction

The Subscription Agreement will in all respects be governed by and construed in accordance with the laws of Switzerland. The courts of Zurich 1, Canton Zurich, Switzerland will have exclusive jurisdiction to hear any disputes that may arise out of or in connection with the Subscription Agreement.

## CREDIT SUISSE AG

### 1. Overview

Credit Suisse Group AG (“**CS Group**”) is a global financial services company domiciled in Switzerland. Credit Suisse AG (“**Credit Suisse**”) is a wholly-owned subsidiary of CS Group, and its business is substantially the same as that of CS Group.

All references to CS Group in the description of the business set out below are describing the consolidated businesses carried on by CS Group and its subsidiaries and therefore should be read as applying equally to CS Group and Credit Suisse, except where specifically stated otherwise. For more information on the differences between CS Group and Credit Suisse, refer to “*II—Operating and Financial review—Credit Suisse—Differences between Group and Bank*” in the Credit Suisse Annual Report 2015. CS Group is not a Transaction Party and the information relating to CS Group below is included for information purposes only.

### 2. History and development

The history of CS Group dates back to the formation of Schweizerische Kreditanstalt, founded in 1856. The first branch opened in Basel in 1905 and the first branch outside of Switzerland opened in New York in 1940. In 1978, a cooperation with First Boston, Inc. began and, in 1990, CS Group acquired a controlling stake. CS Group purchased a controlling stake in Bank Leu in 1990, Schweizerische Volksbank in 1993, Neue Aargauer Bank in 1994 and Winterthur in 1997. In addition, CS Group acquired Donaldson, Lufkin & Jenrette Inc. in 2000. In 2006, CS Group sold Winterthur, allowing it to focus on its banking operations.

On 13 May 2005, the two Swiss bank legal entities Credit Suisse and Credit Suisse First Boston merged. The merged bank, Credit Suisse, is a Swiss bank and joint stock corporation established under Swiss law and is a wholly owned subsidiary of CS Group. The registered office of Credit Suisse is located at Paradeplatz 8, CH-8001 Zurich.

The business structure of CS Group and Credit Suisse is described below under “—*Business*”. All references to CS Group in the description of the business set out below are describing the consolidated businesses carried on by CS Group and its subsidiaries. For further information regarding the evolution of the legal entity structure of Credit Suisse and CS Group, please see “—*4. Evolution of legal entity structure*” below.

### 3. Business

#### 3.1 Swiss Universal Bank

The Swiss Universal Bank division offers comprehensive advice and a wide range of financial solutions to private, corporate and institutional clients primarily domiciled in our home market of Switzerland, which offers attractive growth opportunities and where we can build on a strong market position across our key businesses. Our private banking business has a leading franchise in our Swiss home market and serves ultra-high-net-worth individuals, high-net-worth individuals and retail clients. Our corporate and institutional banking business serves large corporate clients, small and medium-sized enterprises, institutional clients and financial institutions.

#### 3.2 International Wealth Management

The International Wealth Management division offers tailored financial solutions to wealthy private clients and external asset managers in Europe, the Middle East, Africa and Latin America through its private banking business. The division’s footprint spans emerging economies as well as mature European markets and it has access to the broad spectrum of Credit Suisse’s global resources and capabilities. Our asset management business offers investment solutions and services globally to our private banking businesses and a wide range of other clients, including pension funds, governments, foundations and endowment funds, corporations and individuals.

#### 3.3 Asia Pacific

The Asia Pacific division offers integrated private banking and investment banking financial solutions to wealthy individuals, institutional investors and corporate clients in the Asia Pacific region, drawing on Credit Suisse's global resources. The division is well positioned to capture market opportunities in Asia Pacific, which is experiencing rapid wealth creation and where the number of ultra-high-net-worth individuals is growing. We offer institutional investors access to broader financial markets and differentiated product offerings.

### 3.4 Global Markets

The Global Markets division offers a broad range of equities and fixed income products and services and focuses on client-driven businesses and on supporting Credit Suisse's private banking businesses and their clients. Our suite of products and services includes global securities sales, trading and execution services, prime brokerage, underwriting and comprehensive investment research. Our clients include financial institutions, corporations, governments, institutional investors – including pension funds and hedge funds – and private individuals around the world.

### 3.5 Investment Banking & Capital Markets

The Investment Banking & Capital Markets division offers a broad range of investment banking services to corporations, financial institutions, financial sponsors and ultra-high-networth individuals and sovereign clients. Our range of products and services includes advisory services related to mergers and acquisitions, divestitures, takeover defense mandates, business restructurings and spin-offs. The division also engages in debt and equity underwriting of public securities offerings and private placements.

### 3.6 Strategic Resolution Unit

The Strategic Resolution Unit was created to facilitate the immediate right-sizing of our business divisions from a capital perspective and includes remaining portfolios from former non-strategic units plus transfers of additional exposures from the business divisions. The unit's primary focus is on facilitating the rapid winddown of capital usage and costs to reduce the negative impact on the Group's performance. Repositioned as a separate division,

## 4. Evolution of legal entity structure

CS Group announced the program to evolve CS Group's legal entity structure to meet developing and future regulatory requirements. In Switzerland, CS Group continues the process of establishing a subsidiary for its Swiss-booked business, which is planned to become operational in the second half of 2016 pending regulatory approval. CS Group expects that the new legal entity structure in Switzerland is not expected to significantly impact either its current business proposition or its client servicing model. For more information refer to "Evolution of legal entity structure" in "II – Operating and financial review – Credit Suisse – Evolution of Legal Entity Structure" on page 59 of the Credit Suisse Annual Report 2015.

## 5. Legal proceedings

Credit Suisse, CS Group and the group companies of which CS Group is the parent are involved in a number of judicial, regulatory and arbitration proceedings concerning matters arising in connection with the conduct of their businesses. Some of these proceedings have been brought on behalf of various classes of claimants and seek damages of material and/or indeterminable amounts.

After taking into account litigation provisions, Credit Suisse believes, based on currently available information and advice of counsel, that the results of such proceedings, in the aggregate, will not have a material adverse effect on its financial condition. However, in light of the uncertainties involved in such proceedings, the ultimate resolution of such proceedings including those proceedings brought by regulators or other Governmental Authorities, may exceed current litigation provisions and any excess may be material to operating results for any particular period, depending, in part, upon the operating results for such period.

For further information regarding legal proceedings relating to Credit Suisse and CS Group, please see page 45 of the Credit Suisse Annual Report 2015, "Note 39—Litigation" in "V—Consolidated Financial Statements—Credit Suisse Group" of the Credit Suisse Annual Report 2015.

6. Role in the Transaction

In connection with the Transaction, Credit Suisse has been appointed as:

- (a) Joint Lead Manager;
- (b) Servicer pursuant to the Servicing Agreement (see “*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Asset SPV Transaction Documents-Servicing Agreement*”);
- (c) Principal Paying Agent pursuant to the Principal Paying Agency Agreement (see “*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Issuer Transaction Documents—Principal Paying Agency Agreement*”); and
- (d) Asset SPV Account Bank pursuant to the Asset SPV Account Bank Agreement (see “*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Asset SPV Transaction Documents—Asset SPV Account Bank Agreement*”).

## SWISSCARD AECS GMBH

### 1. Overview

Swisscard AECS GmbH (formerly Swisscard AECS AG) (“**Swisscard**”) is a Swiss limited liability company and is co-owned by Credit Suisse Group AG and American Express Swiss Holdings GmbH. Swisscard is active in the credit card issuing business and handles the product development and management, marketing and sales, customer services, risk management, card processing and development/management of additional services for all credit cards. In addition, Swisscard is the exclusive acquirer for all American Express credit card transactions in Switzerland (in its own name, “**Acquiring business**”). Swisscard's registered office is located at Neugasse 18, CH-8810 Horgen, Switzerland.

Swisscard's business was originally conducted by Swisscard Joint-venture, which was established pursuant to a joint-venture arrangement (the “**SC JV**”) between American Express and Credit Suisse in accordance with Article 530 ff. of the Swiss Code of Obligations. Swisscard used to be the managing partner of SC JV. The registered office of the SC JV was located at Neugasse 18, CH-8810 Horgen, Switzerland. Originally, Credit Suisse was the card issuing partner of the SC JV and all Cardholders entered into an agreement with Credit Suisse. As mandated by Credit Suisse, Swisscard handled the product development and management, marketing and sales, customer services, risk management, card processing and development/management of additional services for all credit cards of Credit Suisse AG and its co-branding partners. Swisscard provided these services for American Express®, MasterCard® and Visa® credit cards.

Upon completion of the Business Transfer, the card issuing business was transferred to Swisscard - see “*THE RECEIVABLES AND THE RECEIVABLES SALE AND PURCHASE AGREEMENT- BUSINESS TRANSFER*”. Given the transfer of the card issuing business, the (contractual) SC JV has been dissolved, whilst Swisscard's quotaholder structure remains unchanged and Swisscard remains co-owned by Credit Suisse Group AG and American Express Swiss Holdings GmbH.

### 2. History and development

The SC JV was set up in 1998 between American Express and Credit Suisse in order to share distribution channels, credit card licenses and expertise between the two founders. Swisscard (and formerly the SC JV) is the only financial services provider in Switzerland to offer American Express, MasterCard, and Visa from a single source. Swisscard was also founded in 1998 and its quotaholders (or, prior to the conversion of its corporate form to a GmbH, its shareholders) are the same as the former partners of the SC JV. As mentioned above, the SC JV has been dissolved contractually in connection with the completion of the Business Transfer.

### 3. Card business

Swisscard currently issues its own credit cards.

### 4. Legal proceedings

Swisscard has not been subject to any material governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) during the 12 months before the date of this Prospectus which may have, or have had in the recent past, significant effects on Swisscard's financial position or profitability.

### 5. Role in the Transaction

In connection with the Transaction, Swisscard has been appointed as:

- (a) an Originator and a Selling Originator pursuant to the Receivables Sale and Purchase Agreement (see “*THE RECEIVABLES AND THE RECEIVABLES SALE AGREEMENT*”;
- (b) an Originator Certificateholder pursuant to the Collateral Certificate Trust Deed (see “*COLLATERAL CERTIFICATE TRUST DEED*”);

- (c) Asset SPV Cash Manager pursuant to the Collateral Certificate Trust Deed (see “*COLLATERAL CERTIFICATE TRUST DEED*”);
- (d) Issuer Cash Manager under the Issuer Cash Management Agreement see “*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Issuer Transaction Documents—Issuer Cash Management Agreement*”); and
- (e) Issuer Corporate Services Provider and Asset SPV Corporate Services Provider pursuant to the Issuer Corporate Services Agreement and the Asset SPV Corporate Services Agreement respectively (see “*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Issuer Transaction Documents—Issuer Corporate Services Agreement*” and “*—Asset SPV Transaction Documents—Asset SPV Corporate Services Agreement*”).

The delivery of this Prospectus will not create any implication that there has been no change in the affairs of Swisscard or SC JV since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

## THE ASSET SPV

### 1. General

Swiss Payments Assets AG, a stock corporation (*Aktiengesellschaft*) founded in accordance with Article 620 *et seq.* CO, was incorporated as a special purpose vehicle under the laws of Switzerland with register number CHE-481.665.547. The Asset SPV was registered with the commercial register of the Canton of Zurich on 18 May 2012 with Swisscard as its founder.

### 2. Registered Office

The Asset SPV's registered office is c/o Swisscard AECS GmbH, Neugasse 18, 8810 Horgen, Switzerland.

### 3. Purpose and Principal Activities

The articles of association of the Asset SPV are dated 14 May 2012 and the principal objects of the Asset SPV are set out in Article 2 (*Purpose*) thereof. The articles of association permit the Asset SPV to, amongst other things, acquire, hold and manage the Securitised Portfolio in accordance with the Receivables Sale and Purchase Agreement and the other Transaction Documents.

In order to fund its acquisition of Receivables arising under Designated Accounts, the articles of association of the Asset SPV permit it to enter into the Collateral Certificate Trust Deed, pursuant to which the Asset SPV will issue Collateral Certificates.

The Asset SPV may not engage in any commercial, financial or other activities which do not directly or indirectly serve the purpose of the Transaction. Unless otherwise contemplated in the Transaction Documents to which the Asset SPV is a party, the Asset SPV may not sell or transfer the Securitised Portfolio to third parties.

The Asset SPV may not purchase shares or invest in other companies. The Asset SPV may not, for its own account or for the account of third parties, provide security, nor may it enter into guarantees, sureties or the like in favour of third parties (except as contemplated by the Transaction Documents).

The Asset SPV has no subsidiaries or employees.

Since its incorporation, the Asset SPV has not carried out any business or activities other than those incidental to its incorporation, the authorisation and purchase of the Receivables and activities incidental to the exercise of its rights and compliance with its obligations under the Transaction Documents to which it is a party and any other documents entered into in connection with the purchase of the Receivables.

No pending or threatened court, arbitral or administrative proceedings have been issued against the Asset SPV.

### 4. Members of the Board of Directors

The board of directors shall consist of one or several members provided that at all times there will be at least one member who is independent from Swisscard (in accordance with the Swiss Code of Best Practice for Corporate Governance). The members of the board of directors of the Asset SPV as at the Closing Date and their business addresses are:



| Name            | Business Address   | Position                                       |
|-----------------|--|--|
| Daniel Bürchler | Swisscard AECS GmbH,<br>Neugasse 18, 8810 Horgen,<br>Switzerland | Chairman of the board of directors             |
| Damian Weiss    | Swisscard AECS GmbH,<br>Neugasse 18, 8810 Horgen,<br>Switzerland | Member and Secretary of the board of directors |
| Stephan Lohnert | Swisscard AECS GmbH,<br>Neugasse 18, 8810 Horgen,<br>Switzerland | Member of the board of directors               |
| Günter Haag     | Othmarstrasse 8, P.O. Box 131,<br>8024 Zurich, Switzerland       | Member of the board of directors               |
| Özlem Civelek   | Swisscard AECS GmbH,<br>Neugasse 18, 8810 Horgen,<br>Switzerland | Member of the board of directors               |

Pursuant to the terms of the Asset SPV Corporate Services Agreement, the Asset SPV Corporate Services Provider provides directors and certain other corporate and administration services to the Asset SPV in consideration for a fee (See “*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Asset SPV Transaction Documents—Asset SPV Corporate Services Agreement*”).

#### 5. Capital, Shares and Capitalisation

The stated share capital of the Asset SPV amounts to CHF 100,000 and is divided into 100,000 registered shares with a nominal value of CHF 1.00 each. The issue price for each share was CHF 1.50, CHF 150,000 in total. Swisscard holds 98 per cent. of the Asset SPV’s shares with the remaining two per cent. being held by two Independent Shareholders.

#### 6. Group Structure and control of the Asset SPV

The Asset SPV was incorporated as a wholly owned subsidiary Swisscard and two per cent. of the shares were subsequently transferred to two persons who are not affiliated with Swisscard in any way (the “**Asset SPV Independent Shareholders**”) (each holding one per cent. of the shares in the Asset SPV). The Asset SPV’s board of directors consists of five directors of which one director is independent from Swisscard. Certain measures have been implemented to mitigate any potential concerns regarding Swisscard’s controlling position as a majority shareholder and on the Asset SPV’s board of directors, including the addition of provisions in the Asset SPV Articles that:

- (a) shareholder resolutions in respect of the Shareholder Reserved Matters will require the consent of Swisscard and at least one Asset SPV Independent Shareholder (*i.e.*, 99 per cent. of all shares of the Asset SPV); and
- (b) any decisions by the board of directors relating to the Board Reserved Matters require the consent of an Independent Director.

#### 7. The Shareholders’ Agreement

Swisscard and the two Asset SPV Independent Shareholders have entered into a shareholders agreement dated 15 June 2012 (the “**Asset SPV Shareholders Agreement**”) pursuant to which the parties have agreed, *inter alia*, that:

- (a) the Asset SPV Independent Shareholders will act and vote independently from Swisscard;
- (b) Swisscard will not vote for certain resolutions in the shareholders’ meeting, including but not limited to (i) the amendment of the Asset SPV Articles of Association; (ii) the disposition of all or a substantive part of the assets of the Asset SPV, if such a disposition entails a factual liquidation of the Asset SPV; (iii) resolutions pursuant to the Swiss Merger Act; and (iv) the removal of the Auditors and members of the Asset SPV board of directors, in each case, unless at least one Asset SPV Independent Shareholder votes in favour of the relevant resolution;

- (c) Swisscard will procure that the members of the Asset SPV board of directors (other than the Independent Director) resign upon the occurrence of an Event of Default and that their signatory authority is withdrawn; and
- (d) following the resignation of a member of the board of directors (other than the Independent Director), the Asset SPV Independent Shareholder and Swisscard shall elect without delay an additional member of the board of directors who shall be independent from Swisscard.

In addition, the Asset SPV Shareholder Agreement provides for a call option of Swisscard should certain events occur with respect of the independent shareholder (such as death, divorce, bankruptcy, etc.). In the event an Independent Shareholder does not comply with its obligation to purchase, Swisscard will be obliged to do so. In either case, the relevant shares so transferred shall be sold and transferred to a successor Asset SPV Independent Shareholder which agrees to accede to the Asset SPV Shareholders Agreement.

#### 8. Financial Statements and auditors

Since its date of incorporation, the Asset SPV has commenced operations and issued dividend distributions in accordance with and subject to the Transaction Documents. The latest financial statements of the Asset SPV have been prepared and have been published in respect of the period ending on 31 December 2015 in April 2016. The Asset SPV will not prepare interim financial statements. The financial year of the Asset SPV ends on 31 December in each calendar year.

The annual financial statements of the Asset SPV are prepared to comply with US GAAP, the CO, its articles of incorporation and Article 7 of the Directive on Financial Reporting issued by the SIX Swiss Exchange (which, as of the date of this Prospectus, generally rules that issuers of debt securities must apply one of the of the following accounting standards: IFRS, US GAAP, Swiss GAAP FER and the standard under the Swiss Banking Act). The requirement to prepare the annual financial statements of the Asset SPV to comply with US GAAP may be amended in the future, provided that such requirement is amended so that any such annual financial statements are prepared in accordance with an accounting standard which is accepted by the SIX Swiss Exchange.

The auditors of the Asset SPV are obliged to have their domicile or a registered subsidiary in Switzerland and in accordance with Articles 728 and 729 *et seq.* CO, the auditors have to be independent. The Asset SPV has appointed KPMG AG, Zurich, Switzerland (with registered number (CHE-106.084.881) as its independent auditor.

## THE ISSUER

### 1. General

Swiss Credit Card Issuance 2016-1 AG, a stock corporation (*Aktiengesellschaft*) founded in accordance with Article 620 *et seq.* CO, was incorporated as a special purpose vehicle under the laws of Switzerland with register number CHE-193.199.639. The Issuer was registered with the commercial register of the Canton of Zurich on 10 May 2016 with Swisscard as its founder.

### 2. Registered Office

The Issuer's registered office is c/o Swisscard AECS GmbH at Neugasse 18, 8810 Horgen, Switzerland.

### 3. Purpose and Principal Activities

The articles of incorporation of the Issuer are dated 10 May 2016 and the principal objects of the Issuer are set out in Article 2 (*Purpose*) thereof. The Issuer's principal activities are the issue of the Class A Notes, the Class B Notes and the Class C Notes, utilisation of the proceeds of those Notes to acquire the corresponding Collateral Certificates, the execution and performance of the Transaction Documents to which it is a party and the exercise of related rights and powers and other activities reasonably incidental thereto.

The Issuer may not engage in any commercial, financial or other activities which do not directly or indirectly serve the purpose of the Transaction. The Issuer may not purchase shares or invest in other companies. The Issuer may not, for its own account or for the account of third parties, provide security, nor may it enter into guarantees, sureties or the like in favour of third parties.

The Issuer has no subsidiaries or employees.

Since its incorporation, the Issuer has not carried on any business or activities other than those incidental to its incorporation, the authorisation and issue of the Class A Notes, the Class B Notes and the Class C Notes and activities incidental to the exercise of its rights and compliance with its obligations under the Transaction Documents and any other documents entered into in connection with the issue of the Class A Notes, the Class B Notes and the Class C Notes.

No pending or threatened court, arbitral or administrative proceedings have been issued against the Issuer.

### 4. Members of Board of Directors

The board of directors shall consist of one or several members provided that at all times there will be at least one member who is independent from Swisscard (in accordance with the Swiss Code of Best Practice for Corporate Governance). The members of the Issuer Board as at the Closing Date and their business addresses are:

| <b>Name</b>     | <b>Business Address</b>                                    | <b>Position</b>                                |
|-----------------|--|--|
| Daniel Bürchler | Swisscard AECS GmbH, Neugasse 18, 8810 Horgen, Switzerland | Chairman of the board of directors             |
| Damian Weiss    | Swisscard AECS GmbH, Neugasse 18, 8810 Horgen, Switzerland | Member and Secretary of the board of directors |
| Stephan Lohnert | Swisscard AECS GmbH, Neugasse 18, 8810 Horgen, Switzerland | Member of the board of directors               |
| Jürgen Götz     | Swisscard AECS GmbH, Neugasse 18, 8810 Horgen, Switzerland | Member of the board of directors               |
| Günter Haag     | Othmarstrasse 8, P.O. Box 131, 8024 Zurich, Switzerland    | Member of the board of directors               |
| Klaus Rixecker  | Swisscard AECS GmbH, Neugasse 18, 8810 Horgen, Switzerland | Member of the board of directors               |

Pursuant to the terms of the Issuer Corporate Services Agreement, the Issuer Corporate Services Provider will provide directors and certain other corporate and administration services to the Issuer in consideration for the payment by the Issuer of an annual fee to the Issuer Corporate Services Provider.

5. Capital, Shares and Capitalisation

The stated share capital of the Issuer amounts to CHF 100,000 and is divided into 100,000 shares with a nominal value of CHF 1.00 each. The issue price for each share was CHF 1.50, CHF 150,000 in total. Swisscard holds 98 per cent. of the Issuer's shares with the remaining two per cent. being held by two Independent Shareholders.

6. Conversion and option rights and bonds

There are no outstanding conversion and option rights and bonds (other than the Notes) issued by the Issuer.

7. Group Structure and control of the Issuer

The Issuer was incorporated as a wholly owned subsidiary Swisscard and two per cent. of the shares were subsequently transferred to two persons who are not affiliated with Swisscard in any way (the "**Issuer Independent Shareholders**") (each holding one per cent. of the shares in the Issuer). The Issuer's board of directors consists of six directors of which one director is independent from Swisscard. Certain measures have been implemented to mitigate any potential concerns regarding Swisscard's controlling position as a majority shareholder and on the board of directors, including the addition of provisions in the Issuer's Articles of Association that:

- (a) shareholder resolutions in respect of the Shareholder Reserved Matters will require the consent of Swisscard and at least one Issuer Independent Shareholder (*i.e.*, 99 per cent. of all shares of the Asset SPV); and
- (b) any decisions by the board of directors relating to the Board Reserved Matters require the consent of an independent director.

8. The Shareholders' Agreement

Swisscard and the two Issuer Independent Shareholders have entered into a shareholders agreement dated 19 May 2016 (the "**Issuer Shareholders Agreement**") pursuant to which the parties have agreed. *inter alia*, that:

- (a) the Issuer Independent Shareholders will act and vote independently from Swisscard;
- (b) Swisscard will not vote for certain resolutions in the shareholders' meeting, including but not limited to (i) the amendment of the Issuer's Articles of Association; (ii) the disposition of all or a substantive part of the assets of the Asset SPV, if such a disposition entails a factual liquidation of the Issuer; (iii) resolutions pursuant to the Swiss Merger Act; and (iv) the removal of the Auditors and members of the Issuer board of directors, in each case, unless at least one Issuer Independent Shareholder votes in favour of the relevant resolution;
- (c) following the occurrence of an Event of Default Swisscard will procure that the members of the Issuer's board of directors (other than the Independent Director) resign and that their signatory authority is withdrawn; and
- (d) following the resignation of a member of the board of directors (other than the Independent Director), the Issuer Independent Shareholder and Swisscard shall elect without delay an additional member of the board of directors who shall be independent from Swisscard.

In addition, the Issuer Shareholder Agreement provides for a call option of Swisscard should certain events occur with respect of the Issuer Independent shareholder (such as death, divorce, bankruptcy, etc.). In the event an Issuer Independent Shareholder does not comply with its obligation to purchase, Swisscard will be obliged to do so. In either case, the relevant shares so transferred shall be sold and transferred to a successor Issuer Independent Shareholder which agrees to accede to the Issuer Shareholders Agreement.

9. Financial Statements and auditors

Since its date of incorporation, the Issuer has not commenced operations or made any dividend distributions and no financial statements of the Issuer have been prepared as at the date of this Prospectus. The Issuer intends to publish its first financial statements in respect of the period ending on 31 December 2016 in April 2017. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December in each calendar year.

The annual financial statements of the Issuer will be prepared to comply with US GAAP, the CO, its articles of incorporation and Article 7 of the Directive on Financial Reporting issued by the SIX Swiss Exchange (which, as of the date of this Prospectus, generally rules that issuers of debt securities must apply one of the of the following accounting standards: IFRS, US GAAP, Swiss GAAP FER and the standard under the Swiss Banking Act). The requirement to prepare the annual financial statements of the Issuer to comply with US GAAP may be amended in the future, provided that such requirement is amended so that any such annual financial statements are prepared in accordance with an accounting standard which is accepted by the SIX Swiss Exchange.

The auditors of the Issuer are obliged to have their domicile or a registered subsidiary in Switzerland and in accordance with Articles 728 and 729 *et seq.* CO, the auditors have to be independent. The Issuer has appointed KPMG AG, Zurich, Switzerland (with registered number CHE-106.084.881) as its independent auditor.

## **THE COLLATERAL TRUSTEE, THE NOTE TRUSTEE AND THE SECURITY TRUSTEE**

Wells Fargo Trust Corporation Limited (“WFTCL”) has been appointed as the Collateral Trustee under the Collateral Certificate Trust Deed, the Note Trustee under the Note Trust Deed and the Security Trustee under the Security Trust Deed. WFTCL is a private limited company registered in England and Wales, registration number 4409492 with its registered office at One Plantation Place, 30 Fenchurch Street, London, EC3M 3BD. Established on 4 April 2002, WFTCL is an indirect wholly owned Subsidiary of Wells Fargo & Co. WFTCL falls within Wells Fargo’s Corporate Trust Services business line, which provides fiduciary, agency and trustee services on structured and vanilla debt securities issued by public and private corporations, government entities, financial institutions and special purpose vehicles, as well as providing other corporate trust and agency services.

This description of WFTCL does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Transaction Documents (see “*THE COLLATERAL CERTIFICATE TRUST DEED*” and “*DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS*”).

The delivery of this Prospectus does not imply that there has been no change in the affairs of the Collateral Trustee since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

## THE ISSUER ACCOUNT BANK

Zürcher Kantonalbank (“ZKB”) has been appointed as the Issuer Account Bank under the Issuer Account Bank Agreement. ZKB is a public-law institution under the laws of the Canton of Zurich (*selbständige Anstalt des öffentlichen Rechts*). Its current legal basis is based on the Cantonal Bank Act on the Zürcher Kantonalbank of 28 September 1997, which entered into force on 1 January 1998 and was last amended on 1 January 2015. The Canton of Zurich is liable for all of the senior obligations of the ZKB to the extent its own funds are insufficient (§6 of the Cantonal Bank Act on the Zürcher Kantonalbank).

In accordance with the statutory purpose (§2 of the Cantonal Bank Act on the Zürcher Kantonalbank), ZKB contributes to the performance of economic and social tasks in the Canton of Zurich and supports an environmentally sustainable development. It pursues a business policy geared towards continuity and meets investment and financing needs while taking into account the concerns of smaller and medium-sized businesses, employees, the agricultural industry and commerce. In addition, ZKB promotes home ownership, as well as the development of affordable housing.

ZKB is positioned as a fullservice bank with a regional anchoring. Its strategy is geared towards the needs of its customers in Retail Banking, Private Banking, Corporate Banking and Financial Institutions & Multinationals. The Issuer's core businesses include financing, investment and asset management, trading, as well as cards, payment transactions and deposit-taking.

This description of ZKB does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Transaction Documents (see “*THE ISSUER ACCOUNT BANK AGREEMENT*” and “*DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS*”).

The delivery of this Prospectus does not imply that there has been no change in the affairs of the Issuer Account Bank since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

## CERTAIN MATTERS OF SWISS LAW

The following is a summary of certain aspects of Swiss law currently in force which are relevant in connection with the Transaction. This summary does not purport to describe all of the legal considerations that may be relevant to a prospective investor in the Notes. Prospective investors are advised to consult their own professional advisers on the implications of investing in the Notes. Any decision to invest in the Notes should be based on a consideration of this Prospectus as a whole. No civil liability will attach to any Transaction Party solely on the basis of this section of the Prospectus.

### 1. Security

#### 1.1 Introduction to Security

The Asset SPV as continuing security for, *inter alia*, all monies and other liabilities owed under the Collateral Certificates has entered into the Asset SPV Claims Assignment Agreement which is governed by Swiss law. See “*DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS—Asset SPV Transaction Documents—Asset SPV Claims Assignment Agreement*”.

The Issuer as continuing security for its obligations under the Notes will enter into the Issuer Claims Assignment Agreement which is governed by Swiss law. See “*DESCRIPTION OF CERTAIN OTHER TRANSACTION DOCUMENTS—Issuer Transaction Documents—Issuer Claims Assignment Agreement*”.

#### 1.2 Assignment for security purposes (*Sicherungszession*)

Under the Asset SPV Claims Assignment Agreement, the claims of the Asset SPV Secured Creditors are secured by an assignment for security purposes (*Sicherungszession*) of the Securitised Portfolio and related rights and claims as well as all rights and claims of the Asset SPV under the Swiss law governed Asset SPV Transaction Documents to which the Asset SPV is a party. In addition, all the Asset SPV's rights and claims it has against the Asset SPV Account Bank under the Asset SPV Bank Accounts are assigned for security purposes (*Sicherungszession*).

Under the Issuer Claims Assignment Agreement, the claims of the Issuer Secured Creditors (including the Noteholders) will be secured by an assignment for security purposes (*Sicherungszession*) of the Issuer's rights and claims under the Swiss law governed Issuer Transaction Documents to which the Issuer is a party. In addition, all of the rights and claims of the Issuer against the Issuer Account Bank under the Issuer Bank Accounts (other than the Issuer Securities Account) will be assigned for security purposes (*Sicherungszession*).

Generally, only claims and receivables that are not subject to limitations on assignment can be assigned for security purposes or, additionally, if certain receivables are purportedly subject to limitations on assignment, but arise under contracts governed by laws which render such limitations ineffective, such claims and receivables will also be assigned for security purposes.

Under Swiss substantive law, an assignee (including an assignee for security purposes) may only acquire equivalent rights to those held by the assignor. Any third party obligor retains and may assert (a) all defences originally available to it against the assignor and (b) all defences that existed at the time it obtained knowledge of the assignment. In the case of any counterclaim not yet due at the time the third party obligor obtains knowledge of the assignment, such counterclaim may nonetheless be raised against the assignee in respect of the assigned amount and set off, provided the counterclaim is due before the related assigned claim or receivable. In addition, absent knowledge of the assignment or to the contrary, a third party obligor may validly settle its obligations to the assignor by making payment or performing any other relevant acts. If the agreement between the assignor and the third party obligor is terminated or revoked (which may occur at any time) it may result in future claims ceasing to accrue. Furthermore, future claims that have been assigned but which come into existence following the adjudication of bankruptcy (*Konkurseröffnung*) over or the grant of a (provisional or definitive) moratorium (*Nachlassstundung*) in relation to the assignor will not be assigned to the assignee but rather will fall within the assignor's insolvency estate. See “*RISK FACTORS—Legal and other considerations*”.



### 1.3 Security over Intermediated Securities

Under the Asset SPV Claims Assignment Agreement and the Issuer Claims Assignment Agreement, each of the Asset SPV and the Issuer provides and will provide respectively a security interest in favour of the Collateral Trustee (acting for and on behalf of all Asset SPV Secured Creditors) or the Security Trustee (acting for and on behalf of all Issuer Secured Creditors) (as applicable) over all Intermediated Securities held in the Asset SPV Securities Account or the Issuer Securities Account (as applicable).

Security over the Intermediated Securities is or will be taken respectively in accordance with Article 25 FISA and, accordingly, the security has been or will be perfected respectively by, and is subject to the notification and instruction to, the Issuer Account Bank and the Asset SPV Account Bank, respectively, by the Security Trustee and the Collateral Trustee of the assignment and the execution of a control agreement (in the form as attached to the Issuer Claims Assignment Agreement and the Asset SPV Claims Assignment Agreement, respectively).

## 2. Enforcement and Insolvency

### 2.1 Debt Collection and Bankruptcy

#### (a) General overview

The vast majority of the bankruptcy and insolvency provisions in Swiss law are encompassed in the Swiss Debt Enforcement and Bankruptcy Act (the “**DEBA**”). The DEBA codifies the law with respect to enforcement and insolvency procedures. The DEBA provides for different procedures dependent on, amongst other factors, whether the obligation is secured or unsecured, or whether or not the debtor is registered in a Swiss cantonal commercial register (*Handelsregister*) in a specified form. Legal entities (such as the Asset SPV and the Issuer) as well as certain individuals registered in a Swiss commercial register (*Handelsregister*) as either (i) owner of a small business (*Einzelfirma*), (ii) member of a general partnership (*Kollektivgesellschaft*), (iii) unlimited partner or manager of a limited partnership (*Kommanditgesellschaft*) or (iv) as a manager of a stock corporation (AG) are subject to bankruptcy proceedings. Bankruptcy may be adjudicated either as a consequence of creditors pursuing debt collection proceedings without success or without prior debt collection. Individuals not registered in a Swiss commercial register (*Handelsregister*) are generally not subject to bankruptcy proceedings. Such individuals may not fall into bankruptcy and the rules on debt collection will apply, except in limited circumstances where the individual applies for bankruptcy itself.

#### (b) Debt collection in general

Debt collection proceedings are initiated by the filing of an application for commencement of enforcement proceedings (*Betreibungsbegehren*) with the competent enforcement office (*Betreibungsamt*). The competent enforcement office is located where the relevant debtor is registered or resident (in case of claims secured (i) by movable assets, alternatively at the location of the collateral and (ii) by real property (such as the claims embedded in any transferred mortgage certificates) mandatorily at the place where the real property is located).

The enforcement office will then serve the debtor with the payment order (*Zahlungsbefehl*) (the “**Payment Order**”). In case of a secured claim, the owner of the collateral (if not identical to the debtor) must also be served with a Payment Order. The Payment Order provides for a payment period of 20 days or, in the case of claims secured by real property, six months (thus, a request for realisation of the mortgaged real property may only be filed upon the lapse of such six-month period).

There is virtually no material assessment of the claim at this stage. The debtor may within ten days upon having been served with the Payment Order, file an objection (*Rechtsvorschlag*) to bring the procedure to a halt and obtain an individual stay of proceedings. In general, no reasons need to be given for the objection. The enforcement office notifies the creditor of the objection.

For claims based on an enforceable judgment, the creditor can without any further delay file an application to lift this stay with the court (*Rechtsöffnungsbegehren*). For claims not based

on an enforceable judgement, but on a certified and/or signed document such as a duly issued mortgage certificate or a duly executed agreement evidencing the claim, provisional lifting of such stay can only be applied for summary proceedings (*provisorische Rechtsöffnung*). The duration of such proceedings depends on the workload of the respective court, but in general the procedure takes two to four months. In the event the objection is set aside in summary proceedings, the debtor may within 20 days bring an action in ordinary court proceedings for negative declaration that the creditor's claim does not exist (*Aberkennungsklage*). The duration of such a proceeding considerably depends on the workload of the Swiss judge leading the proceedings and the complexity of the matter (approximately six to 12 months for a first instance judgment, subject to a right of appeal).

In the case of a claim secured by a pledge (such as the charge over real property in a mortgage certificate), the creditor may file the request for the realisation of the collateral (*Verwertungsbegehren*) with the enforcement office, once the objection is definitively set aside by the court. Following such request, the enforcement office will initiate the process of realisation of the collateral.

In the case of an unsecured claim, the creditor may file a request for continuation of the enforcement proceeding, once the objection is definitively set aside by the court. In such a case, the enforcement office will initiate the process of collecting assets of the creditor that may be realised in order to cover the claim for which the debt collection proceeding has been initiated. In case the debtor is subject to bankruptcy proceedings, the enforcement office will send a notification to the debtor (the so called threat of bankruptcy (*Konkursandrohung*)) stating that the creditor may file a request for bankruptcy within 20 days, should the claim remain unpaid).

(c) Adjudication of bankruptcy in general

(i) Adjudication of bankruptcy as a result of prior debt collection proceedings

In the instance where a creditor pursues a debt collection proceeding against a debtor that is subject to bankruptcy rules, no less than 20 days after the debtor has been served with the threat of bankruptcy, such creditor may file a petition for bankruptcy (*Konkursbegehren*) with the competent bankruptcy court, leading to a summary court trial in which bankruptcy is adjudicated or the case is dismissed. The adjudication of the opening of bankruptcy does have effects described below in section 3 (see “— *Effects of the bankruptcy on agreements to which the debtor is a party*”),

(ii) Adjudication of bankruptcy without debt collection proceedings

According to the DEBA, bankruptcy may also be adjudicated over a debtor without prior debt collection. The debtor (whether or not generally subject to bankruptcy rules) may declare itself insolvent at any time with the competent bankruptcy court. Bankruptcy will be adjudicated if there is no prospect of a successful restructuring.

In addition, Swiss corporate law provides for bankruptcy to be adjudicated in instances where a petition has been made due to “over-indebtedness” according to Article 725a CO. Over-indebtedness will be tested on both a going concern and a liquidation value basis, which will be determined based on audited accounts. The board of directors and, in certain circumstances, the auditors of an over-indebted company are obliged to file for bankruptcy.

Finally, in rare cases, a creditor may file for bankruptcy directly against a debtor that is subject to bankruptcy rules without previous debt collection actions if (A) the debtor has acted fraudulently, or is attempting to act fraudulently to the detriment of his creditors or (B) if the debtor has obviously and permanently stopped all payments to his creditors. Furthermore, statutory provisions provide for the ex officio adjudication of bankruptcy in certain circumstances.

(iii) Special legal framework with regard to initiation of insolvency related proceedings of Special Insolvency Regime Entities

The bankruptcy proceedings described above in sections 2.1(b)(ii) (*Adjudication of bankruptcy without debt collection proceedings*) and 2.1(c)(i) (*Adjudication of bankruptcy as a result of prior debt collection proceedings*) relate to individuals and legal entities which are not subject to special legislation. Certain debtors are subject to a different insolvency regime (the “**Special Insolvency Regime**”). This regime relates to (A) licensed banks, (B) broker dealers, (C) entities with no banking licences but conducting business that would require a licence, and (D) stock exchanges, (E) multilateral trading facilities, (F) central counterparties, (G) central securities depositories, (G) trade repositories, (I) payment systems; and in some instances may extend to (J) unregulated affiliates of banks and group entities which participate significantly to the activities requiring a licence (the “**Special Insolvency Regime Entities**”).

Special Insolvency Regime Entities are subject to the insolvency rules of the Swiss Banking Act (“**BA**”) and the Swiss Banking Ordinance (as amended, supplemented and restated from time to time) (“**BO**”). Certain provisions of the DEBA are applicable, to the extent set out by BA and BO. Under BA, FINMA rather than the ordinary enforcement offices are authorised to act in the event of insolvency of Special Insolvency Regime Entities. In particular, FINMA is empowered to open bankruptcy proceedings and to order the liquidation of Special Insolvency Regime Entities (such as Credit Suisse).

The DEBA as well as BA and the FINMA Bank Insolvency Ordinance (the “**BIO-FINMA**”) take a single legal entity approach. Any measure taken or any procedure opened relates to a single (bank) entity, and such measures or procedures will not affect or directly cut through to any other affiliate of the same group.

Switzerland is not a Member State and, accordingly, neither regulation EC 1346/2000 nor directive 2001/24/EC will apply to the insolvency of a Swiss bank.

According to Article 25 BA, FINMA may take measures if an entity under the Special Insolvency Regime is over-indebted, has serious liquidity problems or fails to fulfil the applicable capital adequacy provisions after expiry of a deadline set by FINMA. If one of these pre-requisites is met, FINMA is authorised (A) to open restructuring proceedings (*Sanierungsverfahren*), or (B) to open liquidation (bankruptcy) proceedings (*Bankenkonkurs*), and/or (C) to impose protective measures (*Schutzmassnahmen*). Protective measures may be taken either in combination with proceedings according to (A) or (B) or as a preliminary action on its own.

The liquidation (bankruptcy) is ordered if a restructuring is anticipated to be unsuccessful or has failed. In such event, FINMA withdraws the bank’s banking licence, orders the liquidation, makes the respective announcement and appoints a liquidator.

As stated above, BA and BO grant broad powers to FINMA. In particular, protective measures may include a variety of measures such as a bank moratorium (*Stundung*) or a maturity postponement (*Fälligkeitsaufschub*). These measures may be ordered by FINMA either on a stand-alone basis or in connection with reorganisation or liquidation proceedings (see also “—*Restructuring—Special rules applicable to Special Insolvency Regime Entities*”). The DEBA rules regarding composition proceedings (*Nachlassstundung*), however, are not applicable.

In connection with certain amendments to BA dated 1 September 2011 and 1 March 2012, FINMA revised the FINMA Bank Bankruptcy Ordinance. The new BIO-FINMA entered into force on 1 November 2012 and contains detailed provisions around the new bank insolvency and restructuring regime aimed, among other things, at improving the Swiss resolution regime for systemically important banks (commonly known as the “**too big to fail**” rules) which are broadly similar to the recommendations issued by the Financial Stability Board.

### 3. Effects of the bankruptcy on agreements to which the debtor is a party

#### 3.1 Loss of capacity to dispose over assets

Most importantly, the debtor loses its capacity to dispose of its assets upon adjudication of bankruptcy and, unless intended to remain in force by “nature” or specific provision in the respective agreement, and any mandate or power of attorney by the debtor is automatically deemed revoked with the adjudication of bankruptcy.

#### 3.2 No automatic termination of all contracts

As a general rule, bankruptcy does not result per se in the termination or terminability of (ongoing) agreements to which the debtor is a party. There are, however, statutory provisions that provide for automatic termination of or grant termination rights for certain types of contract. In addition, the parties to an agreement may (and often will) provide for automatic or optional termination upon bankruptcy. Non-termination of agreements does not necessarily mean that the enforceability of certain rights is not affected.

#### 3.3 Acceleration

Bankruptcy does result in the acceleration of all claims against a debtor (secured or unsecured), except for those secured by a mortgage on the debtor’s real property, whereby the relevant claims become due upon bankruptcy. As a result of such acceleration, a creditor’s bankruptcy claim consists of the principal amount of the debt (discounted at 5 per cent. if not interest bearing), interest accrued thereon until the date of bankruptcy, and (limited) costs of enforcement.

Upon bankruptcy, interest ceases to accrue. Only secured claims enjoy a preferential treatment insofar as interest that would have accrued until the collateral is realised will be honoured if and to such extent as the proceeds of the collateral suffice to cover such interests.

#### 3.4 Conditional and future claims

Creditors’ claims that have been established prior to bankruptcy, but that are limited in time or subject to a condition (precedent or subsequent), are (fully) admitted in the bankruptcy. A distribution out of the estate on the account of such claims occurs, however, only if and to such extent as the underlying condition has actually materialised.

There are no clear rules regarding the treatment of other claims that did not come into full existence before bankruptcy (“**Future Claims**”). Generally speaking, such claims may only participate in the proceedings if the grounds for them were set prior to bankruptcy, and if their nature and content were sufficiently established. Reliable rules or precedents as regards the treatment of future claims in bankruptcy are, however, missing.

Future Claims are to be distinguished from those claims that result from undertakings by the bankruptcy administration (costs of the proceeding) (such claims bind the estate directly and are satisfied before any distribution of the proceeds of the estate takes place).

#### 3.5 Conversion of non-monetary claims

Claims against the bankrupt debtor which are not for a sum of money are converted into a monetary claim of corresponding value. In general, the bankruptcy administration is, however, entitled to enter into and to fulfil those contracts instead of the debtor which had not or had only partially been fulfilled at the time of adjudication of bankruptcy (“**right to enter into a contract**”). This entitlement of the bankruptcy administration applies regardless of whether the obligation of the debtor is a monetary one or a non-monetary one. In practice, such an entry by the administration is the exception and not the rule. However, effectively, this entitlement results in a suspension of the rights and obligations of a specific contract until the bankruptcy administration has decided whether or not to enter into such a contract.

### 3.6 Set-off

Subject to a valid contractual set-off clause, the creditor of the debtor may as a rule set-off claims against debts it has towards the debtor, provided that both the claims and the debts existed at the time of adjudication of bankruptcy. A set-off in a bankruptcy is, however, limited to situations where the debtor of the bankrupt party willing to set off a claim has become the creditor of the debtor prior to the adjudication of bankruptcy and even in such situations a set-off may be subject to challenge pursuant to Article 214 DEBA by any other creditor establishing that (a) a claim has been acquired prior to the declaration of bankruptcy, but upon knowledge of the bankrupt party's insolvency and (b) with the purpose of gaining an advantage by virtue of such set-off to the detriment of other creditors. With regard to risks related to set-off, see "*RISK FACTORS—Set-off*".

### 3.7 Special rules for Special Insolvency Regime Entities

With regard to Special Insolvency Regime Entities, neither BA nor BO provide special provisions relating to the effect of the initiation of insolvency proceedings. However, as a more general rule, FINMA as competent authority does have wide discretion with regard to measures to be taken throughout the entire proceedings. In this respect, according to Article 26 para. 3 BA, FINMA may overrule the provisions of the DEBA relating to the accruing of interest upon the adjudication of bankruptcy.

## 4. Estate

### 4.1 In General

Bankruptcy means "**general execution**", *i.e.*, the liquidation of all the assets of the debtor in favour of all of its creditors. A bankruptcy results in the winding up and dissolution of legal entities. All sizable assets owned by the debtor at the time of the opening of the bankruptcy proceedings, irrespective of where they are situated, form one sole (bankrupt) estate, which is destined to satisfy the creditors' claims. Switzerland, thus, has adopted the principle of universality. The extent to which a Swiss bankruptcy order will affect the debtor's assets abroad depends on the recognition of the Swiss bankruptcy adjudication by a foreign country be it by way of bilateral treaty or ad hoc recognition.

Assets which are subject to a pledge and similar security rights are considered to be part of the bankrupt's estate. A pledgee is obliged to deliver the collateral to the bankrupt's estate (if necessary the bankruptcy administration is in charge of collecting such assets by initiating litigation (*Admassierungsklage*)) and the collateral is ordinarily sold by the bankruptcy office or the trustee. While the net proceeds of such sale will go to the secured creditor (up to the amount of the secured debt), the secured creditor has no right to a separate foreclosure even if a right to sell is stipulated in its favour. As a result the secured creditor may suffer a substantial delay in recovery, even in the case where the proceedings to realise the asset had been commenced separately before the opening of the bankruptcy.

The estate includes only assets of the debtor itself. Swiss law does not recognise substantive consolidation of the assets and liabilities of the debtor with those of its affiliates. A party contesting that an asset (situated in the estate) belongs to the bankrupt's estate generally has to request "separation" (*Aussonderung*) of the asset from the bankrupt's estate.

### 4.2 Special rules for Special Insolvency Regime Entities

Pursuant to the BIO-FINMA, all realisable assets of a Special Insolvency Regime Entity at the time of the decree of the liquidation form the bankruptcy estate are included, irrespective of whether the assets are located in Switzerland or abroad. However, due to the principle of territoriality, the question of whether the assets located abroad can be included in the Swiss bankruptcy proceedings depends on the laws of the respective jurisdiction where the assets are located and the applicable provisions on the conflict of laws, respectively.

Also, BA provides for a right of segregation in favour of any depositor of the bank for any movable assets and securities deposited with the bank. In particular, such right to segregate allows a depositor to segregate in circumstances where the legal ownership in the security or asset is with the bank and the depositor could not segregate on the basis of the general rules of the DEBA.

Moreover, in the case of a forced liquidation over a custodian with the purpose of a general liquidation, the liquidator will segregate ex officio in the amount of securities credited to account owners: (a) intermediated securities credited to the custodian's securities account with a third party custodian; (b) collective deposit securities, global certificates with the custodian, and uncertificated securities which are credited to its main register; and (c) freely disposable rights of the custodian against third parties for the delivery of intermediated securities from cash transactions, expired future contracts, hedging transactions or from issues for the account of the account owners.

## 5. Claims admission and distribution

### 5.1 Schedule of claims

Secured and unsecured claims are dealt with in the so called "schedule of claims procedure" (*Kollokationsverfahren*). The liquidator decides on the admission or non-admission of claims by entering or refusing to enter claims in the "schedule of claims". The claims scheduled may be contested by way of legal action to be brought within twenty days of the announcement for inspection before the court of the place of the bankruptcy proceedings. Legal action from a creditor whose claim has been rejected or not admitted as requested has to be directed against the bankrupt estate, whereas an action to challenge the admission of another creditor has to be directed against such other creditor.

### 5.2 Ranking and distribution

In the distribution, creditors of the same Class enjoy equal treatment among themselves in proportion to their specific claims admitted. Creditors of lower ranking claims participate in the distribution only once all higher ranking claims are fully satisfied.

*First*, all costs pertaining to the opening and conducting of the bankruptcy proceedings will be defrayed out of the proceeds.

*Second*, creditors of claims that are secured by a pledge right or a similar right enjoy a separate satisfaction. Their claims are satisfied directly with the proceeds from the realisation of the specific collateral. In case several assets serve as security for the same claim, the proceeds of all such assets are applied proportionately. Secured claims participate as unsecured claim in the amount of the shortfall of their collateral. Mortgaged creditors are satisfied according to their rank which, absent contractual stipulations to the contrary, is determined by the time of entry into the land register. Each rank is paid in full before the next following rank receives any distribution.

*Third*, creditors of unsecured claims are ranked into three Classes. The first and the second Class, which are privileged, comprise claims under, e.g., employment contracts, accident insurance, pension plans and family law. Certain privileges can further result for the government and its subdivisions based on specific provisions of federal law. All other creditors are treated equally in the third Class. Within the third Class, subordination agreements are as a matter of practice recognised and enforced.

### 5.3 Special rules for Special Insolvency Regime Entities

With regard to Special Insolvency Regime Entities, BA as well as BO provide for some special provisions under the Swiss deposit protections scheme provided for in BA. The Swiss deposit protection scheme is based on a two pillar system and has recently been revised and amended. The first pillar is a bankruptcy privilege that gives depositors a preferred claim in the bankruptcy of a Swiss bank, now a maximum of CHF 100,000 per depositor, which must be paid from the assets of the bank in priority to its other unsecured creditors. The second pillar consists of a guarantee for certain deposits issued by the Swiss Banks' and Securities Dealers' Depositor Protection Association (the "**DPAS**"), a banking industry self-regulatory organisation. Swiss banks that accept deposits are required to become members of DPAS. For the avoidance of doubt, Swisscard will not be part of the Swiss deposit protection scheme.

If a Swiss bank fails, the following procedure applies: The BA provides for an accelerated disbursement to preferred depositors in the event of a bank failure out of the liquidity available at the failing bank and outside of the schedule of claims of the liquidation proceedings. The total amount of such disbursement to the depositors (not exceeding CHF 100,000 per depositor) will be established by the Swiss regulator based on the available liquidity of the failing bank and will be paid out without taking into account any set-off right of the failing bank against an individual depositor (first step). The

Swiss regulator will take into account the amount of non-privileged claims against the failing bank when determine such amount.

Should the liquidity available at the bank not suffice for a payout of the total of the preferred claim up to a maximum of CHF 100,000 per depositor, the Swiss regulator informs DPAS on the missing amount (second step). Following such notification, DPAS solicits contributions from its members, based on the relative size of the member's deposit base, to cover the missing amount of deposits. These contributions are then transferred by DPAS to the administrator of the failed bank for payout to depositors.

The maximum amount covered by DPAS is CHF 6 billion. If the total of the preferred claims still exceeds the CHF 6 billion (after the payout of the liquidity available), the payments of DPA to each depositor will be reduced proportionally.

The DPAS should recover its payouts to the privileged depositors in the liquidation proceedings of the bank as it will step into the claims of the privileged depositors against the bank (third step). Such reclaim should be ensured since BA requires banks to hold assets in Switzerland in an amount equal to 125 per cent. of the amount of the deposits protected by the bankruptcy privilege.

## 6. Restructuring

### 6.1 General rules applicable to restructuring measures

The DEBA provides for reorganisation procedures by composition with the debtor's creditors. Reorganisation is initiated by a request with the competent court for a stay (*Nachlassstundung*) pending negotiation of one of the several statutory types composition agreement with the creditors and confirmation of such agreement by the competent court.

The DEBA further confers the right to the cantonal governments, subject to the consent of the Swiss Federal Council, to stay certain procedures under the DEBA, including the declaration of bankruptcy at the debtor's request if the debtor's inability to pay its debts is temporary and due to extraordinary circumstances of general implication (e.g., a general economic crisis). This so-called emergency moratorium (*Notstundung*) is an exceptional remedy, which has been applied rarely only in the past.

### 6.2 Special rules applicable to Special Insolvency Regime Entities

#### (a) General

As mentioned above in section 2.1(c)(iii) (*Special legal framework with regard to initiation of insolvency related proceedings of Special Insolvency Regime Entities*) insolvency and pre-insolvency proceedings with respect to Special Insolvency Regime Entities are subject to an insolvency regime that (i) establishes FINMA as sole bankruptcy authority, and (ii) provides it with broad discretion as to pre-insolvency measures, the timing of the opening of bankruptcy proceedings, the recognition of and co-operation with foreign insolvency proceedings and the processing of a Swiss insolvency.

#### (b) Pre-Insolvency Measures

The BA and BO distinguish between pre-insolvency protective or restructuring measures that are initiated with a view to reorganise or restructure the bank outside of bankruptcy proceedings, and insolvency measures, i.e., withdrawal of the banking licence followed by the bankruptcy of the bank (if no realistic chance of restructuring exists).

Whereas the opening of bankruptcy proceedings will be publicly announced, pre-insolvency measures will only be publicly announced by FINMA if it deems it necessary or appropriate for enforcing the measures and/or for the protection of third parties. Accordingly, it should be noted that the imposition of protective measures may not in all instances be made available to the public.

(c) Protective Measures

The BA does not contain an exhaustive list of protective measures and FINMA has broad discretion as to the nature and suitability of such measures. However, Article 26 BA specially mentions as potential measures: (i) issuance of instructions to the governing bodies of the bank; (ii) appointment of a person charged with the investigation pursuant to Article 23 BA; (iii) withdrawal of power of representation of the governing bodies or removal from office; (iv) removing of banking-law or company-law auditors from office; (v) limitation of business activities of the bank; (vi) preventing the bank from making or accepting payments or undertaking security trades; (vii) closing the bank; (viii) decree a stay of enforcement and postponement of maturity, and (ix) stop the accrual of interest on the bank's liabilities. In particular, FINMA may exercise direct influence on the board of directors and/or management of the bank. As an example, it may request the board and/or the management to organise the bank's business differently, prevent the management from entering into certain transactions, reduce or close the bank's business in certain fields etc. Pursuant to the wording of Article 26 BA, FINMA may issue measures which would otherwise require shareholders' approval. Also, FINMA's broad discretion in imposing and interpreting protective measures of BA may deviate substantially from current and common interpretation of such applicable rules. Recent practice in this respect shows that it cannot be excluded that such a scenario is to occur and that new provisions or new interpretations may deviate from the current legal framework and its current interpretation.

(d) Restructuring Proceedings

FINMA may, in case of a well-founded prospect of restructuring, commission one (or more) person(s) with the restructuring of the bank and provide it with instructions accordingly. The restructurer will develop a plan of restructuring which will protect the interests of creditors and shareholders. Should the plan of restructuring negatively affect the rights of creditors or shareholders, it has to be disclosed, and creditors and shareholders may raise objections. The plan of restructuring will need to be approved by FINMA; however no consent of the bank's shareholders is required. If affected bank creditors representing more than the half of the amount of regular claims reject the restructuring plan, FINMA would order the opening of bankruptcy proceedings.

7. Avoidance Action

7.1 Overview

The receiver in bankruptcy and certain creditors may, by means of an appropriate lawsuit, challenge certain arrangements or dispositions made by the insolvent entity during a period (suspect period) preceding the declaration of bankruptcy or, in case of a composition agreement with assignment of assets (*Nachlassvertrag mit Vermögensabtretung*), the grant of the moratorium or – in case of an Entity under Special Insolvency Regime – an equivalent event under the BA. Equivalent events under the BA are FINMA's approval of the plan of restructuring or FINMA's decree of protective measures according to article 26 BA para. 1 lit. e-h. For purposes of calculating the suspect periods, the duration of preceding composition and debt collection proceedings will not be counted.

The assessment of the risk of avoidance actions is highly fact dependent and precedents do not always provide systematic guidance in this respect. Possible challenges relate to (i) gifts and other transactions at an undervalue (*Schenkungs pauliana*), (ii) certain acts of a debtor, undertaken at such time as the debtor was over-indebted (*Überschuldungspauliana*), and (iii) dispositions made by the debtor with the intent to disadvantage its creditors or to prefer certain of its creditors to the detriment of other creditors (*Absichtspauliana*) (all as described below). Acts undertaken during a moratorium in composition proceedings with the approval of the probate court (*Nachlassgericht*) or a creditors' committee (*Gläubigerausschuss*) are now expressly exempt from challenge (article 285 para. 3 DEBA).

Whenever the intent of a party is of relevance in connection with an avoidance action, it will most likely be assumed that an affiliate of the debtor was aware of the relevant factual circumstances.



## 7.2 Avoidance of Gifts and Transactions at an Undervalue

Article 286 DEBA allows the avoidance of gifts and other transactions at an undervalue, which the debtor made within a suspect period of 12 months prior to adjudication of bankruptcy, the grant of a moratorium or an equivalent event under BA. Any such transaction at an undervalue may be challenged based on the objective elements of (a) the gratuitous nature of such transaction, and (b) established damages resulting therefrom for other creditors of the debtor.

If the challenge relates to a transaction for the benefit of a party closely associated with the debtor such as group companies, shareholders or even friends or relatives, the gratuitous nature of such transaction is presumed and it is for the defendant to prove that adequate consideration was provided in turn for any benefits received. Damages to creditors are presumed in the context of avoidance where the creditors have suffered final losses (*Verlustscheingläubiger*) in debt collection procedure or if the bankruptcy estate challenges an act. It is then up to the defendant to prove that the challenged act did not lead to such damages.

## 7.3 Avoidance due to Over-Indebtedness

Other than Article 286 DEBA, Article 287 DEBA targets specific acts of the insolvent debtor within the suspect period of 12 months prior to adjudication of bankruptcy, the grant of a moratorium or an equivalent event under BA, where the debtor, as an additional objective prerequisite, was already over-indebted (*überschuldet*) at the time the relevant act was undertaken by the debtor. The term over-indebted refers to the fact that the debtor's assets do not cover its liabilities. The existence of such over-indebtedness at the time of the relevant transaction or act is, as a rule, to be proven by whoever challenges the transaction or act based on the existence thereof.

Specifically targeted are acts that prefer one creditor over the others in the light of such over-indebtedness. Such acts include (a) the posting of collateral for an existing but unsecured obligation with no pre-existing undertaking to post collateral for such obligation, (b) settlement of monetary claims other than in cash or commonly used payment means, and (c) the settlement of claims prior to their stated maturity.

These acts must result in damages to the creditors. Such damages are presumed in the context of avoidance where the creditors have suffered final losses (*Verlustscheingläubiger*) in a debt collection procedure or if the bankruptcy estate challenges an act. It is then up to the defendant to prove that the challenged act did not lead to such damages.

There is a subjective element also, in that the debtor's counterparty to the challenged transaction or act may avoid a challenge of the transaction or act if it can prove that it did not and, being diligent, could not know about the debtor's over-indebtedness. While, as mentioned above, the over-indebtedness as such needs to be proven by the challenging party, once established, the counterparty to the transaction or act is, subject to the proof of the contrary, presumed to have been aware thereof (in particular in the case of intra group transactions).

## 7.4 Avoidance for Intent

Article 288 DEBA targets any act of a debtor within the suspect period of 5 years prior to adjudication of bankruptcy, the grant of a moratorium or an equivalent event under BA to the extent that such act was made with the bankrupt debtor's intent to prefer certain creditors over others or to disadvantage or disfavour certain of its creditors or should reasonably have foreseen such result and if this intention was, or exercising the requisite due diligence, must have been known to the counterparty.

As for the other avoidance actions, in terms of objective prerequisites, the act of the debtor must have led to damage to creditors. While the DEBA does not specifically mention this prerequisite, it nevertheless follows from the nature and aim of an avoidance action. Again, such damages are presumed in the context of avoidance where the creditors have suffered final losses (*Verlustscheingläubiger*) in a debt collection procedure or if the bankruptcy estate challenges an act. It is then up to the defendant to prove that the challenged act did not lead to such damages.

The term “**act**” must be read in a very broad sense. It is not limited to the conclusion of contracts, but includes any act of the debtor, in particular also any act which the DEBA specifically targets in one of

the other two avoidance actions, if such act meets the further requirements of the particular avoidance for intent pursuant to Article 288 DEBA.

In terms of subjective elements, avoidance for intent calls for intent to prefer or to disadvantage creditors on the debtor's side and such intent must have been recognisable to the counterparty of the relevant act. If the challenge relates to a transaction with a party closely associated with the debtor such as group companies, shareholders or even friends or relatives, recognisability of such intent will be presumed (subject to proof of the contrary by the defendant).

## 8. Cross border insolvency considerations

### 8.1 Assets affected and claims admissible by or in Swiss debt collection and bankruptcy proceedings

Basically, even if DEBA and BA implement the concept of universality, foreign legislation may impede the allocation to any debt collection and bankruptcy proceeding of assets located outside of Switzerland. Therefore, such a proceeding conducted with Swiss authorities may only affect assets of the debtor that are located in Switzerland. However, foreign creditors also may file their claims in the course of debt collection and bankruptcy proceedings conducted in Switzerland.

Pursuant to Article 3 para. 1 of the BBO-FINMA, the bankrupt estate of a Special Insolvency Regime Entity includes all its assets whether located in Switzerland or abroad. This statutory provision may be considered a long arm statute to the extent that it includes Special Insolvency Regime Entities assets located outside of Switzerland. However, the effectiveness of this provision will depend upon and is de facto limited by the willingness of the non-Swiss authorities where the bank's assets are located to recognise the reach of such provision. The BA grants the FINMA the competence to coordinate Swiss bankruptcy proceedings with non-Swiss competent authorities in the event that a Special Insolvency Regime Entity (including its assets) is also subject to non-Swiss insolvency proceedings – in essence, a comity rationale. Consistent with the principle of (asset) universality, BBO-FINMA provides all creditors of a Special Insolvency Regime Entity and, as the case may be, of its non-Swiss branches with the right to participate in the bankruptcy proceedings initiated by FINMA in Switzerland.

### 8.2 Jurisdiction Clauses and Insolvency Actions

As a general rule under Swiss law, jurisdiction clauses have no effect on actions brought under the DEBA, *i.e.*, to issues that relate to Swiss bankruptcy or insolvency law rather than to contractual law. These actions must generally be brought before the court at the place of the insolvency proceeding. Accordingly, in general, a jurisdiction clause in favour of foreign courts would not be effective in case of actions relating to insolvency proceedings.

### 8.3 Foreign enforcement proceedings

The existence of foreign insolvency proceedings alone does not affect the Swiss debtor's or the foreign debtor's assets in Switzerland. Rather, absent recognition proceedings pursuant to Article 166 *et seq.* of the Federal Private International Law Act ("PILA"), such assets remain subject to attachment proceedings by creditors. To commence such recognition proceedings to protect Swiss assets, a creditor or the receiver of the foreign insolvency proceeding must apply for recognition of the foreign insolvency order in the local court in the district where the foreign debtor's Swiss assets are located. To obtain recognition, the applicant must establish, *inter alia*, that (a) the foreign insolvency court had proper jurisdiction; (b) the foreign order is enforceable in the rendering jurisdiction; (c) minimal procedural requirements were observed; (d) the foreign jurisdiction reciprocally recognises similar Swiss insolvency orders on assets located in such foreign jurisdiction; and (e) enforcement of the order will not violate Swiss public policy. The reciprocity requirement is applied on a state-by-state basis and is met if such foreign jurisdiction recognises Swiss insolvency orders based upon bilateral treaty or ad hoc recognition.

Recognition of foreign insolvency orders has a similar effect as domestic bankruptcy orders (see "*Cross border insolvency considerations—Assets affected and claims admissible by or in Swiss debt collection and bankruptcy proceedings*" above). According to the principle of universality, recognition of a foreign insolvency order by Swiss authorities protecting a debtor's assets apply to all of such debtor's assets located in Switzerland.

For an analysis of certain risks related to the commencement of English insolvency proceedings in respect of the Issuer, see further “*RISK FACTORS—Insolvency of the Issuer and the Asset SPV*”.

## 9. Consumer Credit Act

According to Article 1 al. 2 lit. b of the Swiss Consumer Credit Act (the “CCA”), credit cards are subject to the CCA if they are linked to a credit option and provide for the possibility to pay outstanding balances in instalments. In more detail, credit cards are only subject to the CCA where:

- (a) the balance of the credit card is deferred as of the relevant due date;
- (b) the balance may be paid in instalments;
- (c) no exemption of Article 7 lit. f CCA applies (an exemption under Article 7 lit. f CCA is available if either (i) repayment must occur within not more than three months or (ii) repayment must occur by not more than four instalments within not more than twelve months);
- (d) the exemption under Article 7 lit. b CCA would not apply (*i.e.*, in case the credit would not be secured by sufficient collateral); and
- (e) no exemption of Article 7 lit. e CCA applies (an exemption under Article 7 lit. e CCA applies if credit line is lower than CHF 500 or higher than CHF 80,000).

A majority of the Credit Card Agreements contain a so called “credit agreement application (use of instalment facility)” (a “**Credit Option**”). Swiss legal commentary supports the interpretation that Article 1 al. 2 lit. b CCA extends the application of the CCA to credit cards that include a Credit Option whereby outstanding balances may be paid in instalments and provided that no other exclusion exists under the CCA. According to information received from Swisscard, only some of the Cardholders make use of the Credit Option granted to them. Although there are good arguments that the granting of a Credit Option in the framework of a Credit Card Agreement would not result in the Credit Card Agreement being subject to the CCA, provided the Credit Option is not utilised, it should be noted that this is disputed in Swiss legal literature. The clear wording of Article 1 al. 2 lit. b CCA as well as the opinions of most Swiss legal scholars suggest that the mere grant of a credit option causes (as is the case for most of the Credit Card Agreements) the credit card agreement to be subject to the CCA. Therefore, and as there can be no assurance that a court would not apply the CCA to Credit Card Agreement whether or not the Credit Option is being used, the prudent position is that all Credit Card Agreements are subject to the CCA, except Credit Card Agreements that do not have a Credit Option (as defined above) (see “*RISK FACTORS—Swiss Consumer Credit Act*”).

Further, the CCA would not be applicable to Receivables that are secured by guarantees from third party banks or Credit Suisse on the basis of Article 7 lit b CCA. There are certain Receivables arising under the Accounts which are guaranteed by Credit Suisse or another third party bank. However, this appears to apply to only a small portion of the Accounts.

## 10. Intermediated Securities

Once each Global Note is deposited with the Common Depository and entered into the accounts of one or more participants of the Common Depository, the Notes represented thereby will constitute Intermediated Securities (*Bucheffekten*) within the meaning of the Swiss Federal Intermediated Securities Act (“**FISA**”).

Each Noteholder will have a quotal co-ownership interest (*Miteigentumsanteil*) in the applicable Global Note to the extent of his or her claim against the Issuer. However, for so long as each Global Note remains deposited with the Common Depository and the Notes are booked to accounts of one or more participants, the co-ownership interest will be suspended and the Intermediated Securities will be created. Thus, the Notes may only be transferred by the entry of the transferred Notes in a securities account of the transferee in accordance with FISA.

Intermediated Securities qualify neither as objects (*Sachen*) nor as claims (*Forderungen*). Rather, Intermediated Securities are assets of their own kind (*Vermögenswerte sui generis*). Intermediated Securities are created through (a) the deposit of securities for collective custody (*Sammelverwahrung*)

or global certificates (*Globalurkunden*) with an intermediary (*Verwahrungsstelle*), or the entry of uncertificated securities (*Wertrechte*) in the master register of a custodian, and (b) the credit of such intermediated securities to one or more securities accounts (*Effektenkonti*). The creation of Intermediated Securities does not affect the investor's rights against the Issuer (such as voting rights or dividend). However, unless provided otherwise in FISA, the account owner may only exercise its rights to Intermediated Securities via the relevant custodian. Under FISA, transfer of Intermediated Securities is, as a general rule, effected through (a) an instruction (*Weisung*) of the account owner to the custodian to transfer the relevant Intermediated Securities, and (b) credit of the Intermediated Securities to the securities account of the acquirer. The transfer is perfected with the completion of the booking to the securities account of the acquirer. At the same time, the account owner disposing of the securities loses its right to the relevant Intermediated Securities. In terms of protection of good faith acquisition, FISA provides that whoever in good faith and against consideration acquires Intermediated Securities or a security interest in accordance with FISA over Intermediated Securities will be protected in the acquisition, even if the Originator was not entitled to dispose over the Intermediated Securities. In addition, it should be noted that Intermediated Securities can also be disposed of by way of assignment (*Zession*). In that case, however, the rights of persons having acquired rights in Intermediated Securities in accordance with the terms of FISA (as described above) will prevail over the rights of the assignees regardless of the time of the assignment.

## 11. Swiss Law Bondholder Provisions

### 11.1 Community of Bondholders, Bondholders' Meeting and Bondholders' Representative

Holders of bonds issued by a Swiss issuer in a public offering in Switzerland form a community of bondholders (*Gläubigergemeinschaft*) subject to Articles 1157 to 1186 CO. If several bonds are issued, the bondholders of each bond form a separate community of bondholders. The community of bondholders may also transfer certain powers to a bondholders' representative (*Anleihensvertreter*).

Resolutions of the community of bondholders are passed at a bondholders' meeting (*Gläubigerversammlung*). The bondholders' meeting may resolve on any matter affecting the interests of the bondholders. A resolution will be binding on all bondholders, provided it has been passed in accordance with Articles 1157 to 1186 CO and, if required by Article 1176 CO, approved by the competent higher cantonal composition authority.

Individual bondholders may assert their rights independently (subject to the non-petition provisions) only if (a) the bondholders' meeting has not validly resolved on the matter, or (b) the matter has not been transferred to a duly appointed bondholders' representative in the terms and conditions of the bonds or by resolution of the bondholders' meeting.

### 11.2 Majority Requirements

There are four types of bondholders' meeting resolutions, each requiring a different majority as set out in further detail below. Where a majority cannot be attained at a bondholders' meeting, the issuer may collect additional votes within the two months following the date of the bondholders' meeting.

#### (a) Resolutions that do not alter bondholders' rights

Resolutions that do not adversely affect bondholders' rights and do not impose material obligations upon them require an absolute majority of the votes represented at the bondholders meeting, unless the law or the terms and conditions of the bond require a higher majority.

#### (b) Resolutions within the scope of Article 1170 CO

Pursuant to Article 1170 CO, the bondholders' meeting can resolve on the following measures (or any combination thereof) with a majority of at least two thirds of the principal of the bonds outstanding. The terms and conditions of the bonds may increase the required quorum (subject to certain limitations):

- (i) moratorium on interest for up to five years, with the option of extending the moratorium twice for up to five years each time;
- (ii) waiver of up to five years' worth of interest within a seven-year period;

- (iii) decrease of the interest rate by up to one-half of the rate envisaged in the bond issue conditions or conversion of a fixed interest rate into a rate dependent on the business results, both measures to last for up to ten years, with the option of an extension for up to five years;
- (iv) extension of the redemption time limit by up to ten years by means of a reduction in the annual payment or an increase in the number of the redemption shares or temporary suspension of such payments, with the option of an extension for up to five years;
- (v) suspension of a bond issue now due or maturing within five years or of portions thereof for up to ten years, with the option of an extension for up to five years;
- (vi) authorisation of an early redemption of the bond capital;
- (vii) granting of a priority lien for new capital raised for the issuing company and changes to the collateral provided for a bond issue or full or partial waiver of such collateral;
- (viii) consent to an amendment of the provisions governing restrictions on issues of bonds in relation to the share capital; and
- (ix) consent to a total or partial conversion of bonds into shares.

To be effective and binding on all bondholders, a resolution of the bondholders' meeting regarding any of the measures set out above must be approved by the higher cantonal composition authority (*obere kantonale Nachlassbehörde*).

Where there is more than one community of bondholders, the Issuer may propose one or more of the measures described in Article 1170 CO to the different communities of bondholders simultaneously, subject to the provision that, where one such measure is proposed, it will become effective only if accepted by all the communities of bondholders, and in addition, where two or more such measures are proposed, the validity of each measure is subject to acceptance of all the others.

Proposals are deemed accepted where they obtain the consent of persons representing at least two-thirds of the aggregate principal amount outstanding of all such communities of bondholders combined and at the same time are accepted by a majority of the communities of noteholders and, within each community of bondholders, by at least a simple majority of the aggregate principal amount outstanding represented.

- (c) Resolutions on the revocation or alteration of the authority granted to a representative of the bondholders

For the revocation or modification of the authority granted to the representative of the bondholders, the consent of the bondholders holding more than half of the principal of the bonds outstanding is required. If the representative is appointed under the terms of the bonds, the consent of the Issuer is required.

- (d) Resolutions that alter the rights of bondholders

Resolutions on matters which would adversely affect the rights of bondholders (other than those listed in Article 1170 CO) or impose obligations on bondholders not set out in the terms and conditions of the bonds, or otherwise agreed upon issuance of the bonds, require the consent of all bondholders.

### 11.3 Convocation of the bondholders' meeting

The bondholders' meeting is called by the issuer which is bound to call the bondholders' meeting if either bondholders' holding is at least 5 per cent. of the principal of the bonds outstanding or the representative of the bondholders so requests in writing indicating the purpose and the reasons for the meeting. As an exception to this rule, in case the issuer becomes bankrupt, it will be the bankruptcy administrator who immediately calls a bondholders' meeting which transfers full powers to the

representative already appointed or to be appointed in order to ensure that the rights of the bondholders are being enforced in an equal manner. If no decision on the transfer of full powers is reached, each bondholder will enforce its rights under the bond issuance separately.

The details of the manner of convening the meeting and the proceedings (including publication of notice, agenda, admission, chairman, minutes, recording of resolutions, etc.) are regulated in the Ordinance on the Community of Bondholders (*Verordnung über die Gläubigergemeinschaft bei Anleiheobligationen*).

#### 11.4 Representative of the bondholders (*Anleihensvertreter*)

Pursuant to applicable legal provisions, the terms and conditions of a bond or the bondholders' meeting may appoint a representative. Such representative has the powers transferred to him by law, by the terms and conditions of the bond issue (within the limits set by applicable law) or by the bondholders' meeting. To the extent the representative is entitled to exercise the rights of the bondholders, the bondholders may not independently exercise their rights.

Pursuant to the Conditions, the Note Trustee will be appointed as representative of each Class of Noteholders for the purposes of Articles 1157 to 1186 CO.

#### 11.5 Several communities of bondholders

The Bondholder Provisions do not explicitly address the consequences of tranching issuances of bonds other than Article 1171 CO which provides that, where there is more than one community of bondholders, the issuer may propose one or more of the measures described in Article 1170 CO to the different communities of bondholders simultaneously. In the event of several classes of Notes, proposals on the matters described in Article 1170 CO are only deemed accepted where (i) the consent of persons representing at least two-thirds of the aggregate principal amount outstanding of all such communities of bondholders combined is obtained, (ii) they are (at the same time) accepted by a majority of the communities of Noteholders (with the Requisite Percentage) and (iii) within each community of bondholders, they are accepted by at least a simple majority of the aggregate principal amount outstanding of bonds.

## TAXATION IN SWITZERLAND

*The following discussion of certain tax considerations is generic and of a general nature only. It does not address each and every potential tax consequence or implication of an investment in Notes. The following statements are based on Swiss laws, regulations, published practices, rulings and decisions as published and effective as of the date of this Prospectus. Modifications of the applicable Swiss laws, regulations or published practices may require a re-evaluation of the tax consequences. The summary below is not a substitute for legal or tax advice sought by interested parties. Some aspects do not apply to certain classes of persons (such as professional securities dealers in particular) to whom special rules may apply. The Swiss tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Each prospective purchaser is urged to consult its own tax advisers about the tax consequences under its circumstances of purchasing, holding and selling the Notes under the laws of Switzerland and any other jurisdiction in which the prospective purchaser may be subject to tax.*

This section should be read in conjunction with “*RISK FACTORS—Tax considerations*”.

### 1. Swiss Federal Withholding Tax (*Verrechnungssteuer*)

Payments of interest (be it periodic, as original issue discount or premium upon redemption, if any) in respect of the Notes by the Issuer will be subject to Swiss Federal Withholding Tax (*Verrechnungssteuer*) currently at the rate of 35 per cent. and the Issuer will be required to withhold such tax at such rate from any payments of interest under the Notes.

### 2. Swiss Final Foreign Withholding Tax (*internationale Quellensteuer*)

Treaties entered into by Switzerland with the United Kingdom and Austria (each a Contracting State) regarding final withholding taxes require a Swiss paying agent, as defined in the treaties, to levy a flat-rate final withholding tax (*internationale Quellensteuer*) at rates specified in the treaties on certain capital gains and income items (interest, dividends, other income items, all as defined in the treaties) deriving from assets held in accounts or deposits with a Swiss paying agent by: (i) an individual being tax resident of a Contracting State; or (ii) if certain requirements are met, by a domiciliary company (*Sitzgesellschaft*), an insurance company in connection with a so called insurance wrapper (*Lebensversicherungsmantel*) or other individuals if the beneficial owner is an individual resident of a Contracting State. According to the treaties, the flat-rate tax to be withheld substitutes the ordinary income tax on the respective capital gains and income items in the Contracting State where the individual is tax resident. In order to avoid such flat-rate tax being withheld by the Swiss paying agent, such individuals may opt for a disclosure of the respective capital gains and income items to the tax authorities of the Contracting State where they are tax residents.

If a flat-rate final withholding tax were to be deducted or withheld from a payment of interest or capital gain relating to a Note, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the deduction or imposition of such final withholding or any other tax to compensate Noteholders for the reduction in the amounts that they will receive.

On 27 May 2015, Switzerland and the European Union signed an agreement regarding the introduction of the global standard for the automatic exchange of information in tax matters (the “**AEOI**”). The AEOI will replace the treaties on final foreign withholding taxes between Switzerland and the United Kingdom and between Switzerland and Austria, respectively.

### 3. Swiss Federal Securities Transfer Stamp Duty

The Issuance of the Notes on the issue date (primary market transaction) will not be subject to the Swiss federal securities transfer stamp tax (*Umsatzabgabe*). However, the subsequent transfer of title (secondary market transaction) for consideration of the Notes may be subject to the Swiss federal securities transfer stamp duty at the current rate of 0.15 per cent. if a Swiss securities dealer is a party or agent/intermediary to such transfer and no specific exemption applies. In addition to the Swiss federal securities transfer stamp duty, the sale of Notes by or through a member of the SIX Swiss Exchange may be subject to a stock exchange levy.

### 4. Income Tax on Interest and Capital Gains

#### 4.1 Notes held by non-Swiss resident holders

Payments of interest and repayment of principal by the Issuer and gain realised on the sale or redemption of Notes by a holder of Notes who is not a resident of Switzerland and who during the current taxation year has not engaged in trade or business through a permanent establishment or a fixed place of business in Switzerland to which such Notes are attributable and who is not subject to income taxation in Switzerland for any other reason will not be subject to any Swiss federal, cantonal or communal income tax except for withholding tax as outlined under “*TAXATION IN SWITZERLAND—Swiss Federal Withholding Tax and Final Withholding Tax on Swiss Bank Accounts*”.

#### 4.2 Notes held as private assets by Swiss resident holders

##### (a) Notes without a “predominant one-time interest payment”

Individuals who are resident in Switzerland and who hold the Notes as private assets without a predominant one-time interest payment are required to include all payments of interest on such Notes in their personal income tax return and will be taxable on any net taxable income (including the payments of interest on the Notes) for the relevant tax period. Notes without a predominant one-time interest payment are notes the yield-to-maturity of which predominantly derives from periodic interest payments and not from a one-time interest payment.

##### (b) Notes with a “predominant one-time interest payment”

If the yield-to-maturity of Notes predominantly derives from a one-time interest payment such as an original issue discount or a repayment premium and not from periodic interest payments, then a holder who is an individual resident in Switzerland holding such note as a private asset is required to include in his personal income tax return for the relevant tax period any periodic interest payments received on the Notes and, in addition, any amount equal to the difference between the value of the note at redemption or sale, as applicable, and the value of the note at issuance or secondary market purchase, as applicable, realised on the sale or redemption of such Note, and converted into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, and will be taxable on any net taxable income (including such amounts) for the relevant tax period. Any value decreases realised on such Notes on sale or redemption may be offset by such a holder against any gains (including periodic interest payments) realised by him within the same taxation period from other instruments with a predominant one-time interest payment.

##### (c) Capital gains and losses on the disposal of Notes

Swiss resident individuals who sell or otherwise dispose of privately held Notes realise either a tax free private capital gain or a non-tax deductible capital loss. See the preceding paragraph for a summary of the tax treatment of a gain or a loss realised on Notes with a “predominant one-time interest payment”. See “—*Notes held as Swiss business assets*” below for a summary on the tax treatment of individuals classified as “professional securities dealers”.

#### 4.3 Notes held as Swiss business assets

A person (individual or a legal entity) who holds Notes as part of a business in Switzerland, or, in the case of a person abroad, through a permanent establishment or fixed place of business in Switzerland, is required to recognise the payments of interest and any capital gain or loss realised on the sale or other disposition of such Notes in its income statement for the relevant tax period and will be taxable on the net taxable income for such period, to the extent attributable to the permanent establishment or fixed place of business in Switzerland, as the case may be. The same taxation treatment also applies to Swiss resident individuals who, for income tax purposes, are classified as “professional securities dealers” for reasons of, *inter alia*, frequent dealings of and/or leveraged investments in securities.



## SUBSCRIPTION AND SALE

### 1. Subscription of the Notes

Pursuant to the Subscription Agreement, the Joint Lead Managers have agreed with the Issuer to purchase the Notes at the issue price of 100 per cent in respect of the aggregate principal amount of the Class A Notes, 100 per cent. of the aggregate principal amount of the Class B Notes and 100 per cent. of the aggregate principal amount of the Class C Notes.

The Subscription Agreement is subject to a number of conditions and may be terminated by the Joint Lead Managers in certain circumstances prior to payment for the Notes to the Issuer. The Issuer and the Originator have agreed to indemnify the Joint Lead Managers against certain liabilities in connection with the issue of the Notes.

### 2. Selling Restrictions

#### 2.1 General

Other than admission of the Notes to SIX Swiss Exchange, no action has been or will be taken by the Issuer or the Joint Lead Managers that would permit a public offer of the Notes in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither the Prospectus nor any circular, form of application, advertisement or other material may be distributed in or from or published in any country or jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

No person has been authorised to give any information or to make any representations other than as contained in this Prospectus in connection with the issue and sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Joint Lead Managers. Neither the delivery of this Prospectus nor any allotment or sale made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or that the information contained herein is correct as of any time subsequent to the date hereof.

#### 2.2 United States of America and U.S. Persons

The Issuer reasonably believes that at the time the offering of the Notes began, there was no substantial U.S. market interest in its debt securities in the meaning of Rule 902.(j)(2) of Regulation S under the Securities Act of 1933 of the United States of America, as amended (the “**Securities Act**”).

The Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to or for the account or benefit of United States persons (except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Each Joint Lead Manager will represent, warrant and agree that:

- (a) it has not offered or sold, and will not offer or sell, any Notes constituting part of its allotment within the United States or to or for the account or benefit of United States persons except in accordance with Rule 903 of Regulation S under the Securities Act;
- (b) it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of the Notes, except with its affiliates or with the prior written consent of the Issuer; and
- (c) neither it, its affiliates nor any persons acting on its behalf have engaged or will engage in any selling efforts directed to the United States with respect to the Notes.

Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

## 2.3 European Economic Area

In relation to each Member State of the European Economic Area, which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each of the Issuer, the Originator, the Asset SPV and each Joint Lead Manager has represented and agreed, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of the Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State at any time:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the Notes referred to in (b) to (c) above shall require the Issuer or any Joint Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression **offer of Notes to the public** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in that Relevant Member State.

## 2.4 United Kingdom

Each Joint Lead Manager has represented and agreed:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## 2.5 Investor Compliance

Persons who come into possession of this Prospectus are required to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Notes or have in their possession, distribute or publish this Prospectus or any other offering material relating to the Notes, in all cases at their own expense.

### **USE OF PROCEEDS**

As certain fees and expenses will be payable by Swisscard as Originator, the proceeds of the issue of the Notes are expected to equal CHF 200,000,000 and will be used by the Issuer to subscribe for Issuer Certificate No. 5 issued by the Asset SPV.

## GENERAL INFORMATION

### 1. Authorisation

The issue of the Class A Notes, the Class B Notes and the Class C Notes has been authorised by a resolution of the Board of the Issuer passed on 8 June 2016.

### 2. Swiss Listing

The Class A Notes, the Class B Notes and the Class C Notes will be admitted to provisional trading on the SIX Swiss Exchange with effect from 13 June 2016 and application will be made for the Class A Notes, the Class B Notes and the Class C Notes to be listed in compliance with the standard for bonds on the SIX Swiss Exchange. The last day of trading for the Class A Notes, the Class B Notes and the Class C Notes will be the second Business Day on which the SIX Swiss Exchange is open for trading prior to the date upon which the Class A Notes, the Class B Notes and the Class C Notes will be fully redeemed. In accordance with Article 43 of the Listing Rules of the SIX Swiss Exchange, Credit Suisse has been appointed by the Issuer to lodge the listing application with the SIX Exchange Regulation of the SIX Swiss Exchange.

### 3. Clearing Codes

The Class A Notes, the Class B Notes and the Class C Notes have been accepted for clearance through SIX SIS Ltd. as follows:

|               | <b>ISIN</b>  | <b>Common Code</b> |
|---------------|--------------|--------------------|
| Class A Notes | CH0326371389 | 142389746          |
| Class B Notes | CH0326371397 | 142389819          |
| Class C Notes | CH0326371405 | 142389894          |

### 4. Litigation

The Issuer is not and has not been involved in any legal, governmental or arbitration proceedings which may have or have had since its date of incorporation a significant effect on its financial position or profitability and the Issuer is not aware that any such proceedings are pending or threatened.

### 5. Financial Statements

No financial statements have been prepared in respect of the Issuer.

### 6. Material Change

Since 10 May 2016 (being the date of incorporation of the Issuer), there has been no material adverse change in the financial position or prospects of the Issuer.

### 7. Availability of Documents

Copies of the following documents are available in physical form for inspection during usual business hours at the offices of the Issuer and the Principal Paying Agent for the life of this Prospectus: (a) the articles of association of the Issuer; (b) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to herein; and (c) the Transaction Documents referred to in this Prospectus.

### 8. Miscellaneous

No website referred to herein forms part of this Prospectus.

The language of the Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

## GLOSSARY OF DEFINED TERMS

**“Acceptance Date”** means, in relation to any Additional Designation Date, the date on which the Asset SPV accepts the Additional Designation Notice (such date not to be later than the date which is two Business Days after the relevant Additional Addition Date) and as of which the Accounts referred to in the Additional Designation Notice will become Designated Accounts (with effect as of the relevant Additional Addition Date);

**“Accession Letter”** means the letter to be delivered by an Additional Originator pursuant to and in accordance with the Receivables Sale and Purchase Agreement;

**“Accounts”** means credit card accounts of customers with either of the Originators (including any credit card accounts established to replace such credit card accounts for technical reasons such as fraud or product re-characterisation);

**“Account Security”** means security granted for the benefit of and/or to Credit Suisse taking the form of either (i) third party (bank) guarantees issued for the benefit of Credit Suisse and/or (ii) assets held by the Cardholders with Credit Suisse that are pledged to Credit Suisse;”

**“Accumulation Reserve Account”** means the accumulation reserve account established and maintained by the Issuer at the Issuer Account Bank;

**“Accumulation Reserve Account Funding Date”** means the Distribution Date immediately preceding the Controlled Accumulation Period Commencement Date, or such earlier or later date as may be directed by the Asset SPV Cash Manager; provided, however, that, if the Accumulation Reserve Account Funding Date occurs on a later date, the Servicer expects the Accumulation Reserve Account to be fully funded by the commencement of the Controlled Accumulation Period;

**“Accumulation Reserve Required Amount”** means, on any Distribution Date on or after the Accumulation Reserve Account Funding Date, in order to protect against any shortfalls in the payment of interest on the Notes, an amount equal to 0.25 per cent., *multiplied* by the sum of the Initial Principal Amounts of each Class of the Notes;

**“Addition Date”** means the Initial Addition Date and any Additional Addition Date;

**“Additional Addition Date”** means, in relation to any Additional Designation Date, the date which is one Business Day prior to such Additional Designation Date;

**“Additional Asset SPV Bank Account”** means any additional bank account opened by the Asset SPV from time to time at a Qualified Institution for the benefit of specific Collateral Certificates;

**“Additional Cost Amount”** means, for each Transfer Date, with respect to:

- (a) Issuer Certificate No. 5, either (i) at any time prior to the occurrence of an Enforcement Event, the aggregate of the amounts payable pursuant to clauses (e) through (m) of the Finance Charge Priority of Payments on the following Distribution Date; or (ii) at any time following the occurrence of an Enforcement Event, the aggregate of the amounts payable pursuant to clauses (i) through (k) of the Enforcement Priority of Payments; and
- (b) any other Issuer Certificate, the aggregate of the amounts payable with respect to all Related Debt corresponding to such Issuer Certificate that are subordinated to the payment of interest on (and following an event of default with respect to such Related Debt, principal of) such Related Debt, but in any event, not including any amounts to be paid to the Asset SPV as residual collections for such Issuer Certificate;

**“Additional Designation Date”** means any Business Day during the Revolving Period on which the Originator sends an Additional Designation Notice to the Asset SPV in accordance with the terms of the Receivables Sale and Purchase Agreement;

**“Additional Designation Notice”** means the notice to be delivered by an Originator to the Asset SPV under the Receivables Sale and Purchase Agreement and listing, *inter alia*, the Accounts nominated to become Designated Accounts;

**“Additional Interest”** shall have the meaning ascribed to such term in Condition 8.3(b) (*Deferred Interest and Additional Interest*);

**“Additional Issuance Date”** means any date following 21 June 2012 on which the Asset SPV issues an Issuer Certificate or an Originator Certificate, as applicable, by executing and delivering the related Supplement in accordance with the terms of the Collateral Certificate Trust Deed;

**“Additional Issuer Bank Account”** means any additional bank account opened by the Issuer from time to time at a Qualified Institution for the benefit of the Notes;

**“Additional Originator”** means any member of the CS Group or any Affiliate of Swisscard which becomes an Originator after 21 June 2012 and accedes to the Receivables Sale and Purchase Agreement in accordance with the terms thereof and any other relevant Transaction Document;

**“Adjusted Originator Invested Amount”** means, with respect to any date of determination, an amount equal to the sum of (a) the Originator Invested Amount (excluding any portion related to the Ineligible Receivables in the Securitised Portfolio), and (b) any amount retained in the Excess Funding Account, in each case, as of such date of determination;

**“Affiliate”** or **“affiliate”** means any person directly or indirectly controlling, controlled by, or under direct or indirect common control with, another person or any Subsidiary of such other person provided that a person will be deemed to control another person if such person owns at least 50 per cent. of the ownership interests in the controlled person;

**“Aggregate Available Finance Charge Amount”** means, for any Monthly Period with respect to Issuer Certificate No. 5, the sum of (a) the Issuer Disbursement Amount, and (b) the product of (i) the Group I Percentage for Issuer Certificate No. 5, and (ii) the Deferred FC Purchase Price, in each case, for such Monthly Period;

**“Aggregate Net Nominal Liquidation Amount”** means as at the date of determination, the aggregate of the Net Nominal Liquidation Amount of all Classes of the Notes;

**“Aggregate Nominal Liquidation Amount”** means as of any date of determination, the aggregate of the Nominal Liquidation Amount of all Classes of the Notes;

**“Aggregate Outstanding Principal Amount”** means the aggregate of the Outstanding Principal Amount of all Notes;

**“AIFMR”** means the Commission Delegated Regulation No. 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision;

**“Allocable Eligible Principal Receivables”** means as of any date of determination, an amount equal to the product of: (a) the aggregate amount of Eligible Principal Receivables as at such date; and (b) the ratio of (i) the Aggregate Net Nominal Liquidation Amount of the Notes; and (ii) the greater of (A) the aggregate of Eligible Principal Receivables, and (B) the aggregate of the Issuer Invested Amounts of all Issuer Certificates, in each case, as of such date;

**“Amendment”** means any supplement or other amendment of, or any authorisation or other waiver of any actual or prospective breach of any term of the Notes or any other Transaction Document (including any of the schedules, exhibits or annexes to that Transaction Document);

**“Annual Fees”** means all fees, if any, charged annually by the Originators to Cardholders by way of card fees or membership fees;

**“Arranger”** means Lloyds Bank plc;

**“Articles of Association”** means the articles of association (*Statuten*) of the Issuer and the Asset SPV (as applicable) in the form set out in relevant the Issuer Corporate Services Agreement or the Asset SPV Corporate Services Agreement (as applicable);

**“Asset SPV”** means Swiss Payments Assets AG;

**“Asset SPV Acceleration Notice”** means a notice delivered by the Collateral Trustee to the Asset SPV with a copy to the Servicer, the Asset SPV Cash Manager and the Asset SPV Account Bank in accordance with the Collateral Certificate Trust Deed which declares the Collateral Certificates to be immediately due and payable due to the occurrence of an Early Redemption Event;

**“Asset SPV Account Bank”** means Credit Suisse or any other person or persons from time to time acting as account bank under the Asset SPV Account Bank Agreement;

**“Asset SPV Account Bank Agreement”** means the account bank agreement entered into on 19 June 2012 between the Asset SPV, the Asset SPV Cash Manager, the Asset SPV Account Bank and the Collateral Trustee and amended and restated on 10 June 2015;

**“Asset SPV Account Bank Online Banking System”** means the relevant and applicable online banking system of the Asset SPV Account Bank allowing any Authorised Signatory in relation to the Asset SPV Bank Accounts to access online the account statements and dispose over the Asset SPV Bank Accounts.

**“Asset SPV Assigned Claims”** shall have the meaning ascribed to such term in the Asset SPV Claims Assignment Agreement;

**“Asset SPV Authorised Signatories List”** means a list of signatories authorised in respect of the Asset SPV Bank Accounts as set out as a schedule to the Asset SPV Account Bank Agreement;

**“Asset SPV Bank Accounts”** means the Collection Account, the Asset SPV Expense Account, the Excess Funding Account, the Asset SPV Securities Account and any Additional Asset SPV Bank Accounts;

**“Asset SPV Board”** means the board of directors of the Asset SPV;

**“Asset SPV Cash Manager”** means Swisscard or any other person or persons from time to time acting as a cash manager for the Asset SPV under the Collateral Certificate Trust Deed;

**“Asset SPV Cash Manager Change Notice”** means a notice delivered by the Asset SPV (and following delivery of an Asset SPV Acceleration Notice, countersigned by the Collateral Trustee) to the Asset SPV Account Bank under and in accordance with the Asset SPV Account Bank Agreement stating that the Asset SPV Cash Manager’s appointment has terminated and stating the name and contact details of the successor of the Asset SPV Cash Manager;

**“Asset SPV Claims Assignment Agreement”** means the claims assignment agreement entered into on 19 June 2012 between the Asset SPV and the Collateral Trustee, as amended on 15 April 2013 and amended and restated on 10 June 2015 and further amended and restated on or around the Signing Date;

**“Asset SPV Collateral Property”** means the Receivables and all other assets of the Asset SPV;

**“Asset SPV Corporate Services Agreement”** means the corporate services agreement entered into on 19 June 2012 between the Asset SPV and the Asset SPV Corporate Services Provider;

**“Asset SPV Corporate Services Provider”** means Swisscard or any other person or persons from time to time acting as a corporate services provider for the Asset SPV under the Asset SPV Corporate Services Agreement;

**“Asset SPV Costs”** means the amounts payable by the Asset SPV to its service providers, including the Collateral Trustee and the Asset SPV Corporate Services Provider;

**“Asset SPV English Law Documents”** means the Asset SPV Master Framework Agreement, the Collateral Certificate Trust Deed (except Part 3 (*Security*) thereto), the Supplements, the Asset SPV English Law Security Agreements and any other English law governed agreements or documents entered into from time to time by the Asset SPV Transaction Parties;

**“Asset SPV English Law Security”** means the Security Interests granted to the Collateral Trustee by the Asset SPV pursuant to the Asset SPV English Law Security Agreements;

**“Asset SPV English Law Security Agreements”** means the Collateral Certificate Trust Deed and any other English law governed agreement or document entered into from time to time by the Collateral Trustee (acting for its own account and as trustee for the Asset SPV Secured Creditors) with the Asset SPV for the benefit of the

Certificateholders and the other Asset SPV Secured Creditors for the purpose, *inter alia*, of securing the Asset SPV Secured Obligations;

**“Asset SPV Expense Account”** means the expense account established and maintained by the Asset SPV at the Asset SPV Account Bank;

**“Asset SPV Expense Amount”** means, for any Business Day during each Monthly Period on which Finance Charge Collections are deposited into the Collection Account, an amount equal to the excess (if any) of (a) the Asset SPV Monthly Expense Amount for such Monthly Period, over (b) the aggregate amount that, as of (but excluding) such Business Day, has so far been deposited in the Asset SPV Expense Account as part of the Asset SPV Monthly Expense Amount for such Monthly Period;

**“Asset SPV Independent Shareholder”** shall have the meaning ascribed to such term in the Asset SPV Shareholders Agreement;

**“Asset SPV Master Framework Agreement”** means the Asset SPV Master Framework Agreement entered into on 19 June 2012 between, amongst others, the Asset SPV, the Asset SPV Account Bank, the Asset SPV Corporate Services Provider, the Asset SPV Cash Manager and the Collateral Trustee, as amended on or about 15 April 2013, 10 June 2015 and further amended and restated on or around the Signing Date;

**“Asset SPV Monthly Expense Amount”** means, for each day during a Monthly Period, an amount equal to the sum of (a) the Monthly Asset SPV Costs, (b) the Servicing Fee (if any), (c) the Monthly Asset SPV Profit Amount and (d) the Initial FC Purchase Price, in each case, for such Monthly Period;

**“Asset SPV Secured Assets”** means the property, rights and assets of the Asset SPV from time to time over which security is granted pursuant to the Asset SPV Security Agreements; **“Asset SPV Secured Asset”** means any of them and any reference to one or more of the Asset SPV Secured Assets includes all or any part of it or each of them;

**“Asset SPV Secured Creditor”** means the Collateral Trustee, each Certificateholder and the Asset SPV Account Bank;

**“Asset SPV Secured Obligations”** means all monies, Liabilities and other obligations which from time to time are or may become due, owing or payable by the Asset SPV to each of the Asset SPV Secured Creditors under the Collateral Certificate Trust Deed, the Collateral Certificates, the Supplements and the Asset SPV Transaction Documents;

**“Asset SPV Securities Account”** means the securities account established and maintained by the Asset SPV at the Asset SPV Account Bank;

**“Asset SPV Security”** means security taken by the Certificateholders over the Asset SPV Collateral Property pursuant to the Asset SPV Security Agreements;

**“Asset SPV Security Agreements”** means the Asset SPV English Law Security Agreements and the Asset SPV Swiss Security Agreements;

**“Asset SPV Swiss Security”** means the Security Interests granted to the Collateral Trustee by the Asset SPV pursuant to the Asset SPV Swiss Security Agreements;

**“Asset SPV Swiss Security Agreements”** means the Asset SPV Claims Assignment Agreement and any other Swiss law governed agreement or document entered into from time to time by the Collateral Trustee (acting for its own account and as trustee for the Asset SPV Secured Creditors) with the Asset SPV for the benefit of the Certificateholders and the other Asset SPV Secured Creditors for the purpose, *inter alia*, of securing the Asset SPV Secured Obligations;

**“Asset SPV Transaction Documents”** means the Asset SPV Master Framework Agreement, the Receivables Sale and Purchase Agreement, the Servicing Agreement, the Collateral Certificate Trust Deed, each Originator Supplement, each Originator Certificate, each Issuer Supplement, each Issuer Certificate, the Asset SPV Security Agreements, the Asset SPV Account Bank Agreement, the Asset SPV Corporate Services Agreement and any other document designated as such from time to time by the Asset SPV Transaction Parties;

**“Asset SPV Transaction Party”** means any party to the Asset SPV Transaction Documents;



“**Auditor**” means KPMG AG;

“**Authorised Signatories**” means in respect of each Transaction Party, any persons who are duly authorised to act on its behalf, and “**Authorised Signatory**” means any of them;

“**Available Finance Charge Collections**” means for any Distribution Date, with respect to Issuer Certificate No. 5, the sum of:

- (a) the Issuer Disbursement Amount due to Issuer Certificate No. 5 on the Transfer Date preceding such Distribution Date;
- (b) available investment proceeds for that Monthly Period being an amount equal to any Permitted Investments (and any gain or profit from Permitted Investments) paid into the Issuer Distribution Account; and
- (c) any withdrawals from the Accumulation Reserve Account, the Liquidity Reserve Account and the Spread Account on such Distribution Date which are transferred into the Issuer Distribution Account;

“**Available Principal Collections**” means for any Distribution Date, with respect to Issuer Certificate No. 5, an amount equal to:

- (a) the amount of Required Retained Principal Amount allocated thereto and transferred from the Principal Collections Ledger in the Collection Account to the Issuer Principal Ledger on such Distribution Date; *plus*
- (b) any Available Finance Charge Collections that are to be applied as Available Principal Collections in accordance with any of clauses (e), (f), (k) and (l) of the Finance Charge Priority of Payments; *minus*
- (c) any Reallocated Principal Collections reallocated to cover certain shortfalls, if any, following from the application of Available Finance Charge Collections on such Distribution Date;

“**BA**” means the Swiss Federal Banking Act of 8 November 1934 (as amended, supplemented and restated from time to time);

“**BO**” means the Ordinance on Banks and Saving Banks of 17 May 1972 (as amended, supplemented and restated from time to time);

“**Bondholder Provisions**” means Articles 1157 to 1186 CO;

“**Board Reserved Matters**” means any matter to be considered by the board of directors of the Asset SPV or the Issuer (as applicable) relating to:

- (a) filing of insolvency or similar proceedings by the Asset SPV;
- (b) the calling of a shareholders’ meeting to resolve on any amendment to the Asset SPV Articles (to the extent the amendment is not required by any applicable law) or the dissolution or liquidation of the Asset SPV;
- (c) the consideration of any transaction and dealing in which, in the sole discretion of the independent member of the board of directors, another member of the board of directors has a direct or indirect interest conflicting with the interests of the Asset SPV;
- (d) any liquidation or sale of assets with the exception of a sale of assets as specifically provided for in the Transaction Documents;
- (e) conclusion and Amendment of any of the Transaction Documents; and
- (f) any amendment of the reserved matters in the organisational regulations;

“**Business Day**” means a day, other than a Saturday or Sunday, on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Zurich and London;

**“Business Transfer”** means the transfer of the credit card portfolio and related origination business from Credit Suisse to Swisscard (or another member of the CS Group) that occurred with effect from 1 July 2015;

**“Business Transfer Effective Date”** means 1 July 2015;

**“Cancelled Account”** means a Designated Account which has had its charging privileges permanently withdrawn for reasons other than being a Defaulted Account;

**“Cardholders”** means cardholders in respect of the Accounts;

**“Card Operating Account”** means an account maintained by, or on behalf of, an Originator in its own name for the purpose of receiving, *inter alia*, Collections;

**“CCA”** means the Swiss Credit Consumer Act of 23 March 2001 (as amended, supplemented and restated from time to time);

**“Certificateholder”** means the holder of a Collateral Certificate as reflected in the Collateral Certificate Register, collectively referred to as the **“Certificateholders”**;

**“Charged-Off Account”** means a Designated Account in respect of which the Servicer has written off the Receivables in such account as uncollectible in accordance with the Credit Card Guidelines or the Servicer’s customary and usual servicing procedures for servicing credit card receivables comparable to the Receivables assigned to the Asset SPV;

**“Charged-Off Amount”** means, with respect to any Charged-Off Account, either (a) on any day after the Servicer has delivered a notice to the Asset SPV (and each Rating Agency rating any Related Debt) indicating that its reporting systems are capable of identifying the Principal Receivables and Finance Charge Receivables in such Charged-Off Account and the amount of Principal Receivables (other than Ineligible Receivables) in such Charged-Off Account on the day such account became a Charged-Off Account, or (b) on any other day, the product of (i) the aggregate of all Receivables in such Charged-Off Account, and (ii) the Principal Charged-Off Ratio, in each case, as of the day such Account became a Charged-Off Account;

**“Charged-Off Receivables”** means Receivables outstanding under any Charged-Off Account;

**“Class”** means the Class A Notes, the Class B Notes or the Class C Notes, as applicable;

**“Class A Interest Amount Payable”** means, as of any Interest Payment Date, the Interest Amount Payable for the Class A Notes;

**“Class A Monthly Interest Amount”** means, as of any Distribution Date, the Monthly Interest Amount for the Class A Notes;

**“Class A Nominal Liquidation Amount”** means, as of any date of determination, the Nominal Liquidation Amount for the Class A Notes;

**“Class A Notes”** means the CHF 190,000,000 Class A notes, 2016-1 issued on the Closing Date and due June 2021;

**“Class B Interest Amount Payable”** means, as of any Interest Payment Date, the Interest Amount Payable for the Class B Notes;

**“Class B Monthly Interest Amount”** means, as of any Distribution Date, the Monthly Interest Amount for the Class B Notes;

**“Class B Nominal Liquidation Amount”** means, as of any date of determination, the Nominal Liquidation Amount for the Class B Notes;

**“Class B Notes”** means the CHF 6,000,000 Class B notes, 2016-1 issued on the Closing Date and due June 2021;

**“Class C Interest Amount Payable”** means, as of any Interest Payment Date, the Interest Amount Payable for the Class C Notes;

**“Class C Monthly Interest Amount”** means, as of any Distribution Date, the Monthly Interest Amount for the Class C Notes;

**“Class C Nominal Liquidation Amount”** means, as of any date of determination, the Nominal Liquidation Amount for the Class C Notes;

**“Class C Notes”** means the CHF 4,000,000 Class C notes, 2016-1 issued on the Closing Date and due June 2021;

**“Closing Date”** means on or about 15 June 2016 or such other date as may be agreed between the Issuer and the Arranger;

**“CO”** means the Swiss Code of Obligations dated 30 March 1911 (as amended, supplemented and restated from time to time);

**“Collateralised Account”** means an Account held by Swisscard which benefits or originally benefited from Account Security;

**“Collateral Certificate”** means any collateral certificate issued by the Asset SPV pursuant to and constituted by a Supplement and collectively referred to as the **“Collateral Certificates”**;

**“Collateral Certificate Register”** means the register of holders of the Collateral Certificates;

**“Collateral Certificate Trust Deed”** means the collateral certificate trust deed between, amongst others, the Asset SPV and the Certificateholders entered into on 20 June 2012 and amended on 15 April 2013 and 10 June 2015;

**“Collateral Trustee”** means Wells Fargo Trust Corporation Limited or any other person or persons from time to time acting as collateral trustee under the Collateral Certificate Trust Deed;

**“Collection Account”** means the collection account established and maintained by the Asset SPV at the Asset SPV Account Bank;

**“Collections”** means the Principal Collections and the Finance Charge Collections;

**“Common Depository”** means SIX SIS Ltd, Baslerstrasse 100, CH-4600 Olten, or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange;

**“Conditions”** means the terms and conditions of the Notes;

**“Controlled Accumulation Number”** means a number equal to a fraction, rounded up to the nearest whole number, the numerator of which is X and the denominator of which is Y, where:

X is the aggregate of the Issuer Invested Amount of Issuer Certificate No. 5 and each other Issuer Certificate in Group I for which its Related Debt is not expected to be in the Revolving Period; and

Y is equal to the product of (a) the lowest monthly principal payment rate on the Designated Accounts for the twelve Monthly Periods preceding the date of such calculation, or such lower number as the Asset SPV Cash Manager may specify, and (b) aggregate Issuer Invested Amounts of Issuer Certificate No. 5 and all other Issuer Certificates in Group I;

**“Controlled Accumulation Period”** means, so long as the Early Amortisation Period has not already commenced, the period commencing on the Controlled Accumulation Period Commencement Date and ending on the first to occur of (a) the commencement of the Early Amortisation Period, and (b) the Scheduled Redemption Date;

**“Controlled Accumulation Period Commencement Date”** means the Controlled Accumulation Scheduled Commencement Date, or if the Controlled Accumulation Required Period is determined to be shorter than three (3) Monthly Periods, the first calendar day of the first Monthly Period of the Controlled Accumulation Required Period;

**“Controlled Accumulation Required Period”** means, on the Distribution Date immediately preceding the Controlled Accumulation Period Commencement Date, the number of Monthly Periods prior to the Monthly

Period in which the Scheduled Redemption Date falls, equal to the lesser of: (a) three, and (b) the greater of (i) one, and (ii) the Controlled Accumulation Number;

**“Controlled Accumulation Scheduled Commencement Date”** means 1 March 2019;

**“Controlled Deposit Accumulation Amount”** means, for any Monthly Period during the Controlled Accumulation Period, an amount equal to (a) the Aggregate Outstanding Principal Amount of the Notes as of the last day of the Revolving Period *less* the amount, if any, on deposit in the Principal Funding Account to pay principal on the Notes, *divided by* (b) the Controlled Accumulation Required Period. The Controlled Deposit Accumulation Amount will initially equal CHF 66,666,667, but may be higher if the commencement of the Controlled Accumulation Period is postponed, as described under *“GENERAL DESCRIPTION OF THE NOTES—Principal—The Controlled Accumulation Period”*;

**“Controlled Deposit Accumulation Amount Deficit”** means (a) for the Monthly Period preceding the Controlled Accumulation Period, zero, and (b) for any Monthly Period in the Controlled Accumulation Period, the excess, if any, of the Controlled Deposit Amount for that Monthly Period, over the amount deposited into the Principal Funding Account with respect to that Monthly Period;

**“Controlled Deposit Amount”** means, for any Monthly Period during the Controlled Accumulation Period, the sum of (a) the Controlled Deposit Accumulation Amount for that Monthly Period, *plus* (b) any Controlled Deposit Accumulation Amount Deficit for any preceding Monthly Period in the Controlled Accumulation Period;

**“Credit Adjustment”** means the amount of the outstanding face amount of a Principal Receivable (a) which was created in respect of merchandise refused or returned by a cardholder or in respect of which the cardholder has asserted any defence, dispute, or set-off; (b) which is reduced by, or on behalf of, an Originator or the Servicer granting any rebate, refund, chargeback or adjustment (including Servicer errors); or (c) which is a fraudulent or counterfeit charge;

**“Credit Card Agreement”** means the relevant Originator’s standard form credit card agreements;

**“Credit Card Guidelines”** means the usual policies, procedures and practices relating to the operation of each Originator’s general credit card business;

**“Credit Suisse Annual Report 2015”** means the annual report of Credit Suisse Group AG as at and for the year ended 31 December 2015 published on <https://www.credit-suisse.com/ch/en/about-us/investor-relations.html>;

**“CRR”** means the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms amending Regulation (EU) No 648/2012 together with any guidelines, technical standards or Q&A responses published in relation thereto by the European Banking Authority (or any predecessor, successor or replacement agency or authority);

**“CS Group”** means Credit Suisse Group Ltd. with its registered seat at Paradeplatz 8, 8001 Zurich, Switzerland and any of its Affiliates.

**“Current Issuer Charge-Off”** means, with respect to Issuer Certificate No. 5 or any other Issuer Certificate, an amount equal to the product of (a) the Charged-Off Amount for all Receivables in a Charged-Off Account and (b) the Non-Principal Allocation Percentage for Issuer Certificate No. 5 or such other Issuer Certificate (as applicable) on the day during the Monthly Period in which such Account became a Charged-Off Account;

**“DEBA”** means the Swiss Debt Enforcement and Bankruptcy Act of 11 April 1889 (as amended, supplemented and restated from time to time);

**“Defaulted Account”** is a Designated Account where the related Cardholder has failed to make the required minimum payment for any due date and has not been re-classified as being either “current” or “closed” under the applicable Credit Card Guidelines;

**“Defaulted Collateralised Account”** means a Collateralised Account where the related Cardholder has failed to make the required minimum payment for any due date;”

**“Deferred FC Purchase Price”** means, in respect of all Finance Charge Receivables that have been sold, transferred and assigned by an Originator to the Asset SPV in accordance with the Receivables Sale and

Purchase Agreement, the portion of the purchase price therefore that is payable from the portion of the Net Finance Charge Collections allocated to any Issuer Certificate during a Monthly Period remaining following the payment of the Issuer Disbursement Amount on such Issuer Certificate on the Business Day immediately preceding the Distribution Date following such Monthly Period;

**“Deferred Interest”** shall have the meaning ascribed to such term in Condition 8.3(a) (*Deferred Interest and Additional Interest*);

**“Designated Accounts”** means certain American Express®, MasterCard® and VISA® Accounts designated to the Asset SPV from time to time from the Total Portfolio of American Express®, MasterCard® and VISA® Accounts originated or acquired by Swisscard that become designated accounts under the Receivables Sale and Purchase Agreement as further described therein;

**“Designation Date”** means any Business Day during the Revolving Period on which the Originator sends an Additional Designation Notice to the Asset SPV in accordance with the terms of the Receivables Sale Agreement;

**“Directive on Financial Reporting”** means the Directive on Financial Reporting issued by SIX Swiss Exchange;

**“Distribution Date”** means the 15th day of each month and, where the relevant Distribution Date is not a Business Day, the immediately following Business Day;

**“DPA”** means the Swiss Data Protection Act of 19 June 1992 (as amended, supplemented and restated from time to time);

**“DPAS”** means the Swiss Banks’ and Securities Dealers’ Depositor Protection Association, a banking industry self-regulatory organisation

**“Early Amortisation Event”** has the meaning ascribed to such term in the section titled *“GENERAL DESCRIPTION OF THE NOTES—Early Amortisation Period”*;

**“Early Amortisation Period”** means, with respect to the Notes, the period that will commence on the day on which an Early Amortisation Event occurs and will continue until the earlier to occur of (a) the Final Discharge Date for each Class of Notes; and (b) the Final Redemption Date;

**“Early Redemption Events”** has the meaning ascribed to such term in the section titled *“THE COLLATERAL CERTIFICATE TRUSTEE—Early Redemption Events”*;

**“Eligible Account”** means, as at the beginning of the day on the related Eligibility Determination Date, an Account:

- (a) where the Cardholder is an individual;
- (b) where the Cardholder’s billing address is located in Switzerland or a Restricted Additional Jurisdiction;
- (c) which was in existence and maintained with the relevant Originator prior to or at the time of its designation as a Designated Account;
- (d) which is payable in CHF;
- (e) which is governed by a Credit Card Agreement as amended from time to time (provided that no amendments may be made to terms and conditions relating to the governing law of the agreement, the assignability thereof or the ability of the relevant Originator to provide information regarding Cardholders to any person assuming such Originator’s rights under the agreement) or else, if acquired by an Originator, is governed by contractual terms not materially different from such Credit Card Agreement in relation to such matters;
- (f) which has not been classified by an Originator as counterfeit, cancelled, fraudulent, stolen or lost;
- (g) which has been originated or purchased by an Originator;

- (h) which has been operated in all material respects in accordance with the applicable Credit Card Guidelines and usual practices for the operation of its credit card business (as relevant); and
- (i) all Receivables on the Account have not been charged-off by the relevant Originator on the date on which the Account is specified as a Designated Account,

provided that, an account may be an Eligible Account even if one or more of the above is not satisfied subject to receipt of a Ratings Confirmation;

**“Eligible Principal Collections”** means Principal Collections of Eligible Principal Receivables;

**“Eligible Principal Receivables”** means Principal Receivables which are Eligible Receivables;

**“Eligible Receivable”** means a Receivable which, as at the beginning of the day on the relevant Addition Date, or in the case of additional Receivables arising thereafter, as at the Processing Date relating to when such additional Receivable comes into existence:

- (a) has arisen under an Eligible Account;
- (b) was otherwise created and complies with all other applicable laws and all consents, licences, approvals, authorisations, registrations or declarations required to be obtained, effected or given, and are in full force and effect as of the date of creation;
- (c) was originated in accordance with and is governed by the relevant Originator’s standard Credit Card Agreement without waiver or amendment in any material respect of the following matters: governing law, assignment and disclosure of information to persons who may assume rights under the Credit Card Agreement or else, if the related account was acquired by an Originator, under such terms without waiver or amendment in any material respect to the relevant Originator’s standard Credit Card Agreement in relation to those matters listed previously;
- (d) was originated in accordance with the Credit Card Guidelines and usual practices for the relevant Originator’s credit card business (or, in respect of a Receivable which has arisen on an Account acquired by an Originator prior to the date of acquisition by the Asset SPV, it was, to the best of the relevant Originator’s knowledge and belief, originated in accordance with the credit card guidelines of the originator of such Account);
- (e) is free and clear of any encumbrances exercisable against the Originators or the Asset SPV arising under or through the Originators (or any of its respective affiliates) and, to which, at the time of its creation (or, at the time of its acquisition by an Originator if such Receivable was originated by any person other than the relevant Originator) and at all times thereafter, the relevant Originator or the Asset SPV had good and marketable title;
- (f) is not a Receivable in a “closed” Defaulted Account or a Charged-Off Account;
- (g) constitutes a legal, valid, binding and enforceable payment obligation of the relevant Cardholder, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganisation, moratorium or other similar laws, now or hereafter in effect, affecting the enforcement of the creditors’ rights in general or by Article 2 of the Swiss Civil Code; and
- (h) is not currently subject to any right of rescission, defence, dispute, set-off, counterclaim or enforcement order;

**“Eligibility Determination Date”** means in relation to any Additional. Designation Date, two Business Days prior to such date;

**“Enforcement Event”** means the giving of an Issuer Acceleration Notice by the Note Trustee in accordance with the Note Trust Deed;

**“Enforcement Priority of Payments”** means the priority of payments set out under Condition 5.3;

**“Event of Default”** shall have the meaning ascribed to such term in Condition 10 (*Event of Default*);

**“Excess Funding Account”** means the excess funding account established and maintained by the Asset SPV at the Asset SPV Account Bank;

**“Excess Spread”** means in respect of any Monthly Period an amount equal to the Aggregate Available Finance Charge Amount less the aggregate of the amounts payable under items (a) to (and including) (f) of the Finance Charge Priority of Payments on the Distribution Date relating to such Monthly Period;

**“Excess Spread Percentage”** means, with respect to any Monthly Period, the difference, if any, of the Portfolio Yield over the Expense Rate, in each case, for such Monthly Period;

**“Excess Spread Required Amount”** means, with respect to any Monthly Period, an amount equal to zero, provided, however, that the Issuer may, from time to time, change such amount (which will never be less than zero) as long as it has received a Ratings Confirmation;

**“Expense Rate”** means, with respect to any Monthly Period, the annualised percentage equivalent of a fraction:

- (a) the numerator of which is the sum of amounts payable pursuant to Clauses (a) through (d) of the Finance Charge Priority of Payments on the Distribution Date for such Monthly Period; and
- (b) the denominator of which is the Aggregate Nominal Liquidation Amount of the Notes for such Monthly Period;

**“FATCA”** means Sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986, as amended, any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b) of the Code, any intergovernmental agreement entered into pursuant to such Sections of the Code, or any U.S. or non-U.S. fiscal or regulatory legislation, rules, guidance notes, or practices adopted pursuant to any such intergovernmental agreement;

**“FC Purchase Price”** means, with respect to all Finance Charge Receivables purchased by the Asset SPV, the Initial FC Purchase Price and the Deferred FC Purchase Price payable by the Asset SPV for such Finance Charge Receivables;

**“Final Discharge Date”** means, with respect to any Class of Notes, the date on which the Outstanding Principal Balance of such Class of Notes and all other monies and liabilities due or owing by the Issuer have been paid or discharged in full;

**“Final Redemption Date”** means, with respect to any Class of Notes, the Distribution Date falling in June 2021;

**“Finance Charge Collections”** means collections and other monies received in respect of Finance Charge Receivables;

**“Finance Charge Priority of Payments”** means the priority of payments set out under Condition 5.1 (*Finance Charge Priority of Payments*);

**“Finance Charge Receivables”** means all Receivables under a Designated Account which comprise amounts relating to Recoveries, Transaction Fees, FX Fee Receivables, Insurance Fees, Special Fees and Annual Fees and in respect of any Monthly Period;

**“FINMA”** means the Swiss Financial Market Supervisory Authority;

**“First Issue Date”** means 21 June 2012.

**“FISA”** means the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) of 3 October 2008 (as amended, supplemented and restated from time to time);

**“Fitch Ratings”** means Fitch Ratings Limited or any successor thereof;

**“Fixed Invested Amount”** means, with respect to each Issuer Certificate on any date of determination, the sum of the Aggregate Net Nominal Liquidation Amounts for all Related Debt corresponding to such Issuer Certificate as of either (i) the last day of the preceding Monthly Period (or, with respect to the first Monthly Period for any newly issued Related Debt, the closing date for such Related Debt) if the Revolving Period is in

effect for such Related Debt, or (ii) the close of business on the last day of the Revolving Period if the Revolving Period is no longer in effect with respect to such Related Debt;

“**FSMA**” means the Financial Services and Markets Act 2000 (as amended, supplemented and restated from time to time);

“**Floating Invested Amount**” means, with respect to each Issuer Certificate on any date of determination, the sum of the Aggregate Net Nominal Liquidation Amounts for all Related Debt corresponding to such Issuer Certificate as of the last day of the preceding Monthly Period (or, with respect to the first Monthly Period for any newly issued Related Debt, as of the closing date for such Related Debt);

“**FX Fee Percentage**” means one and a half per cent. or as varied from time to time provided that the Asset SPV receives a Ratings Confirmation in respect of such variation;

“**FX Fee Receivable**” means either (a) an amount equal to the principal amount as reflected in a Cardholder’s statement for each Principal Receivable sold to the Asset SPV multiplied by the FX Percentage or (b) the FX Fees arising under an Account provided that the Asset SPV has received a Ratings Confirmation to disapply the FX Fee Percentage;

“**FX Fees**” means fees relating to foreign exchange commission charged by the relevant Originator;

“**Global Note**” means the bearer note in global form to be issued in respect of the Notes pursuant to the Note Trust Deed and substantially in the form set out therein;

“**Governmental Authority**” means any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;

“**Group I**” means the designation given to Issuer Certificate No. 2, Issuer Certificate No. 3, Issuer Certificate No. 4 and Issuer Certificate No. 5 (and possibly in the future other Issuer Certificates) for purposes of allocating Shared Principal Collections and reallocating Finance Charge Collections credited to the Group I Finance Collections Ledger;

“**Group I Finance Collections Ledger**” means a ledger maintained by, or on behalf of, the Asset SPV on the Collection Account for the purposes of recording amounts of Finance Charge Collections that will be reallocated to Issuer Certificate No. 2, Issuer Certificate No. 3, Issuer Certificate No. 4 and Issuer Certificate No. 5 and any other Issuer Certificates in Group I based on the financing requirements of the Related Debt for any such Issuer Certificates;

“**Group I Percentage**” means, with respect to each Issuer Certificate in Group I as of any date of determination, the percentage equivalent (not to exceed 100 per cent.) of a fraction:

- (a) the numerator of which is the Issuer Invested Amount of such Issuer Certificate as of either (i) the last day of the preceding Monthly Period (or, with respect to the first Monthly Period, the initial Issuer Invested Amount), or (ii) if the Revolving Period is no longer in effect with respect to the Related Debt of such Issuer Certificate, as of the close of business on the last day of the Revolving Period for such Related Debt; and
- (b) the denominator of which is the sum of the Issuer Invested Amounts for all outstanding Issuer Certificates in Group I as of the date used to determine the Issuer Invested Amount for each such Issuer Certificate in the numerator of this definition;

“**Increase Period**” means the period commencing on any Set-off Exposure Calculation Date on which the Set-off Exposure Percentage exceeds 2.6 per cent and ending on the next Set-off Exposure Calculation Date on which the Set-off Exposure Percentage is less than 2.6 per cent.;

“**Independent Director**” means any person who has been appointed an independent member of a board of directors who shall be independent in the sense of the Swiss Code of Best Practice for Corporate Governance;

“**Ineligible Collections**” means Collections in respect of Ineligible Receivables;

“**Ineligible Receivables**” means Principal Receivables that are not Eligible Receivables;



“**Initial Addition Date**” means the fourth Business Day prior to the First Issue Date;

“**Initial Designation Notice**” means the notice delivered by the Originator under and in accordance with the Receivables Sale and Purchase Agreement listing, *inter alia*, the Accounts nominated to become Designated Accounts;

“**Initial Distribution Date**” means 15 July 2016;

“**Initial FC Purchase Price**” means, for each Monthly Period, an amount equal to the difference (if any) of (a) the product of (i) 3 per cent., *divided by* 12, and (ii) the outstanding face amount of Eligible Principal Receivables as of the last day of the immediately preceding Monthly Period and (b) the Servicing Fee for such Monthly Period;

“**Initial Principal Amount**” means, with respect to (a) the Class A Notes, CHF 190,000,000, (b) the Class B Notes, CHF 6,000,000, and (c) the Class C Notes, CHF 4,000,000;

“**Insolvency Event**” means the occurrence of any of the following circumstances:

- (a) with respect to a Swiss person which is not a Special Insolvency Regime Entity;
  - (i) such person is, or states in writing that it is, unable to pay its debts as they fall due or otherwise is, or admits that it is, insolvent (*zahlungsunfähig*), or files a petition for the opening of bankruptcy proceedings (*Konkursverfahren*) pursuant to Article 191 al. 1 DEBA or an application for provisional or definitive moratorium (*provisorische oder definitive Nachlassstundung*) pursuant to Article 293 *et seq.* DEBA because of insolvency (*Zahlungsunfähigkeit*);
  - (ii) such person is deemed to be over indebted (*überschuldet*) within the meaning of Article 725 al. 2 CO unless creditors have to the extent of any over indebtedness or insufficient coverage subordinated their claims to those of all other creditors;
  - (iii) by a final court decision: (A) bankruptcy proceedings (*Konkursverfahren*) are declared over such person pursuant to the DEBA; (B) a composition proceeding (*Nachlassverfahren*) including but not limited to a moratorium (*Nachlassstundung*) is declared over or granted to such person pursuant to the DEBA; (C) the opening of a bankruptcy proceeding in respect of such person is postponed pursuant to Article 725a al. 1 CO or Article 820 al. 2 CO, as applicable (*Konkursaufschub*); (D) an emergency moratorium (*Notstundung*) is granted to that person pursuant to the DEBA; or (E) the recognition of a non-Swiss bankruptcy or composition agreement with creditors, or similar non-Swiss proceedings regarding such person (*Anerkennung ausländischer Konkursdekrete; Anerkennung ausländischer Nachlassverträge und ähnlicher Verfahren*) under the Swiss Federal Statute on Private International law of 18 December 1987, unless (1) such person is satisfied that such actions are vexatious or frivolous and (2) such actions are permanently set aside within seven days of their commencement;
  - (iv) such person is dissolved for any of the reasons described in Article 736 CO (*Auflösung der Gesellschaft*) or Article 821 CO, as applicable;
  - (v) any similar event as may be described in any supplementing legislation and any implementation legislation and any ordinance or other rules and regulations regarding (i) to (iv) above; or
- (b) with respect to a Swiss person which is a Special Insolvency Regime Entity:
  - (i) the ordering of restructuring proceedings pursuant to Article 28 to *et seq.* BA in relation to such person;
  - (ii) the ordering of liquidation proceedings pursuant to Article 33 *et seq.* BA in relation to such person;
  - (iii) the ordering of protective measures pursuant to Article 26 al. 1 section (g) and/or section (h) BA in relation to such person;

- (iv) the opening of proceedings following the recognition of non-Swiss bankruptcy decrees and liquidation and restructuring measures (*Anerkennung ausländischer Konkursdekrete und Massnahmen*) pursuant to Article 37g BA in relation to such person;
  - (v) any similar event as may be described in any supplementing legislation and any implementation legislation and any ordinance or other rules and regulations regarding (i) to (iv) above; or
- (c) with respect to any other person the dissolution, bankruptcy, insolvency, winding-up, liquidation, administration, examination, amalgamation, reconstruction, reorganisation, arrangement, adjustment, administrative or other receivership or dissolution of that person, the official management of all of its revenues or other assets or the seeking of protection or relief of debtors and any equivalent or analogous proceeding by whatever name known and in whatever jurisdiction;

**“Insurance Fees”** means fees for credit insurance and card protection insurance;

**“Interchange”** means fees payable in connection with the use of a credit card and charged by any banks which clear such credit card transactions;

**“Interest Amount”** means, in relation to any Class of Notes and an Interest Period, the amount of interest payable in respect of that Class of Notes for that Interest Period;

**“Interest Amount Payable”** means, for any Class of Notes and as of any Interest Payment Date, an amount equal to the Interest Amount, Deferred Interest and any Additional Interest due and payable on such Class of Notes as of such Interest Payment Date;

**“Interest Ledger”** means a ledger maintained by, or on behalf of, the Issuer on the Issuer Distribution Account for the purposes of recording the Monthly Interest Amount for each Class of Notes;

**“Interest Payment Date”** means the 15<sup>th</sup> day of June of each year or, following the occurrence of an Early Amortisation Event, each Distribution Date, provided that, in each case, if such day is not a Business Day, the next following Business Day and the first scheduled date shall fall in June 2017;

**“Interest Period”** means a period from and including the Closing Date, or from and including the most recent Interest Payment Date, to but excluding the current Interest Payment Date;

**“Interest Rate”** means, with respect to (a) the Class A Notes, 0.130 per cent. per annum, (b) the Class B Notes, 1.250 per cent. per annum, and (c) the Class C Notes, 2.500 per cent. per annum;

**“Intermediated Securities”** has the meaning ascribed to it by FISA;

**“Invested Amount”** means any Issuer Invested Amount or any Originator Invested Amount (as applicable);

**“Issuer Acceleration Notice”** means a notice delivered by the Note Trustee to the Issuer, copied to the Account Bank and the Principal Paying Agent, in accordance with the Note Trust Deed, which declares the Notes to be immediately due and payable following the occurrence of an Event of Default;

**“Issuer Account Bank”** means Zürcher Kantonalbank or any other person or persons from time to time acting as Issuer account bank under the Issuer Account Bank Agreement;

**“Issuer Account Bank Agreement”** means the Issuer account bank agreement entered into on or about the Signing Date between, amongst others, the Issuer and the Issuer Account Bank;

**“Issuer Assigned Claims”** shall have the meaning ascribed to such term in the Issuer Claims Assignment Agreement;

**“Issuer Bank Accounts”** means the Issuer Distribution Account, the Principal Funding Account, the Accumulation Reserve Account, the Spread Account, the Liquidity Account, the Issuer Securities Account and any other Additional Issuer Bank Account opened by the Issuer in accordance with the Transaction Documents;

**“Issuer Board”** means the board of directors of the Issuer;

**“Issuer Cash Management Agreement”** means the cash management agreement to be entered into on or about the Signing Date between the Issuer, the Note Trustee, the Security Trustee and the Issuer Cash Manager;

**“Issuer Cash Management Services”** has the meaning ascribed to the term in the Issuer Cash Management Agreement;

**“Issuer Cash Manager”** means Swisscard or any other person or persons from time to time acting as cash manager for the Issuer under the Issuer Cash Management Agreement;

**“Issuer Cash Manager Change Notice”** means a notice delivered by the Issuer (countersigned by the Security Trustee) to the Issuer Account Bank under and in accordance with the Issuer Account Bank Agreement stating that the Issuer Cash Manager’s appointment has terminated and stating the name and contact details of the successor of the Issuer Cash Manager;

**“Issuer Certificate No. 1”** means the Issuer Certificate issued by the Asset SPV to Swiss Credit Card Issuance No. 1 AG on the First Issue Date pursuant to Issuer Supplement No. 1 and cancelled on 15 June 2015;

**“Issuer Certificate No. 2”** means the Issuer Certificate issued by the Asset SPV to Swiss Credit Card Issuance No. 2 AG on the Second Issue Date pursuant to Issuer Supplement No. 2;

**“Issuer Certificate No. 3”** means the Issuer Certificate issued by the Asset SPV to Swiss Credit Card Issuance 2015-1 AG on the Third Issue Date pursuant to Issuer Supplement No. 3;

**“Issuer Certificate No. 4”** means the Issuer Certificate issued by the Asset SPV to Swiss Credit Card Issuance 2015-2 AG on the Third Issue Date pursuant to Issuer Supplement No. 4;

**“Issuer Certificate No. 5”** means the Issuer Certificate issued by the Asset SPV to the Issuer on the Closing Date pursuant to Issuer Supplement No. 5;

**“Issuer Certificateholder”** means the respective holder of any Issuer Certificate then outstanding;

**“Issuer Certificates”** means a Collateral Certificate that is issued to a person other than an Originator;

**“Issuer Claims Assignment Agreement”** means the claims assignment agreement entered into on or about the Signing Date between the Issuer and the Security Trustee;

**“Issuer Corporate Services Agreement”** means the corporate services agreement entered into on or about the Signing Date between the Issuer Corporate Services Provider and the Issuer;

**“Issuer Corporate Services Provider”** means Swisscard or any other person or persons from time to time acting as corporate services provider for the Issuer under the Issuer Corporate Services Agreement;

**“Issuer Costs”** means any amounts payable by the Issuer to its Auditors, the Rating Agencies, any Tax Authority and the Listing Agent;

**“Issuer Disbursement Amount”** means, in respect of any Issuer Certificate, the aggregate of all amounts payable to such Issuer Certificate on each Transfer Date as described in *“SOURCE OF FUNDS—Reallocation of amounts credited to the Group I Finance Collections Ledger to the Issuer Certificates in Group I”*;

**“Issuer Distribution Account”** means the distribution account established and maintained by the Issuer at the Issuer Account Bank;

**“Issuer English Law Documents”** means the Note Trust Deed and the Issuer Cash Management Agreement and any other English law governed agreements or documents entered into from time to time by the Issuer Transaction Parties;

**“Issuer English Law Security”** means the Security Interests granted to the Security Trustee by the Issuer pursuant to the Issuer English Law Security Agreements;

**“Issuer English Law Security Agreements”** means the Security Trust Deed and any other English law governed agreement or document entered into from time to time by the Security Trustee (acting for its own account and as trustee for the Issuer Secured Creditors) with the Issuer for the benefit of the Noteholders and the other Issuer Secured Creditors for the purpose, *inter alia*, of securing the Issuer Secured Obligations;

**“Issuer Finance Charge Ledger”** means a ledger so named, maintained by the Issuer Cash Manager on the Issuer Distribution Account for the purpose of recording the Available Finance Charge Collections;

**“Issuer Independent Shareholders”** shall have the meaning ascribed to such term in the Issuer Shareholders Agreement;

**“Issuer Invested Amount”** means as of any date of determination, (a) with respect to Issuer Certificate No. 5, an amount equal to the Aggregate Net Nominal Liquidation Amount of the Notes, and (b) with respect to any other Issuer Certificates, an amount equal to the Aggregate Net Nominal Liquidation Amount of the Related Debt;

**“Issuer Master Framework Agreement”** means the Issuer master framework agreement entered into on or about the Signing Date between, amongst others, the Issuer, the Issuer Account Bank, the Issuer Cash Manager, the Issuer Corporate Services Provider, the Security Trustee and the Note Trustee;

**“Issuer Monthly Profit Amount”** means, for each Distribution Date, an amount equal to (a) the Issuer Profit Amount, *divided by* (b) 12;

**“Issuer Principal Ledger”** means the ledger so named, maintained by the Issuer Cash Manager on the Issuer Distribution Account;

**“Issuer Profit Amount”** means with respect to the first Distribution Date in each calendar year, CHF 20,000;

**“Issuer Secured Assets”** means the property, rights and assets of the Issuer from time to time over which security is granted pursuant to the Issuer Security Agreements, and **“Issuer Secured Asset”** means any of them, and any reference to one or more of the Issuer Secured Assets includes all or any part of it or each of them;

**“Issuer Secured Creditors”** means the Note Trustee, the Noteholders, the Security Trustee, the Servicer (only in such capacity), the Issuer Account Bank, the Issuer Cash Manager, the Principal Paying Agent, the Issuer Corporate Services Provider, and any receiver appointed pursuant to the Security Trust Deed;

**“Issuer Secured Obligations”** means all monies, Liabilities and other obligations which from time to time are or may become due, owing or payable by the Issuer to each of the Issuer Secured Creditors under the Notes and the Issuer Transaction Documents;

**“Issuer Securities Account”** means the securities account established and maintained by the Issuer at the Issuer Account Bank;

**“Issuer Security”** means the Issuer English Law Security and the Issuer Swiss Security;

**“Issuer Security Agreements”** means the Issuer English Law Security Agreements and the Issuer Swiss Security Agreements;

**“Issuer Supplement No. 1”** means the Supplement to the Collateral Certificate Trust Deed entered into on 20 June 2012 between amongst others, the Asset SPV and the other Certificateholders pursuant to which the Asset SPV issued Issuer Certificate No. 1 to Swiss Credit Card Issuance No. 1 AG;

**“Issuer Supplement No. 2”** means the Supplement to the Collateral Certificate Trust Deed entered into on 15 April 2013 between amongst others, the Asset SPV and the other Certificateholders pursuant to which the Asset SPV issued Issuer Certificate No. 2 to Swiss Credit Card Issuance No. 2 AG;

**“Issuer Supplement No. 3”** means the Supplement to the Collateral Certificate Trust Deed entered into on 10 June 2015 between amongst others, the Asset SPV and the other Certificateholders pursuant to which the Asset SPV issued Issuer Certificate No. 3 to Swiss Credit Card Issuance 2015-1 AG;

**“Issuer Supplement No. 4”** means the Supplement to the Collateral Certificate Trust Deed entered into on 10 June 2015 between amongst others, the Asset SPV and the other Certificateholders pursuant to which the Asset SPV issued Issuer Certificate No. 4 to Swiss Credit Card Issuance 2015-2 AG;

**“Issuer Supplement No. 5”** means the Supplement to the Collateral Certificate Trust Deed entered into on or about the Signing Date between amongst others, the Asset SPV and the other Certificateholders pursuant to which the Asset SPV issues Issuer Certificate No. 5 to the Issuer;

**“Issuer Swiss Law Documents”** means the Issuer Swiss Security Agreements, the Principal Paying Agency Agreement, the Subscription Agreement, the Issuer Account Bank Agreement, the Issuer Corporate Services Agreement and any other document designated as such by the relevant Issuer Transaction Parties;

**“Issuer Swiss Security”** means the Security Interests granted to the Security Trustee by the Issuer pursuant to the Issuer Swiss Security Agreements;

**“Issuer Swiss Security Agreements”** means the Issuer Claims Assignment Agreement and any other Swiss law governed agreement or document entered into from time to time by the Security Trustee (acting for its own account and as trustee for the Issuer Secured Creditors) with the Issuer for the benefit of the Certificateholders and the other Issuer Secured Creditors for the purpose, *inter alia*, of securing the Issuer Secured Obligations;

**“Issuer Transaction Documents”** means the Issuer Master Framework Agreement, the Issuer Security Agreements, the Issuer Cash Management Agreement, the Principal Paying Agency Agreement, the Subscription Agreement, the Issuer Account Bank Agreement, the Issuer Corporate Services Agreement and any other document designated as such by the relevant Issuer Transaction Parties;

**“Issuer Transaction Party”** means any party to the Issuer Transaction Documents;

**“Joint Lead Managers”** means Credit Suisse, ZKB and Lloyds Bank and each a **“Joint Lead Manager”**;

**“Liabilities”** means, in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgments, actions, proceedings or other liabilities whatsoever including legal fees and any Taxes and penalties incurred or that may be incurred by that person;

**“Liquidity Amount”** means, with respect to each Distribution Date (a) prior to the occurrence Liquidity Trigger Event, zero, and (b) following the occurrence of a Liquidity Trigger Event, an amount equal to the sum of the highest three Liquidity Expense Amounts paid or estimated to be paid on any Distribution Date during the Liquidity Amount Calculation Period;

**“Liquidity Amount Calculation Period”** means with respect to any Distribution Date a period commencing on the most recent to occur of (a) the Initial Distribution Date and (b) the Distribution Date that occurs twelve months prior to such Distribution Date and, in each case, ending on the Distribution Date that occurs twelve months after such date;

**“Liquidity Expense Amount”** means as of any Distribution Date the sum of the Monthly Interest Amount for each Class of Notes and the Senior Costs;

**“Liquidity Reserve Account”** means the liquidity reserve account established and maintained by the Issuer at the Issuer Account Bank;

**“Liquidity Trigger Event”** means an event that will occur if (a) the Servicer fails to maintain (i) a short term unsecured and unguaranteed debt rating of at least “F1” by Fitch Ratings and (ii) a long term unsecured and unguaranteed debt rating of at least “A” by Fitch Ratings, provided in each case that such rating may be a private rating, and (b) as of any Distribution Date, the Excess Spread Percentage averaged over the three preceding Monthly Periods is less than 4.5 per cent.;

**“Liquidity Withdrawal Amount”** means, as of any Distribution Date, an equal to the lesser of:

- (a) the amount, if any, equal to the amount of any Monthly Interest Amount (and any Issuer Costs payable in priority thereto in accordance with the applicable Priority of Payment) that would not be payable from Available Finance Charge Collections in accordance with the applicable Priority of Payments on such Distribution Date; and
- (b) the amount, if any, credited to the Liquidity Reserve Account;

**“Mandatory Acceleration Event”** means any of the Events of Default listed in Condition 10(a)(iv) to (vii);

**“Maximum Addition Amount”** means, with respect to any Addition Date, the number of additional Accounts originated or purchased by the Originators and identified as a Designated Account after the Initial Addition Date pursuant to the terms of the Receivables Sale and Purchase Agreement with notice to each Rating Agency (as described in the Receivables Sale and Purchase Agreement) which for any Monthly Period:

- (a) the number of such additional Accounts does not exceed either:
- (i) the product of (A) 15 per cent. and (B) the number of Designated Accounts as of the first day of the third preceding Monthly Period; or
  - (ii) the product of (A) 20 per cent. and (B) the number of Designated Accounts as of the first day of the calendar year in which the addition is to occur,

*less*, in each case, the additional Designated Accounts added since that date, measured for each such additional Designated Account as of the date that such Account was designated to the Securitised Portfolio; and

- (b) the aggregate principal balance in the additional Accounts (as at the date such additional Accounts are designated to the Securitised Portfolio) does not exceed either:
- (i) the product of (A) 15 per cent. and (B) the aggregate amount of Eligible Principal Receivables as of the first day of the third preceding Monthly Period; or
  - (ii) the product of (A) 20 per cent. and (B) the aggregate amount of Eligible Principal Receivables as of the first day of the calendar year in which the addition is to occur,

*less*, in each case, the transferred Principal Receivables in the additional Designated Accounts added since that date, measured for each such additional Designated Account as of the date that such Account was designated to the Securitised Portfolio;

**“Meeting”** means a meeting of each Class of Noteholders or a meeting of all Noteholders whether originally convened or resumed following an adjournment and in respect of which minutes have been taken and signed;

**“Member State”** means each member state of the European Union;

**“Minimum Aggregate Principal Receivables”** means, as of any date of determination, an amount equal to the Aggregate Net Nominal Liquidation Amount of Notes for such date;

**“Minimum Originator Invested Amount”** means, as of any date of determination, an amount equal to the sum of (a) 7.7 per cent. of the aggregate amount of Eligible Principal Receivables and (b) the Variable Originator Invested Amount;

**“MLA”** means the Swiss Anti-Money Laundering Act of 10 October 1997 (as amended, supplemented and restated from time to time);

**“Monthly Asset SPV Costs”** means, for each Monthly Period, an amount equal to the Asset SPV Costs that are due and payable on or about the Transfer Date following such Monthly Period;

**“Monthly Asset SPV Profit Amount”** means, for each Monthly Period, an amount equal to (a) CHF 90,000, *divided by* (b) 12;

**“Monthly Interest Amount”** means, in respect of any Class of Notes and as of any Distribution Date, the amount as calculated pursuant to Condition 8.4 (*Monthly Interest Amount*) for such Notes as of such Distribution Date;

**“Monthly Period”** means the period from (and including) the first day of a calendar month to (and including) the last day of the same calendar month, with the first Monthly Period beginning on and including 1 June 2016 and ending on and including 30 June 2016;

**“Most Senior Class”** means the most senior tranche of any Related Debt outstanding of any date of determination;

**“Net Finance Charge Collections”** means, on any Business Day on which Finance Charge Collections are deposited into the Collection Account, an amount equal to the greater of (a) zero, and (b) the difference of (i) the Finance Charge Collections deposited on such Business Day, and (ii) the Asset SPV Expense Amount for such Business Day;

**“Net Nominal Liquidation Amount”** means as of any date of determination, with respect to any Class of Notes, an amount equal to (a) the Nominal Liquidation Amount of such Class of Notes, *minus* (b) the amount credited to the Principal Funding Account for such Class of Notes;

**“Nominal Liquidation Amount”** means as of any date of determination, with respect to any Class of Notes, an amount equal to the lesser of

- (a) the Outstanding Principal Amount of such Class of Notes; and
- (b) an amount equal to:
  - (i) the Initial Principal Amount of such Class of Notes at the date of issuance; *minus*
  - (ii) any Prior Issuer Charge-Offs allocated to reduce the Nominal Liquidation Amount of such Class of Notes (see “*GENERAL DESCRIPTION OF THE NOTES—Allocations on the Notes—Allocation of Current Issuer Charge-Offs*”); *minus*
  - (iii) any Reallocated Principal Collections allocated to reduce the Nominal Liquidation Amount of such Class of Notes (see “*GENERAL DESCRIPTION OF THE NOTES—Allocations on the Notes—Reallocated Principal Collections*”); *minus*
  - (iv) any payment of principal to the holder of such Class of Notes; *plus*
  - (v) any Available Finance Charge Collections allocated pursuant to item (f) of the Finance Charge Priority of Payments to reinstate the Nominal Liquidation Amount of such Class of Notes for any Prior Issuer Charge-Offs or Reallocated Principal Collections (see “*GENERAL DESCRIPTION OF THE NOTES—Allocations on the Notes—Allocation of Available Finance Charge Collections—The Finance Charge Priority of Payments*” and “*GENERAL DESCRIPTION OF THE NOTES—Allocations on the Notes—Allocation of Increases to the Nominal Liquidation Amount of the Notes*”); *plus*
  - (vi) solely with respect to the Class C Notes, any amounts withdrawn from the Spread Account to reinstate the Nominal Liquidation Amount of such Class C Notes;

**“Nominal Liquidation Amount Deficit”** means, with respect to any Class of Notes, the excess of the Outstanding Principal Amount of such Note over the Nominal Liquidation Amount for such Class of Notes;

**“Non-Principal Allocation Percentage”** means, with respect to each Issuer Certificate as of any date of determination, the percentage equivalent (not to exceed 100 per cent.) of a fraction:

- (a) the numerator of which is either (i) the Floating Invested Amount for such Issuer Certificate, or (ii) solely with respect to the allocation of Finance Charge Collections, the Fixed Invested Amount for such Issuer Certificate; and
- (b) the denominator of which is the greater of:
  - (i) the aggregate of the Eligible Principal Receivables under the Designated Accounts as of the most recent Reset Date; and
  - (ii) the sum of the numerators used to calculate the applicable non-principal allocation percentages for all outstanding Issuer Certificates with respect to such date of determination;

**“Noteholders”** means the respective holders of the Notes;

**“Note Trust Deed”** means the note trust deed to be entered into on or about the Signing Date between the Note Trustee and the Issuer;

**“Note Trustee”** means Wells Fargo Trust Corporation Limited or any other person or persons from time to time acting as note trustee under the Note Trust Deed;

**“Notes”** means the Class A Notes, the Class B Notes and the Class C Notes;

**“Notification Trigger”** means an event that will occur:

- (a) if the Servicer fails to (i) maintain a long-term credit rating of at least “BBB” (provided that the short term rating is “A-2” or higher) or “BBB+” (if the short term rating is less than “A-2” or there is no short term rating) from S&P (or such other rating which is acceptable to S&P) and (ii) maintain a short term rating of “F-3” and a long-term credit rating of “BBB” from Fitch Ratings, provided that in each case such credit rating may be a private rating; or
- (b) where a Selling Originator:
  - (i) has a rating, if such person fails to (A) maintain a long-term credit rating of at least “BBB” (provided that the short term rating is “A-2” or higher) or “BBB+” (if the short term rating is less than “A-2” or there is no short term rating) from S&P (or such other rating which is acceptable to S&P) and (B) maintain a short term rating of “F-3” and a long-term credit rating of “BBB” from Fitch Ratings, provided that in each case such credit rating may be a private rating; or
  - (ii) does not maintain a rating, unless the Asset SPV receives a Ratings Confirmation from each Rating Agency in respect thereof, if with respect to any Related Debt (A) the Excess Spread Percentage as of any Distribution Date, averaged over the three preceding Monthly Periods, is less than 4.5 per cent or (B) the Portfolio Yield, averaged over the three preceding Monthly Periods, is less than 7.5 per cent.

“**Originator**” means any person that is a party to the Receivables Sale and Purchase Agreement as Originator (including, for the avoidance of doubt, any Additional Originator);

“**Originator Certificate**” means a Collateral Certificate issued by the Asset SPV to an Originator pursuant to an Originator Supplement, collectively referred to as the “**Originator Certificates**”;

“**Originator Certificateholder**” means respective holders of the Originator Certificates;

“**Originator Disbursement Amount**” means, in respect of any Originator Certificate, the aggregate of any Finance Charge Collections payable to such Originator Certificateholder on each Transfer Date;

“**Originator Invested Amount**” means on any date of determination, an amount, but not to be less than zero, equal to the aggregate Eligible Principal Receivables owned by the Asset SPV, *minus* the Invested Amount for all outstanding Issuer Certificates issued by the Asset SPV. Under the Collateral Certificate Trust Deed, the Originator Invested Amount will also be comprised of a separate tranche corresponding solely to any Ineligible Receivables owned by the Asset SPV. However, for the purposes of this Prospectus any references to the Originator Invested Amount relates to the Originator Invested Amount as it relates to the Eligible Principal Receivables unless expressly stated otherwise;

“**Originator Supplement**” means any Supplement to the Collateral Certificate Trust Deed executed by the Asset SPV pursuant to which the Asset SPV issues Originator Certificates to an Originator;

“**Outstanding Principal Amount**” means, with respect to any Related Debt, the initial principal amount of the Related Debt, *less* any principal payments made on such Related Debt;

“**Permitted Investments**” means any one or more of the following:

- (a) demand or time deposits, certificates of deposit and certain commercial paper with a remaining term to maturity of not more than 365 days, provided that the issuing entity or, if such investment is guaranteed, the guaranteeing entity or, in respect of demand or time deposits, any bank or other financial institution, has at least, in the case of S&P, a short-term rating of at least “A-1+” (or a long-term rating of at least “AA-” where no short-term rating is available) and in the case of Fitch Ratings, a short-term rating of at least “F1” (or a long-term rating of at least “A” where no short-term rating is available); or
- (b) securities issued by the government of Switzerland with a remaining term to maturity of not more than 365 days provided that such securities have a long-term rating of at least “AA-” (or a short-term rating of at least “A-1+” where no long-term rating is available) from S&P; or
- (c) securities issued by any other entity with a remaining term to maturity of not more than 365 days provided that such securities have (i) both a short-term rating of at least “F1+” and a long-term rating



of at least “AA-” by Fitch Ratings (or if such security is not assigned both a long-term rating by Fitch Ratings and a short-term rating by Fitch Ratings, a long-term rating of at least “AA-”, or a short-term rating of at least “F1+”, as the case may be), and (ii) a long-term rating of at least “AA-” (or a short-term rating of at least “A-1+” where no long-term rating is available) from S&P,

provided that any such securities shall be denominated in Swiss Francs (CHF) and that such investment shall be due such that the full notional amount would be available for application on the immediately following Distribution Date and that the principal invested under such security is scheduled to be returned in full;

“**person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“**Portfolio Yield**” means, with respect to any Monthly Period, the annualised percentage equivalent of a fraction:

- (a) the numerator of which is equal to:
  - (i) the Aggregate Available Finance Charge Amount with respect to such Monthly Period; *minus*
  - (ii) the aggregate Current Issuer Charge-Offs for such Monthly Period; and
- (b) the denominator of which is the Aggregate Nominal Liquidation Amount of the first day of such Monthly Period;

“**Principal Allocation Percentage**” means, with respect to each Issuer Certificate as of any date of determination, the percentage equivalent (not to exceed 100 per cent.) of a fraction:

- (a) the numerator of which is the Fixed Invested Amount for such Issuer Certificate; and
- (b) the denominator of which is the greater of
  - (i) the aggregate of the Eligible Principal Receivables as of the most recent Reset Date; and
  - (ii) the sum of the numerators used to calculate the applicable principal allocation percentages for all outstanding Issuer Certificates with respect to such Monthly Period;

“**Principal Charged-Off Ratio**” means, as of any date of determination, the number equal to (a) the aggregate of all Eligible Principal Receivables in the Securitised Portfolio, divided by (b) the aggregate of all Eligible Principal Receivables and Finance Charge Receivables in the Securitised Portfolio, in each case, as of such date of determination;

“**Principal Collections**” means collections and other monies received in respect of Principal Receivables which are Eligible Receivables;

“**Principal Collections Ledger**” means a ledger maintained by, or on behalf of, the Asset SPV on the Collection Account for the purposes of recording amounts of Principal Collections;

“**Principal Funding Account**” means the principal funding account established and maintained by the Issuer at the Issuer Account Bank;

“**Principal Paying Agent**” means Credit Suisse AG or any other person or persons from time to time acting as principal paying agent under the Principal Paying Agency Agreement;

“**Principal Paying Agency Agreement**” means the principal paying agency agreement entered into on or about the Signing Date between the Principal Paying Agent, the Issuer, the Security Trustee and the Note Trustee;

“**Principal Priority of Payments**” means the priority of payments set out under Condition 5.2 (*Principal Priority of Payments*);

“**Principal Purchase Price**” means, as of any date, the aggregate face amount of all Eligible Principal Receivables being assigned to the Asset SPV on such date;

**“Principal Receivables”** means all Receivables arising under a Designated Account other than Finance Charge Receivables and primarily comprise amounts owing by the Cardholders in respect of purchases, withdrawals from automatic teller machines and the obtaining by Cardholders of cash advances;

**“Prior Issuer Charge-Off”** means, on any Distribution Date, the amount by which the Available Finance Charge Collections following the transfer for the previous Monthly Period was unable to cover the aggregate of all Current Issuer Charge-Offs allocated to the Issuer as the holder of Issuer Certificate No. 5 for such Monthly Period;

**“Priority of Payments”** means the Finance Charge Priority of Payments, the Principal Priority of Payments and the Enforcement Priority of Payments (as applicable);

**“Processing Date”** means, in respect of any transaction relating to an Account (including receipt of any Collections), the Business Day after the overnight processing which resulted in that transaction being first recorded on the computer master file of Accounts used by the Servicer or, as the case may be, an Originator (without regard to the effective date of such recording);

**“Qualified Institution”** or **“Qualifying Institution”** means an institution which at all times has (a) a short-term unsecured debt rating of at least “A-1” by S&P and a long-term rating of at least “A” (or, where no short-term unsecured debt rating by S&P is available, a long-term unsecured debt rating of at least “A+” by S&P), and (b) a short-term unsecured debt rating of at least “F-1” by Fitch Ratings and a long-term unsecured debt rating of at least “A” by Fitch Ratings; or (c) such other short-term or long-term rating which is otherwise acceptable to the relevant Rating Agency;

**“Quarterly Excess Spread Percentage”** means, as of any date of determination, the percentage equivalent of a fraction the numerator of which is the sum of the Excess Spread Percentages for each of the immediately preceding three Monthly Periods and the denominator of which is three;

**“Rating Agencies”** means, together, S&P and Fitch Ratings, and, each, a **“Rating Agency”**;

**“Ratings Confirmation”** means a confirmation that a particular action will not have an adverse effect on the then current rating of the Related Debt which requires receipt of

- (a) in respect of any outstanding Related Debt rated by S&P, written confirmation from S&P that the relevant action will not result in the reduction, qualification, suspension or withdrawal of the then current ratings assigned to such Related Debt by S&P in respect of all outstanding Collateral Certificates; and
- (b) in respect of any Related Debt rated by any other Rating Agency, either (i) written confirmation from each relevant Rating Agency that the relevant action will not result in the reduction, qualification, suspension or withdrawal of the then current ratings assigned to any outstanding Related Debt rated by that Rating Agency; or (ii) a certification in writing by an authorised signatory of the Servicer stating that the relevant action has been notified to the Rating Agencies and, in its opinion, would not cause the then current ratings assigned to any outstanding Related Debt rated by such Rating Agency to be reduced, qualified, suspended or withdrawn by any such Rating Agency and, where a Rating Agency was prepared to consult with the Servicer, such opinion is based on such consultation with the relevant Rating Agency; provided however that it is understood that the Rating Agencies shall be under no obligation to provide a rating agency confirmation;

**“Realised Account”** is a Designated Account that has become a “closed” Defaulted Account or Charged-Off Account and has remained so for 48 calendar months since the time it became a “closed” Defaulted Account or a Charged-Off Account;

**“Reallocated Principal Collections”** means, as of any Distribution Date, the amount of Available Principal Collections standing to the credit of the Issuer Principal Ledger on such Distribution Date reallocated to cover certain shortfalls, if any, following from the application of Available Finance Charge Collections on such Distribution Date;

**“Receivables”** means all existing and future rights, amounts, claims and proceeds accruing under the Accounts (whether actual or contingent);

**“Receivables Sale and Purchase Agreement”** means the receivables sale and purchase agreement entered into on 19 June 2012 between the Asset SPV, Swisscard and Credit Suisse and amended on 15 April 2013 and amended and restated on 10 June 2015 and further amended and restated on or around the Signing Date;

**“Receiver”** means any receiver, manager, receiver or manager appointed by the Security Trustee in respect of the Issuer and by the Collateral Trustee in respect of the Asset SPV pursuant to the terms and conditions of the Security Trust Deed and the Collateral Trust Deed as applicable;

**“Records”** means, in respect of the Receivables and the related Accounts (a) all files, microfiles, correspondence, notes of dealing and other documents, books, books of account, registers, records and other information and (b) all computer tapes and discs, relating to the Receivables, in particular, without limitation, relating to the underlying Credit Card Agreements;

**“Recoveries”** means all amounts received (excluding expenses) with respect to Receivables under “closed” Defaulted Accounts or Charged-Off Receivables, including the proceeds from the sale of such related “closed” Defaulted Account or Charged-Off Receivables (as the case may be) by the applicable Originator;

**“Redesignated Account”** means any Designated Account which (a) becomes a Cancelled Account, a Zero Balance Account, a Realised Account or, from the Business Transfer Effective Date, a Defaulted Collateralised Account or (b) an Originator reclassifies it as no longer being a Designated Account in accordance with the Receivables Sale and Purchase Agreement;

**“Redesignation Acceptance Date”** means, in relation to any Redesignation Date, the date on which the Asset SPV accepts the Redesignation Notice (such date not to be later than the date which is two Business Days after the relevant Removal Date) and as of which the Accounts referred to in the Redesignation Notice will become Redesignated Accounts (with effect as of the relevant Removal Date);

**“Redesignation Date”** means during the Revolving Period, any date which is a Business Day on which an Originator sends to the Asset SPV a Redesignation Notice in accordance with the Receivables Sale and Purchase Agreement;

**“Redesignation Notice”** means a notice substantially in the form set out in, and delivered in accordance with, the Receivables Sale and Purchase Agreement;

**“Registrar”** means Swiss Payments Assets AG appointed pursuant to the Collateral Certificate Trust Deed to maintain a register in respect of the Certificateholders;

**“Regulatory Direction”** means, in relation to any person, a direction or requirement of any Governmental Authority with whose directions or requirements such person is accustomed to comply;

**“Reinvestment”** has the meaning ascribed to such term in *“Permitted Investments—Reinvestments made with respect to the Issuer Certificates”*;

**“Related Debt”** means, with respect to (a) Issuer Certificate No. 5, the Notes, and (b) any other Issuer Certificate, the notes or other Liabilities issued by the Issuer Certificateholder to fund its Issuer Invested Amount in such Issuer Certificates;

**“Removal Date”** means in relation to any Redesignation Date, the date which is one Business Day prior to that relevant Redesignation Date;

**“Required Retained Principal Amount”** means, with respect to each Issuer Certificate and any date of determination, an amount to be retained for the immediately following Transfer Date equal to:

- (a) on any day during the Revolving Period, the product of (i) the Principal Allocation Percentage for such Issuer Certificate, (ii) the Subordinated Allocation Percentage for the Subordinated Related Debt of such Issuer Certificate, and (iii) the Principal Collections on the Eligible Principal Receivables transferred to the Asset SPV’s Collection Account on each Business Day (provided that such amount shall not exceed the Nominal Liquidation Amount of the Subordinated Related Debt for such Issuer Certificate),

- (b) on any day during the Controlled Accumulation Period, the lesser of (i) the Controlled Deposit Amount, and (ii) the Aggregate Net Nominal Liquidation Amount, in each case, for all Related Debt; and
- (c) for any other day, the Aggregate Nominal Liquidation Amount for all Related Debt;

“**Required Spread Amount**” means, with respect to each Distribution Date, the amount equal to (a) the Spread Account Percentage for such Distribution Date *multiplied by* (b) the Initial Principal Amount of the Notes;

“**Requisite Percentage**” means the percentage of Noteholders required to pass a resolution as determined in accordance with the Bondholder Provisions;

“**Requirement of Law**” in respect of any person means:

- (a) any law, treaty, rule, requirement or regulation;
- (b) a notice by or an order of any court having jurisdiction;
- (c) a mandatory requirement of any regulatory authority having jurisdiction; or
- (d) a determination of an arbitrator or Governmental Authority,

in each case applicable to or binding upon that person or to which that person is subject or with which it is customary for it to comply;

“**Reset Date**” means, as of any date of determination, the most recent date to occur of the following:

- (a) the last day of the preceding Monthly Period;
- (b) an Addition Date; and
- (c) a Redesignation Acceptance Date;

“**Resolution**” means a resolution passed by the Requisite Percentage of Noteholders at a Meeting duly convened and held in accordance with Condition 13 (*Meetings of Noteholders*);

“**Restricted Additional Jurisdiction**” means any jurisdiction other than Switzerland provided Accounts with a billing address located in such a jurisdiction together with each other Account with a billing address located in any other jurisdiction (excluding Switzerland) represent less than five per cent. of the aggregate amount of Eligible Principal Receivables;

“**Revolving Period**” means, with respect to the Notes, any period which is not a Controlled Accumulation Period or an Early Amortisation Period;

“**Risk Retention Rules**” means any of Part Five of the CRR and Articles 51 to 53 of AIFMR;

“**S&P**” means Standard & Poor’s Credit Market Services Europe Ltd or any successor thereof;

“**Scheduled Redemption Date**” means the Distribution Date falling in June 2019;

“**Second Issue Date**” means 19 April 2013;

“**Securitised Portfolio**” means the Receivables existing and arising under the Designated Accounts together with certain specific rights and transferred to the Asset SPV;

“**Security Interest**” means a guarantee, mortgage, assignment for security purposes, charge, pledge, assignment, transfer by way of security, lien, encumbrance, security power of attorney or other security interest or right (including a right in rem in an asset or right, or a right *in personam* against a person securing any obligation of any person) or any other agreement or arrangement having a similar effect of securing the payment of any obligation or performance of any action;

“**Security Trustee**” means Wells Fargo Trust Corporation Limited or any other person or persons from time to time acting as security trustee under the Security Trust Deed;

**“Selling Originator”** means any Originator that has delivered an Initial Designation Notice or an Additional Designation Notice to the Asset SPV under the Receivables Sale and Purchase Agreement (including, for the avoidance of doubt, Swisscard, which as a consequence of the Business Transfer is deemed to have delivered an Initial Designation Notice and Additional Designation Notices) and, consequently, sells Receivables to the Asset SPV under the Receivables Sale and Purchase Agreement, unless it has declared ceasing to be a Selling Originator;

**“Selling Originator Representations and Warranties”** means each of the representations and warranties of a Selling Originator set out as a schedule to the Receivables Sale and Purchase Agreement;

**“Senior Costs”** means:

- (a) in respect of Issuer Certificate No. 5, all amounts payable prior to the payment of Class A Monthly Interest Amount pursuant to the applicable Priority of Payments; or
- (b) in respect of any other Issuer Certificate, all amounts payable prior to the payment of interest on the Most Senior Class of Related Debt in accordance with the applicable Priority of Payments;

**“Servicer”** means Credit Suisse AG or any other person or persons from time to time acting as servicer under the Servicing Agreement;

**“Servicer Power of Attorney”** means a general power of attorney in the form set out as a schedule to the Servicing Agreement;

**“Servicer Report”** means the report prepared by the Servicer on each Servicer Report Date substantially in the form set out as a schedule to the Servicing Agreement;

**“Servicer Report Date”** means each Transfer Date;

**“Servicer Termination Event”** means the occurrence of any one of the following events:

- (a) any failure by the Servicer to give advice or notice to the Asset SPV pursuant to an agreed schedule of collections and allocations or to advise the Asset SPV to make any required drawing, withdrawal, or payment pursuant to the relevant Transaction Documents including under any support on or before the date occurring five Business Days after the date such payment, transfer, deposit, withdrawal or drawing or such advice or notice is required to be made or given, as the case may be, under the terms of the Servicing Agreement or any relevant document;
- (b) failure on the part of the Servicer duly to observe or perform in any respect any other covenants or agreements of the Servicer ascribed to such term in the Servicing Agreement or any other relevant Transaction Document which has, as certified by an Issuer Certificateholder, a material adverse effect on the interests of the Issuer and which failure, if capable of remedy, continues unremedied for a period of 60 days or more after the date on which written notice of such failure, requiring the same to be remedied, has been given to the Servicer by the Asset SPV, or to the Servicer and the Asset SPV by the Issuer, and continues to have a material adverse effect on the interests of the Issuer for such period;
- (c) delegation by the Servicer of its duties under the Servicing Agreement to any other entity, except as permitted by the Servicing Agreement;
- (d) any relevant representation, warranty or certification made by the Servicer in the Servicing Agreement or in any certificate delivered pursuant hereto proves to have been incorrect when made, which has, as certified by an Issuer Certificateholder, a material adverse effect on the interests of the Issuer and, if capable of remedy, continues to be incorrect in any material respect for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, will have been given to the Servicer by the Asset SPV or to the Servicer and the Asset SPV by the Issuer and continues to have a material adverse effect on the interests of the Issuer for such period;
- (e) the occurrence of an Insolvency Event with respect to the Servicer;

**“Servicing Agreement”** means the servicing agreement entered into on 19 June 2012 between the Asset SPV, the Servicer and the Collateral Trustee and amended and restated on 10 June 2015;

**“Servicing Fee”** means, for each Monthly Period, an amount equal to: (a) for any period prior to the Business Transfer Effective Date, the product of (i) the Servicing Fee Rate, *divided by* 12, and (ii) the Aggregate Outstanding Principal Amount of all Related Debt (with respect to each Issuer Certificate outstanding) as of the first day of such Monthly Period; and (b) for any period following the Business Transfer Effective Date, the product of (i) the Servicing Fee Rate, *divided by* 12, and (ii) the outstanding face amount of Eligible Principal Receivables as of the last day of the immediately preceding Monthly Period;

**“Servicing Fee Rate”** means (a) 0.75 per cent. per annum (but in any event not to exceed 1.0 per cent.) for each day on which either Credit Suisse or Swisscard is acting as Servicer, and (b) 2.16 per cent. per annum for each day on which any other party is acting as Servicer or such other rate that may be agreed with the Asset SPV and such other party in accordance with the terms of the Servicing Agreement and in each case inclusive of any applicable Tax;

**“Set-off Exposure Calculation Date”** means the Business Day falling at the end of each quarterly period commencing May 2013, provided that upon either (i) the occurrence of a Notification Trigger or (ii) any quarterly date on which the Set-off Exposure Percentage exceeds 3.4 per cent., this will be the Business Day falling at the end of each calendar month;

**“Set-off Exposure Percentage”** means, as of any Set-off Exposure Calculation Date, the percentage calculated by the Servicer and reported to the Rating Agencies;

**“Shared Principal Collections”** means for Group I, as the context may require, either:

- (a) the amount of principal collections calculated for Issuer Certificate No. 5 which may be applied to cover the principal shortfalls (or equivalent) with respect to the Related Debt of other outstanding Issuer Certificates in Group I; or
- (b) the amounts of Principal Collections calculated in respect of other outstanding Issuer Certificates in Group I which the applicable Supplements for such Issuer Certificate specify are to be treated as “Shared Principal Collections” and which may be applied and distributed to the Issuer to cover the principal shortfalls with respect to the Notes;

**“Shareholder Reserved Matters”** means any matter to be considered at a meeting of the shareholders of the Asset SPV or the Issuer (as applicable) relating to:

- (a) the amendment of the Asset SPV’s purpose;
- (b) the creation of shares with preferential voting rights;
- (c) the restriction of the transferability of registered shares and the abrogation of such a restriction;
- (d) any increase of capital;
- (e) the restriction or cancellation of pre-emptive subscription rights;
- (f) the change of the domicile of the Asset SPV;
- (g) the dissolution of the Asset SPV;
- (h) the amendment of the Asset SPV Articles;
- (i) the disposition of all or a substantive part of the assets of the Asset SPV, if such a disposition entails a factual liquidation of the Asset SPV;
- (j) all resolutions reserved to the shareholders’ meeting pursuant to the Swiss Merger Act; and
- (k) the removal of members of the board of directors or the Auditors;

**“Signing Date”** means 8 June 2016;

**“SIX Swiss Exchange”** means SIX Swiss Exchange Limited;

**“Solvency Certificate”** means a certificate of solvency signed by one or more Authorised Signatories of the Originator or the Asset SPV (as applicable) in a form and substance satisfactory to the Asset SPV Transaction Party receiving the certificate in accordance with the terms of the relevant Asset SPV Transaction Document;

**“Special Fees”** means any fees levied on Accounts (including Designated Accounts) by an Originator whether at one time or on an ongoing basis;

**“Special Insolvency Regime Entity”** means any entity that is subject to the insolvency rules of BA and the Swiss Banking Ordinance;

**“Specified Office”** has the meaning given in the Principal Paying Agency Agreement;

**“Spread Account”** means the spread account established and maintained by the Issuer at the Issuer Account Bank;

**“Spread Account Funding Date”** means any Distribution Date on which the Spread Account Percentage is calculated as being greater than 0 per cent.;

**“Spread Account Percentage”** means, for any Distribution Date, if the Quarterly Excess Spread Percentage is:

- (a) greater than 4.50 per cent., 0 per cent.;
- (b) greater than 4.00 per cent. but less than or equal to 4.50 per cent., 1.00 per cent.;
- (c) greater than 3.50 per cent. but less than or equal to 4.00 per cent., 1.50 per cent.;
- (d) greater than 2.50 per cent. but less than or equal to 3.50 per cent., 2.50 per cent.;
- (e) greater than 2.00 per cent. but less than or equal to 2.50 per cent., 4.00 per cent.; and
- (f) equal to or less than 2.00 per cent., 5.00 per cent.;

**“Subordinated Allocation Percentage”** means, with respect to any Issuer Certificate, the percentage equivalent of a fraction:

- (a) the numerator of which is the Aggregate Outstanding Principal Amount of the Subordinated Related Debt for such Issuer Certificate; and
- (b) the denominator of which is the Aggregate Outstanding Principal Amount of all Related Debt for such Issuer Certificate;

**“Subordinated Related Debt”** means with respect to any Issuer Certificate, all Related Debt that is subordinated to the Most Senior Class of Related Debt as specified in the applicable Supplement;

**“Subscription Agreement”** means the subscription agreement entered into on or about the Signing Date between the Issuer, the Originators, the Joint Lead Managers and the Asset SPV concerning the subscription and purchase of Notes to be issued pursuant to the Transaction;

**“Subsidiary”** means in relation to any person (the **“first person”**) at any particular time, any other person (the **“second person”**) (i) which is controlled, directly or indirectly, by the first person; (ii) the first person owns at least 50 per cent. of the ownership interests in the controlled person; (iii) which is a subsidiary of another subsidiary of the first person and for these purposes a person shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body; or (iv) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first person;

**“Substitute Card Operating Account”** means an account established at a Qualified Institution in the name of the Asset SPV for the purposes of receiving payments from Cardholders;

**“Successor Servicer”** means any person appointed to service the Receivables in succession to the then Servicer on substantially the same terms as the Servicing Agreement;

**“Supplement”** means a supplement to the Collateral Certificate Trust Deed executed by the Asset SPV and the relevant Certificateholders which establishes the specific terms and conditions of the related Collateral Certificates issued pursuant to such Supplement;

**“Swiss Act on Stock Exchanges and Securities Trading”** means the Swiss Act on Stock Exchanges and Securities Trading of 24 March 1995 as amended, supplemented and restated from time to time;

**“Swiss Banking Ordinance”** means the Swiss Banking Ordinance of 17 May 1972;

**“Swiss Federal Tax Administration”** means the tax authorities referred to in Article 34, Swiss Federal Withholding Tax Act;

**“Swiss Federal Withholding Tax”** means taxes imposed under the Swiss Federal Withholding Tax Act, which as at the Closing Date is 35 per cent.;

**“Swiss Federal Withholding Tax Act”** means the Swiss Federal Act on the withholding of tax of 13 October 1965 (*Bundesgesetz über die Verrechnungssteuer*), together with the related ordinances, regulations and guidelines (as amended, supplemented and restated from time to time);

**“Swiss Official Gazette of Commerce”** means the Schweizerisches Handelsamtsblatt;

**“Tax Authority”** means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function;

**“Third Issue Date”** means 15 June 2015;

**“Total Portfolio”** means the total portfolio of Eligible Accounts owned by the Originators on the applicable platform from which the relevant Originator may from time to time designate Eligible Accounts and offer the Receivables arising on such Eligible Accounts to the Asset SPV in accordance with the Receivables Sale and Purchase Agreement;

**“Transaction”** means the issuance of the Notes and the transactions contemplated by the Transaction Documents;

**“Transaction Documents”** means the Asset SPV Transaction Documents and the Issuer Transaction Documents;

**“Transaction Fees”** means all fees as specified in the Credit Card Agreement applicable to each Account other than Special Fees or Annual Fees;

**“Transaction Party”** means any party to the Transaction Documents;

**“Transfer Date”** means the Business Day immediately preceding each Distribution Date;

**“Transferred Finance Charge Receivable”** means any Finance Charge Receivable that forms part of the Securitised Portfolio;

**“Transferred Principal Receivable”** means any Principal Receivable that forms part of the Securitised Portfolio;

**“Transferred Receivables”** means all Receivables which are transferred and assigned by any Originator to the Asset SPV pursuant to the terms of the Receivables Sale and Purchase Agreement;

**“Trustee Cap Amount”** means, for any Distribution Date, an amount equal to the sum of (a) the Trustee Current Cap Amount, and (b) the Trustee Excess Cap Amount, in each case, as of such Distribution Date;

**“Trustee Current Cap Amount”** means, for each 12-month period following the Closing Date, an amount equal to CHF 450,000;

**“Trustee Excess Cap Amount”** means, for each 12-month period following the first anniversary of the Closing Date, an amount equal to (a) the sum of the Trustee Current Cap Amount for each preceding 12-month period, *minus* (b) the aggregate of all payments made in accordance with clause (a)(i) of the Finance Charge Priority of Payments on each Distribution Date during each preceding 12-month period;



**“Variable Originator Invested Amount”** means, as of any date of determination, an amount equal to the product of (a) the aggregate amount of Eligible Principal Receivables and (b) the applicable of (i) 3.4 per cent., (ii) during the Increase Period, 130 per cent. of the immediately preceding Set-off Exposure Percentage; or (iii) any lower per cent. for which the Asset SPV has received a Ratings Confirmation;

**“VAT”** means value added tax levied under the Swiss VAT Act of 12 June 2009 (as amended, supplemented and restated from time to time);

**“VAT Loaded Receivable”** means a Receivable carrying VAT; and

**“Zero Balance Account”** means a Designated Account specified by the Servicer as having had a nil balance of Receivables generated thereon or outstanding thereunder for a period of at least six consecutive months that the Servicer has identified such account as a Zero Balance Account pursuant to the Credit Card Guidelines or the Servicer’s customary and usual servicing procedures and has removed or will remove such account from the pool index file and the computer master file of Accounts used by the Servicer on such date specified by the Servicer.

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| <b>Issuer</b>   |   | <b>Asset SPV</b>   |
| Swiss Credit Card Issuance 2016-1 AG<br>c/o Swisscard AECS GmbH<br>Neugasse 18<br>CH-8810 Horgen<br>Switzerland           |   | Swiss Payments Assets AG<br>c/o Swisscard AECS GmbH<br>Neugasse 18<br>CH-8810 Horgen<br>Switzerland  |
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