UBS IR TEMPLATE

Template 1: Master Swap Template	**Version: Version 4 – 6 June 2012**

Notes:

For G10 Currencies Only

Product Types:
- CMS Swaps
- CMS Caps/Floors/Straddles
- CMSSPREAD_*TENOR_CCY**
- CMSSPREAD_DIGITAL_*TENOR_CCY*
- CMSSPREAD_DIGITAL_CALLABLE_*TENOR_CCY*
- CMSSPREAD_CALLABLE_*TENOR_CCY*
- Callable CMS Swaps
- Callable CMS Caps/Floors/Straddles
- Multi-Callable Fixed Rate Swaps
- Cancellable Swaps
- Cancellable Swaps with Step-Up Coupons
- Callable Accretors
- INVERSEFLOATER_*TENOR_CCY*
- INVERSEFLOATER_CALLABLE_*TENOR_CCY*
- Callable Collared Floater
- FIXEDRATE_STEPUP_CALLABLE

Date: [ ]

To: [ ] ("Counterparty")

Attention: [ ]

Fax: [ ]

From: [UBS AG, London Branch]/[UBS Limited] ("UBS")

Subject: Swap Transaction

                         UBS Ref: [ ]

Dear Sirs,

The purpose of this communication (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between us on the Trade Date specified below.

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

This Confirmation constitutes a "Confirmation" as referred to in, and supplements, forms part of, and is subject to, the [1992]/[2002] ISDA Master Agreement dated as of [], as amended and supplemented from time to time (the "Agreement") between UBS and Counterparty. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

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

General Terms:

Trade Date: [ ] (time of execution available on request).

Effective Date: [ ].

Termination Date: [ ], subject to adjustment in accordance with the [Following]/[Modified Following]/[Preceding] Business Day Convention.

Notional Amount: [ ].

                                     /

UBS Ref: [ ]

	[The Notional Amount in respect of a Calculation Period shall be as set out in the table in Schedule 1.][1]
Calculation Agent:	UBS[, unless otherwise stated in the Schedule to the Agreement.][2]
Business Days:	[London]/[New York]/[TARGET Settlement Days]/[ ].

[*Include the language below if an initial fee or premium is payable*]

Fixed Amount (1):

Fixed Amount (1) Payer:	[UBS]/[Counterparty].
Fixed Amount Payer (1) Payment Date:	The Effective Date.
Fixed Amount (1):	[ ].

[*Include the language below if the simple payment leg is based on a fixed rate*][3]

Fixed Amount (2):

Fixed Rate (2) Payer:	[UBS]/[Counterparty].
Fixed Rate Payer (2) Payment Date:	[ ][4] subject to adjustment in accordance with the [Following]/[Modified Following]/[Preceding] Business Day Convention.
	/
	(i) [ ][ ][ ][ ] in each year in the period from and including the Effective Date, to but excluding the Termination Date and (ii) the Termination Date, in each case subject to adjustment in accordance with the [Following]/[Modified Following]/[Preceding] Business Day Convention.[5]
[Fixed Amount]:[6]	[ ].

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[1] The notional may only be denominated in G10 currencies. Use the latter language and include Schedule 1 if the Notional Amount will vary according to a fixed schedule

[2] Confirm intention with desk. If the intention is for UBS to act as calculation agent and this language is included, it will be necessary to check the Agreement to ensure that it does not provide for another party.

[3] This template is designed to have one "simple payment leg", e.g. a standard fixed or floating leg, and a structured payment leg. To the extent necessary, replicate additional payment legs

[4] For single look, use the first set of language

[5] The default provisions of the 2006 Definitions adjust the Period End Dates (and therefore the payments due) as well as the payment dates in accordance with the Business Day Convention. To turn this off, include the following language at the end of the definition "and there shall be No Adjustment to Period End Dates"

[6] Include either a Fixed Amount or a Fixed Rate and a Day Count Fraction

	[The Fixed Amount in respect of a Calculation Period shall be as set out in the table in Schedule 1.][7]
[Fixed Rate]:[6]	[ ].
	[The Fixed Rate in respect of a Calculation Period shall be as set out in the table in Schedule 1.][8]
[Fixed Rate Day Count Fraction]:[6]	[ ].

==[*Include the language below if the simple payment leg is based on a floating rate (including for Caps, Floors, Straddles and Collared Transactions)*]==

Floating Amounts (1)

Floating Rate (1) Payer:	[UBS]/[Counterparty].
Floating Rate (1) Option:	[ ].[9]
Designated Maturity:	[ ].
[Cap Rate]/[Floor Rate]:[10]	[ ]%.
[Straddle Rate:][11]	[ ]%.
[Floating Rate (1):][12]	Means, in respect of a Calculation Period, the absolute value of the difference between the Relevant Rate on the related Reset Date and the Straddle Rate.
[Floating Rate (1):][12]	Means, in respect of a Calculation Period, the Relevant Rate on the related Reset Date plus the Spread, subject to a minimum of [ ]% and a maximum of [ ]%.
[Floating Rate (1) Day Count Fraction:][13]	[ ].
Spread:	[ ]%.

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[7] Use the latter language and include Schedule 1 if the Fixed Amount will vary according to a fixed schedule, e.g. for Cancellable Swaps with Step-Up Coupons

[8] Use the latter language and include Schedule 1 if the Fixed Rate will vary according to a fixed schedule

[9] Select the relevant option from the 2006 Definitions. Quanto swaps do not require any additional provisions as the Floating Rate Option will return a percentage and not a currency denominated figure.

[10] Only include for Caps and Floors, otherwise delete line

[11] Only include for Straddles, otherwise delete line.

[12] Only include for Collared transactions, otherwise delete line. NB that this is not for Collars, but rather Transactions which are subject to a minimum and maximum rate.

[13] Only specify if different from the DCF for the floating rate option set out in the 2006 Definitions, otherwise delete line.

UBS Ref: [ ]

[The Spread in respect of a Calculation Period shall be as set out in the table in Schedule 1.][14]

Floating Rate (1) Payer Payment Dates: [ ][15] subject to adjustment in accordance with the [Following]/[Modified Following]/[Preceding] Business Day Convention[16].

/

(i) [ ][ ][ ][ ] in each year in the period from but excluding the Effective Date, to but excluding the Termination Date and (ii) the Termination Date, in each case subject to adjustment in accordance with the [Following]/[Modified Following]/[Preceding] Business Day Convention.

Reset Dates: First day of each Calculation Period.

[Compounding:][17] [[Straight/Flat/Spread Exclusive Compounding Applicable/Inapplicable]].

[*Use the below option for structured legs and customise based on relevant rates.*]

Floating Amounts (2)

Floating Rate (2) Payer: [Counterparty]/[UBS].

[Floating Rate (2)[18]:] Floating Rate (2) in respect of each Calculation Period shall be calculated and determined as follows:

(i) If CMS Spread is greater than or equal to Strike, Floating Rate (2) shall be [ ]%; or

(ii) If CMS Spread is less than Strike, Floating Rate (2) shall be [ ]%.

Where:

"CMS Spread" means [*currency*]$_{[maturity1]}$ − [*currency*]$_{[maturity2]}$;

"Strike" means [ ]%;

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[14] Use the latter language and include Schedule 1 if the Spread will vary according to a fixed schedule

[15] For single look, use the first set of language

[16] The default provisions of the 2006 Definitions adjust the Period End Dates (and therefore the payments due) as well as the payment dates in accordance with the Business Day Convention. To turn this off, include the following language at the end of the definition "and there shall be No Adjustment to Period End Dates"

[17] Only include if Compounding or Flat Compounding will be Applicable, otherwise delete line

[18] Include for CMS Spread Digitals, otherwise delete line

"[*currency*]$_{[maturity1]}$" means [*floating rate option*], with a Designated Maturity of [ ][19]; and

"[*currency*]$_{[maturity2]}$" means [*floating rate option*], with a Designated Maturity of [ ].

[Floating Rate (2):]/

[Relevant Rate:][20]

Floating Rate (2) in respect of each Calculation Period shall be calculated and determined as follows:

$$FR2 = Max(0, [currency]_{[maturity1]} - [currency]_{[maturity2]} - [\quad]\%)$$

Where:

"FR2" means Floating Rate (2);

"[*currency*]$_{[maturity1]}$" means [*floating rate option*], with a Designated Maturity of [ ][19]; and

"[*currency*]$_{[maturity2]}$" means [*floating rate option*], with a Designated Maturity of [ ].

[Floating Rate (2):][21]

$$[MAX[0; ([currency]_{[maturity1]} - [currency]_{[maturity2]}) - Strike\ Swap\ Rate)]]$$

$$[MAX[0; ([currency]_{[maturityStart]} - [currency]_{[maturityEnd]}) - Strike\ Swap\ Rate)]]$$
or
$$[MAX[0; Strike\ Swap\ Rate - ([currency]_{[maturity1]} - [currency]_{[maturity2]})]]$$
or

$$[ABS[([currency]_{[maturity2]} - [currency]_{[maturity2]}) - Strike\ Swap\ Rate]]$$

Where:

"ABS" means the absolute value;

"[*currency*]$_{[maturity1]}$" means [*floating rate option*], with a Designated Maturity of [ ];

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[19] For example: ""EUR$_{[10\ year]}$" means EUR-EURIBOR-Reuters with a Designated Maturity of 10 years"
[20] Include for CMS Spread Options and CMS Spread Straddles and customise based on Floating Rate Options from the 2006 Definitions. For CMS Spread Straddles only, define this as the "Relevant Rate" instead. Otherwise delete line
[21] Include for straddles

"[*currency*]_[maturity2]" means [*floating rate option*], with a Designated Maturity of [ ];

"[*currency*]$_{\text{[maturitystart]}}$" means a rate determined by reference to [*floating rate option*], with a Designated Maturity of [ ] and with the Reset Date being [●];

"[*currency*]$_{\text{[maturityend]}}$" means a rate determined by reference to [*floating rate option*], with a Designated Maturity of [ ] and with the Reset Date being [●];

"MAX" followed by a series of rates inside brackets, means whichever is the greater of the rates separated by a semi-colon inside those brackets; and

"Strike Swap Rate" means [●]%.

[Floating Rate (2):][22]	Floating Rate (2) in respect of each Calculation Period shall be calculated and determined as follows: [ ]% * N/Act <u>Where</u>: "N" means the number of calendar days in the relevant Calculation Period where ([*currency*]$_{\text{[maturity1]}}$ − [*currency*]$_{\text{[maturity2]}}$ − [ ]%)) is greater than or equal to [ ]%. "[*currency*]$_{\text{[maturity1]}}$" means, in respect of a day, [*floating rate option*], with a Designated Maturity of [ ] determined as if such day were a Reset Date; "[*currency*]$_{\text{[maturity2]}}$" means [*floating rate option*], with a Designated Maturity of [ ] determined as if such day were a Reset Date; and "Act" means the total number of calendar days in the relevant Calculation Period.
[Floating Rate (2):][23]	Floating Rate (2) in respect of each Calculation Period shall be calculated and determined as follows: [ ] - [*currency*]$_{\text{[maturity]}}$, [subject to a minimum of [ ]% and a maximum of [ ]%][24].

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[22] Include for CMS Daily Range Accruals and customise based on Floating Rate Options from the 2006 Definitions, otherwise delete. For a simple Libor Daily Range Accrual, delete [*currency*]$_{\text{[maturity2]}}$ in both places.
[23] Include for Inverse Floaters, otherwise delete line
[24] Include if the Inverse Floater is collared

UBS Ref: [ ]

Where:

"[*currency*][maturity]" means [*floating rate option*], with a Designated Maturity of [ ].

[Cap Rate]/[Floor Rate]:[25]	[ ]%.
[Straddle Rate:][26]	[ ]%.
[Floating Rate (2):][~~2626~~276]	Means, in respect of a Calculation Period, the absolute value of the difference between the Relevant Rate on the related Reset Date and the Straddle Rate.
Spread:	[ ]%.
Reset Dates:	First day of each Calculation Period.
Floating Rate (2) Day Count Fraction:	[ ][27].
Floating Rate (2) Payer Payment Dates:	[ ][28] subject to adjustment in accordance with the [Following]/[Modified Following]/[Preceding] Business Day Convention.
	/
	(i) [ ][ ], in each year in the period from but excluding the Effective Date to but excluding the Termination Date and (ii) the Termination Date, in each case subject to adjustment in accordance with the [Following]/[Modified Following]/[Preceding] Business Day Convention.
[Calculation Period][29]	[For the purposes of [Floating Amounts (2)] under this Transaction, Section 4.13 of the 2006 ISDA Definitions shall be amended such that the initial Calculation Period shall commence on and include [DATE], [subject to No Adjustment][subject to adjustment in accordance with the [Following]/[Modified Following]/[Preceding] Business Day Convention.]
	For the purposes of [*Floating Amounts (2)*] under this Transaction, Section 4.13 of the 2006 ISDA Definitions shall be amended such that the final Calculation Period shall end on, but exclude **[DATE]**, [subject to No Adjustment][subject to adjustment in accordance with the [Following]/[Modified Following]/[Preceding]

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[25] Only include for CMS Spread Caps and Floors, otherwise delete line
[26] Only include for CMS Spread Straddles, otherwise delete line
[27] For single look transactions with unit day count fraction, specify 1/1
[28] For single look, use the first set of language.
[29] Include for long first or last stub periods, as appropriate

UBS Ref: [ ]

Business Day Convention.]

[Compounding:][30]   [[Straight/Flat/Spread Exclusive Compounding
                                         Applicable/Inapplicable]].

[**Include for Transactions subject to Optional Early Termination**][31]
Optional Early Termination:

1. Early Termination

Optional Early Termination: Applicable.

Option Style: [American]/[Bermuda]/[European].

[Optional Early Termination Date][32]: [ ].

[Seller][33]:   [UBS]/[Counterparty].

[Buyer][33]:   [Counterparty]/[UBS].

Business Days for Payment: [ ].

2. Procedure for Exercise

[Commencement Date]:[34]   [ ].

[Bermuda Option Exercise Dates][35]:   [ ].

[Partial Exercise:][36]   [Applicable]

[Multiple Exercise:][37]   [Applicable]

[Minimum Notional Amount:][38]   [ ]

[Maximum Notional Amount:][39]   [ ]

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[30] Only include if Compounding or Flat Compounding will be Applicable, otherwise delete
[31] This template assumes that the ISDA Settlement Matrix will apply. If the Matrix will not apply, please contact your legal support. Additionally, only basic terms for Optional Early Redemption are included in this template. For more structured settlement procedures, include enabling Partial Exercise or Multiple Exercise, consult the template Confirmation in the 2006 Definitions and your legal support
[32] Only include if different than the Cash Settlement Payment Date
[33] Delete both Seller and Buyer definitions if both parties will have the right to trigger the Early Termination (e.g. due to a credit break clause)
[34] Only include for American options, otherwise delete
[35] Only include for Bermuda options, otherwise delete
[36] Include for Bermuda options that are Multi-Callable/Cancellable, otherwise delete
[37] Include for American options that are Multi-Callable/Cancellable, otherwise delete
[38] Include for Multi-Callable/Cancellable, otherwise delete
[39] Include for Multi-Callable/Cancellable, otherwise delete

UBS Ref: [ ]

[Integral Multiple][40]   [ ]

3. Settlement Terms

Cash Settlement: [Applicable][Inapplicable].[41]

Cash Settlement Payment Date: [ ].

Business Day Convention for Cash   [Following]/[Modified Following]/[Preceding].
Settlement Payment Date:

Cash Settlement Reference Banks: [ ].

Relationship Between the Parties:

Each party will be deemed to represent to the other party on the date on which it enters into this Transaction that (in the absence of any written agreement between the parties which expressly imposes affirmative obligations to the contrary for this Transaction):-

(a) Non-Reliance. It is acting for its own account, and it has made its own independent decisions to enter into this Transaction and this Transaction is appropriate or proper for it based upon its own judgement and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into this Transaction, it being understood that information and explanations related to the terms and conditions of this Transaction will not be considered investment advice or a recommendation to enter into this Transaction. No communication (written or oral) received from the other party will be deemed to be an assurance or guarantee as to the expected results of this Transaction.

(b) Assessment and Understanding. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of this Transaction. It is also capable of assuming, and assumes, the risks of this Transaction.

(c) Status of the Parties. The other party is not acting as a fiduciary for or an adviser to it in respect of this Transaction.

Account Details:

(a)   Account Details for UBS: as may be notified to the Counterparty from time to time by delivery of Standard Settlement Instructions by UBS; and

(b)   Account Details for Counterparty: Please Advise.

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[40] Include for Multi-Callable/Cancellable if necessary, otherwise delete
[41] For Callable swaps, use "Applicable". For Cancellable swaps use "Inapplicable" and delete the remaining Settlement Terms

UBS Ref: [ ]

Settlement:

This Transaction has been entered into by a member of the UBS group ("UBS Party"). For the avoidance of doubt, any payment or delivery obligations of the UBS Party in respect of this Transaction ("Obligations") may be effected by either UBS Limited or UBS AG, London Branch (the "Settlement Agent"). UBS Party has authorised the Settlement Agent to act on its behalf in the same manner and with the same force and effect as UBS Party might or could do. In the event that any Obligations are settled by the Settlement Agent ("Settlement"), such Settlement shall be deemed to be settlement of all Obligations hereunder.

Offices:

(a)   The office of UBS for the Transaction is London; and

(b)   The office of Counterparty for the Transaction is [ ].

Contacts at UBS:

Rate Fixings:	Tel: (44) 20 7568 2665 / Fax: (44) 20 7567 0102
Payment Investigations:	Tel: (44) 20 7568 2665 / Fax: (44) 20 7567 0102
	Email: sh-otc-rates-setts@ubs.com
Client Confirmation Queries:	Tel: (44) 20 7422 2654 / Fax: (44) 20 7567 2990
	Email: OL-Rates-Clients@ubs.com
Bank Confirmation Queries:	Tel: (44) 20 7568 8738 / Fax: (44) 20 7567 2990
	Email: OL-ISC-Rates-Matching@ubs.com
ISDA Documentation / Credit Risk Management:	Tel: (44) 20 7567 8000 / Fax: (44) 20 7567 4406
Swift:	UBSWGB2L or UBSWGB24
Address:	100 Liverpool Street, London EC2M 2RH

Please confirm that the foregoing correctly sets forth the terms and conditions of our agreement by executing a copy of this Confirmation and returning it to us or by sending to us a letter or facsimile substantially similar to this letter, which letter or facsimile sets forth the material terms of the Transaction to which this Confirmation relates and indicates your agreement to those terms.

Yours faithfully,

UBS Ref: [ ]

For and on behalf of [UBS AG, London Branch]/[UBS Limited]

By   By

Name :   [ ]   Name :   [ ]

Title :   [ ]   Title :   [ ]

Acknowledged and agreed by [ ] as of the Trade Date specified above.

By   By

Name :   [ ]   Name :   [ ]

Title :   [ ]   Title :   [ ]

[UBS AG, London Branch]/[UBS Limited], 1 Finsbury Avenue, London, EC2M 2PP
[UBS Limited is a subsidiary of UBS AG.]
[UBS AG, London Branch]/[UBS Limited] is a member of the London Stock Exchange and is
authorised and regulated in the UK by the Financial Services Authority.

Schedule 1[42]

First day of Calculation Period	[Fixed Rate]/[Spread][43]	Period End Date	Notional Amount[44]
[ ]		[ ]	[ ]
[ ]		[ ]	[ ]

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[42] Only include for trades with variable Notional Amounts (e.g. Accretors), spreads or fixed rates (e.g. Cancellable Swaps with Step-Up Coupons) otherwise delete the schedule.

[43] Customise as necessary. Delete if payment basis does not change from period to period

[44] Delete if Notional Amount does not change from period to period

UBS Ref: [ ]