



Cornèr Banca SA
(incorporated with limited liability in Switzerland)
CHF 1 billion Covered Bond Programme
guaranteed as to payments of interest and principal by
Accent Ipoteche SA
(incorporated with limited liability in Switzerland)

Under its CHF 1 billion covered bond programme (the **Programme**), Cornèr Banca SA (the **Issuer**, **Cornèr Banca**, the **Bank**) may from time to time issue covered bonds with a Final Maturity Date and an Extended Due for Payment Date (as defined below) (the **Covered Bonds**) denominated in Swiss francs.

An investment in Covered Bonds involves certain risks. For a discussion of these risks, see the section of this Base Prospectus entitled "Risk Factors" below.

Accent Ipoteche SA (the **Guarantor**) will, pursuant to the Guarantee (as defined below) irrevocably and, following the Guarantee Activation Date and subject to the service of a Notice to Pay by the Trustee on the Guarantor for the relevant Guaranteed Amounts (as defined below) and subject to the terms and conditions of the Guarantee, unconditionally guarantee the due and punctual performance by the Issuer of its obligations to pay Scheduled Interest and Scheduled Principal on the Covered Bonds in an amount equal to the Guaranteed Amounts. The obligations of the Guarantor under the Guarantee are direct, unsecured, unsubordinated and, following the Guarantee Activation Date and subject to the service of a Notice to Pay for the relevant Guaranteed Amounts, unconditional. To secure, *inter alia*, its obligation to pre-fund or reimburse and indemnify the Guarantor for sums paid or payable by the Guarantor under the Guarantee, Cornèr Banca will assign and transfer for security purposes Mortgage Assets (as defined below) and certain other Substitute Assets (as defined below) to the Guarantor. Recourse against the Guarantor under the Guarantee will ultimately be limited to the transferred Mortgage Assets and Substitute Assets. See "*The Guarantee*".

The Covered Bonds are not mortgage bonds (*obbligazioni fondiarie*) within the meaning of the Swiss Federal Act on Mortgage Bonds (*legge sull'emissione di obbligazioni fondiarie*). Accordingly, Covered Bondholders do not benefit from any of the protections thereunder.

The Covered Bonds and the Guarantee will be obligations solely of the Issuer and the Guarantor, respectively, and will not be guaranteed by or the responsibility of any shareholders of Cornèr Banca, any other Cornèr Banca Group company or any other entity referred to in this Base Prospectus.

Covered Bonds may be issued on a continuing basis to one or more of the Dealers specified under "*Summary*" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this base prospectus (the **Base Prospectus**) to the **relevant Dealer** shall, in the case of an issue of Covered Bonds being (or intended to be) subscribed for by more than one Dealer, be to all Dealers agreeing to subscribe for such Covered Bonds.

This Base Prospectus has been approved by SIX Exchange Regulation AG in its capacity as review body pursuant to article 52 of the Swiss Financial Services Act dated 15 June 2018 (the **FinSA**) (in such capacity, the **Swiss Review Body**) as a base prospectus within the meaning of article 45 of the FinSA on 24 April 2026.

In respect of any Series or Tranche (as defined herein) of Covered Bonds to be listed on SIX Swiss Exchange AG (**SIX Swiss Exchange**) during the 12 months from the date of this Base Prospectus, this Base Prospectus (as amended or supplemented as of the date of the Applicable Final Terms (as defined below)), together with the Applicable Final Terms, will constitute the prospectus for purposes of the FinSA.

Notice of the aggregate principal amount of Covered Bonds, interest payable with respect to the Covered Bonds, the issue price of the Covered Bonds and certain other information which is applicable to each Series or Tranche (as defined under "*Terms and Conditions of the Covered Bonds*" below, the **Conditions**) of such Covered Bonds will be set out in the final terms (the **Applicable Final Terms**) in the form or substantially in the form as set out herein, which, in respect of Covered Bonds to be listed on SIX Swiss Exchange will be filed with SIX Exchange Regulation AG prior to the provisional admission to trading of such Tranche of Covered Bonds as requested by the FinSA.

Covered Bonds may be listed or admitted to trading, as the case may be, on SIX Swiss Exchange or on such other or further trading venues or markets as may be agreed between the Issuer, the Trustee and the relevant Dealer. The Issuer may also issue unlisted Covered Bonds and/or Covered Bonds not admitted to trading on any market. References in this Base Prospectus to Covered Bonds being listed (and all related references) shall mean that, unless otherwise specified in the Applicable Final Terms, such Covered Bonds have been provisionally admitted to trading or listed in compliance with the standard for bonds on SIX Swiss Exchange, as applicable.

The Issuer may agree with any Dealer and the Trustee that Covered Bonds may be issued in a form or pursuant to terms and conditions not contemplated by the Conditions set out herein, in which event a supplement to this Base Prospectus, if appropriate, will be made available which will describe the effect to the agreement reached in relation to the Covered Bonds.

Payments of interest in respect of the Covered Bonds (periodic, as original issue discount or premium upon redemption) and payment of corresponding Guaranteed Amounts pursuant to the Guarantee will be subject to Swiss Withholding Tax of 35 per cent. levied by the Issuer and Guarantor, respectively. The Issuer will not be obliged to pay additional amounts thereon.

The Covered Bonds are expected on issue to be assigned an "AAA" rating by Fitch Ratings Limited (**Fitch**). A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

This Base Prospectus is to be read in conjunction with any supplement hereto and any Applicable Final Terms and with all documents which are deemed incorporated by reference.

This Base Prospectus shall be read and construed on the basis that such documents are incorporated into, and form part of, this Base Prospectus. This Base Prospectus has been prepared by the Issuer and the Guarantor solely for use in connection with the offering of the Covered Bonds and for the admission to trading and listing of any Tranche of Covered Bonds on SIX Swiss Exchange. The Issuer and the Guarantor have not authorised the use of this Base Prospectus for any other purpose.

Sole Arranger and Initial Dealer

UBS

The date of this Base Prospectus is 24 April 2026

IMPORTANT INFORMATION

THE COVERED BONDS AND THE GUARANTEE WILL BE OBLIGATIONS SOLELY OF THE ISSUER AND THE GUARANTOR, RESPECTIVELY, AND WILL NOT BE GUARANTEED BY OR THE RESPONSIBILITY OF CORNÈR BANCA'S SHAREHOLDERS, ANY OTHER CORNÈR BANCA GROUP COMPANY OR ANY OTHER ENTITY REFERRED TO IN THIS BASE PROSPECTUS.

AN INVESTMENT IN THE COVERED BONDS INVOLVES A HIGH DEGREE OF RISK. THE "RISK FACTORS" SECTION CONTAINS DETAILS OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE GIVEN PARTICULAR CONSIDERATION BEFORE INVESTING IN THE COVERED BONDS. PROSPECTIVE INVESTORS SHOULD BE AWARE OF THE ISSUES SUMMARISED WITHIN THAT SECTION. The risks and uncertainties discussed in the "*Risk Factors*" section are not the only ones facing the Issuer, the Guarantor and the other transaction parties. Additional risks and uncertainties not presently known, or that are not currently believed to be material, may also affect the Covered Bonds, the Issuer, the Guarantor and the other transaction parties. If any of these risks occur, prospective investors could lose part or all of their investment.

Save for the information contained in the section entitled "*Description of the Trustee*" and "*Description of the Guarantor*", the Issuer (Cornèr Banca SA, Lugano) assumes responsibility for the accuracy and completeness of the information contained or incorporated by reference in this Base Prospectus and the Applicable Final Terms for each Tranche of Covered Bonds issued under the Programme. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that this is the case) the information contained or incorporated by reference in this Base Prospectus is in accordance with the facts and does not omit anything which is likely to affect the import of such information or which would make misleading any statement (whether it is a statement of fact or of opinion) contained or incorporated by reference in this Base Prospectus.

ProServices Trustees (Switzerland) AG (the **Trustee**) assumes responsibility for the information contained in the section entitled "*Description of the Trustee*". The Guarantor (Accent Ipoteche SA, Lugano) assumes responsibility for the information contained in the section entitled "*Description of the Guarantor*". Each of the Trustee and the Guarantor declares that to the best of its knowledge and belief (having taken all reasonable care to ensure that this is the case) the information contained in the section for which it assumes responsibility (as described above) is in accordance with the facts and does not omit anything which is likely to affect the import of such information or which would make misleading any statement (whether it is a statement of fact or of opinion) therein.

Neither the Arranger, nor the Dealer(s) nor any Cornèr Banca Group company (other than Cornèr Banca or the Guarantor) nor any of their respective affiliates have 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 the Arranger, the Dealer(s) nor any other Cornèr Banca Group company nor any of their respective affiliates as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer and the Guarantor in connection with the Programme. Neither the Arranger, the Dealer(s) nor any other Cornèr Banca Group company nor any of their respective affiliates accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer or the Guarantor in connection with the Programme.

No person is or has been authorised by the Issuer, the Guarantor, the Arranger, any of the Dealers or the Trustee to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Covered Bonds and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor, the Arranger, any of the Dealers or the Trustee.

The Guarantor is not subject to any obligations pursuant to the listing rules of SIX Swiss Exchange (the **SIX Listing Rules**) and other rules and regulations of SIX Swiss Exchange with respect to the listing and the maintenance of the listing on SIX Swiss Exchange.

Neither the delivery of this Base Prospectus or any Applicable Final Terms nor the offering, sale or delivery of any Covered Bonds shall in any circumstances imply that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, on any event reasonably likely to involve any adverse change, in the prospects or final trading position of the Issuer or the Guarantor since the date hereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented, or that any other information supplied in connection with the Programme is correct at any time subsequent to the date indicated in the document containing the same. The Arranger, the Dealer(s) and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer, the Guarantor, the Originator, any Swap Provider (if any) or

any other person during the life of the Programme or to advise any investor in the Covered Bonds of any information coming to their attention. Neither the Issuer nor the Guarantor has any obligation to update this Base Prospectus, except where required by and in accordance with any applicable legal requirements.

Subject as provided in the Applicable Final Terms, the only persons authorised to use this Base Prospectus in connection with an offer of Covered Bonds are the persons named in the Applicable Final Terms as the relevant Dealer or the managers and the persons named in or identifiable in the Applicable Final Terms as the "Financial Intermediaries", as the case may be.

Any person (an **Investor**) intending to acquire or acquiring any Covered Bonds from any person (an **Offeror**) will do so, and offers and sales of the Covered Bonds to an Investor by an Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such Investor including as to price, allocations and settlement arrangements. Neither the Issuer nor the Guarantor will be a party to any such arrangements with Investors (other than Dealers) in connection with the offer or sale of the Covered Bonds and, accordingly, this Base Prospectus and any Applicable Final Terms will not contain such information and an Investor must obtain such information from the Offeror.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Covered Bonds (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or constituting an invitation or offer by the Issuer, the Guarantor, the Arranger or any of the Dealers, that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Covered Bonds, should subscribe for or purchase any Covered Bonds. Each Investor contemplating purchasing any Covered Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer, the Guarantor and the Originator. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Covered Bonds constitutes an offer by or on behalf of the Issuer, the Guarantor, the Originator, the Trustee, the Arranger or any of the Dealers to any person to subscribe for or to purchase any Covered Bonds. Each potential Investor in the Covered Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential Investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Covered Bonds, the merits and risks of investing in the Covered Bonds and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Covered Bonds and the impact that the Covered Bonds will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Covered Bonds, including Covered Bonds with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential Investor's currency;
- (d) understand thoroughly the terms of the Covered Bonds and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Covered Bonds are complex financial instruments. Sophisticated institutional Investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential Investor should not invest in Covered Bonds unless it has the expertise (either alone or with a financial adviser) to evaluate how the Covered Bonds will perform under changing conditions, the resulting effects on the value of the Covered Bonds and the impact this investment will have on the potential Investor's overall investment portfolio.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers (a) to determine whether and to what extent (1) Covered Bonds are legal investments for it, (2) Covered Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Covered Bonds.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Covered Bonds under any applicable risk-based capital or similar rules.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Covered Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and any Applicable Final Terms or any other documents related thereto and the offering, sale and delivery of Covered Bonds may be restricted by law in certain jurisdictions. The Issuer, the Guarantor, the Originator, the Arranger, the Dealer(s) and the Trustee do not represent that this Base Prospectus, any Applicable Final Terms or any other documents related thereto may be lawfully distributed, or that any Covered Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor, the Originator, the Arranger, the Dealer(s), the Trustee or any other party which would permit a public offering of any Covered Bonds or distribution of this Base Prospectus, any Applicable Final Terms or any other documents related thereto in any jurisdiction where action for that purpose is required. Accordingly, no Covered Bonds may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any Applicable Final Terms nor any advertisement or other offering material or any other documents related thereto may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus, any Applicable Final Terms or any Covered Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and any Applicable Final Terms and the offering and sale of Covered Bonds. In particular, there are selling restrictions in relation to the United States, the European Economic Area (including the United Kingdom) and such other restrictions as may apply. See "*Selling Restrictions*" below.

In relation to each Member State of the European Economic Area (the **EEA**) (each, a **Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Covered Bonds that are subject to the offering contemplated by this Base Prospectus as completed by the Applicable Final Terms in relation thereto to the public in that Member State except that it may make an offer of such Covered Bonds to the public in that Member State:

- (a) At any time to any legal entity that is a qualified investor as defined in the Regulation (EU) 2017/1129 (the **Prospectus Regulation**);
- (b) At any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) At any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Covered Bonds referred to in clauses (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For purposes of this provision, the expression an **offer of Covered Bonds to the public** in relation to any Covered Bonds in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Covered Bonds.

In relation to the United Kingdom, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Covered Bonds to the public in the United Kingdom, except in circumstances which do not constitute an offer of relevant securities to the public for the purposes of the Public Offers and Admissions to Trading Regulations 2024 (the **POATRs**) or in circumstances falling within an exemption from the prohibition on public offers under the POATRs.

Accordingly, no offering material relating to the Covered Bonds has been or will be distributed to the public in the United Kingdom other than in circumstances where section 9 of the POATRs does not apply or an exemption applies, including where the offer is made:

- (a) at any time to any person who is a qualified investor as defined in the POATRs;
- (b) at any time to fewer than 150 natural or legal persons in the United Kingdom (other than qualified investors), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

- (c) at any time in any other circumstances falling within an exemption set out in Schedule 1 to the POATRs.

For the purposes of this provision, an “**offer of relevant securities to the public**” means a communication to persons in the United Kingdom, in any form and by any means, presenting sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

Nothing in this United Kingdom selling restriction shall require the Issuer or any Dealer to prepare, approve or publish a prospectus in respect of a public offer of the Covered Bonds in the United Kingdom. Where the Covered Bonds are admitted or to be admitted to trading on a regulated market or a primary multilateral trading facility in the United Kingdom, any prospectus prepared shall be prepared solely for the purposes of such admission in accordance with the applicable Prospectus Rules: Admission to Trading on a Regulated Market and related FCA rules.

For purposes of this provision, the expression an offer of Covered Bonds to the public in relation to any Covered Bonds means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

THE COVERED BONDS AND THE GUARANTEE HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF THE COVERED BONDS OR THE ACCURACY OR THE ADEQUACY OF THE BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

THE COVERED BONDS AND THE GUARANTEE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OR ANY OTHER RELEVANT JURISDICTION OF THE UNITED STATES OF AMERICA. SUBJECT TO CERTAIN EXCEPTIONS, THE COVERED BONDS MAY NOT BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS.

THIS BASE PROSPECTUS IS NOT A PROSPECTUS FOR PURPOSES OF THE PROSPECTUS REGULATION.

FORWARD-LOOKING STATEMENTS

This Base Prospectus contains or incorporates by reference, including in the incorporated sections of the 2025 Cornèr Banca Annual Report, statements that constitute forward-looking statements. In addition, in the future the Issuer and the Guarantor, and others on their behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the following:

- the Issuer's plans, targets or goals;
- the Issuer's future economic performance or prospects;
- the potential effect on the Issuer's future performance of certain contingencies; and
- assumptions underlying any such statements.

Words such as "believes", "anticipates", "expects", "intends" and "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. The Issuer and the Guarantor do not intend to update these forward-looking statements except as may be required by applicable securities laws.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. The Issuer and the Guarantor caution potential investors that a number of important factors could cause results to differ materially from the plans, targets, goals, expectations, estimates and intentions expressed in such forward-looking statements. These factors include:

- the ability to maintain sufficient liquidity and access capital markets;
- market volatility and interest rate fluctuations and developments affecting interest rate levels;
- the strength of the global economy in general and the strength of the economy in Switzerland;
- the emergence of widespread health emergencies, infectious diseases or pandemics, such as COVID-19, and the actions that may be taken by governmental authorities to contain the outbreak or to counter its impact on the Issuer's business;
- the direct and indirect impacts of deterioration or slow recovery in Swiss residential and commercial real estate markets, in particular due to the increased and rising interest rates;
- adverse rating actions by credit rating agencies in respect of the Issuer, sovereign issuers, structured credit products or other credit-related exposures;
- the ability to achieve the Issuer's strategic goals, including those related to its targets and financial goals;
- the ability of counterparties to meet their obligations to the Issuer and the adequacy of the Issuer's allowance for credit losses;
- the effects of, and changes in, fiscal, monetary, exchange rate, trade and tax policies, as well as currency fluctuations and inflation;
- political, social and environmental developments, including war (in particular the war in Ukraine), civil unrest or terrorist activity and climate change;
- the ability to appropriately address social, environmental and sustainability concerns that may arise from the Issuer's business activities;
- operational factors such as systems failure, human error, or the failure to implement procedures properly;
- the risk of cyber attacks, information or security breaches or technology failures on the Issuer's business or operations;
- the adverse resolution of litigation, regulatory proceedings, and other contingencies;

- actions taken by regulators with respect to the Issuer's business and practices and possible resulting changes to its business organisation, practices and policies in countries in which it conducts its operations;
- the effects of changes in laws, regulations or accounting or tax standards, policies or practices in countries in which the Issuer conducts its operations;
- competition or changes in the Issuer's competitive position in geographic and business areas in which it conducts its operations;
- the ability to retain and recruit qualified personnel;
- the ability to maintain the Issuer's reputation and promote the Issuer's brand;
- the ability to increase market share and control expenses;
- technological changes instituted by the Issuer, its counterparties or its competitors;
- the timely development and acceptance of the Issuer's new products and services and the perceived overall value of these products and services by users;
- acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets; and
- other unforeseen or unexpected events and the Issuer's success at managing these and the risks involved in the foregoing.

The Issuer cautions potential investors in Covered Bonds that the foregoing list of important factors is not exclusive. When evaluating forward-looking statements, potential investors in Covered Bonds should carefully consider the foregoing factors and other uncertainties and events, as well as the risk factors and other information incorporated into or contained in this Base Prospectus.

INTERPRETATION AND DEFINITIONS

Capitalised terms used and not otherwise defined herein will have the meanings ascribed to them in the "*Glossary of Defined Terms*".

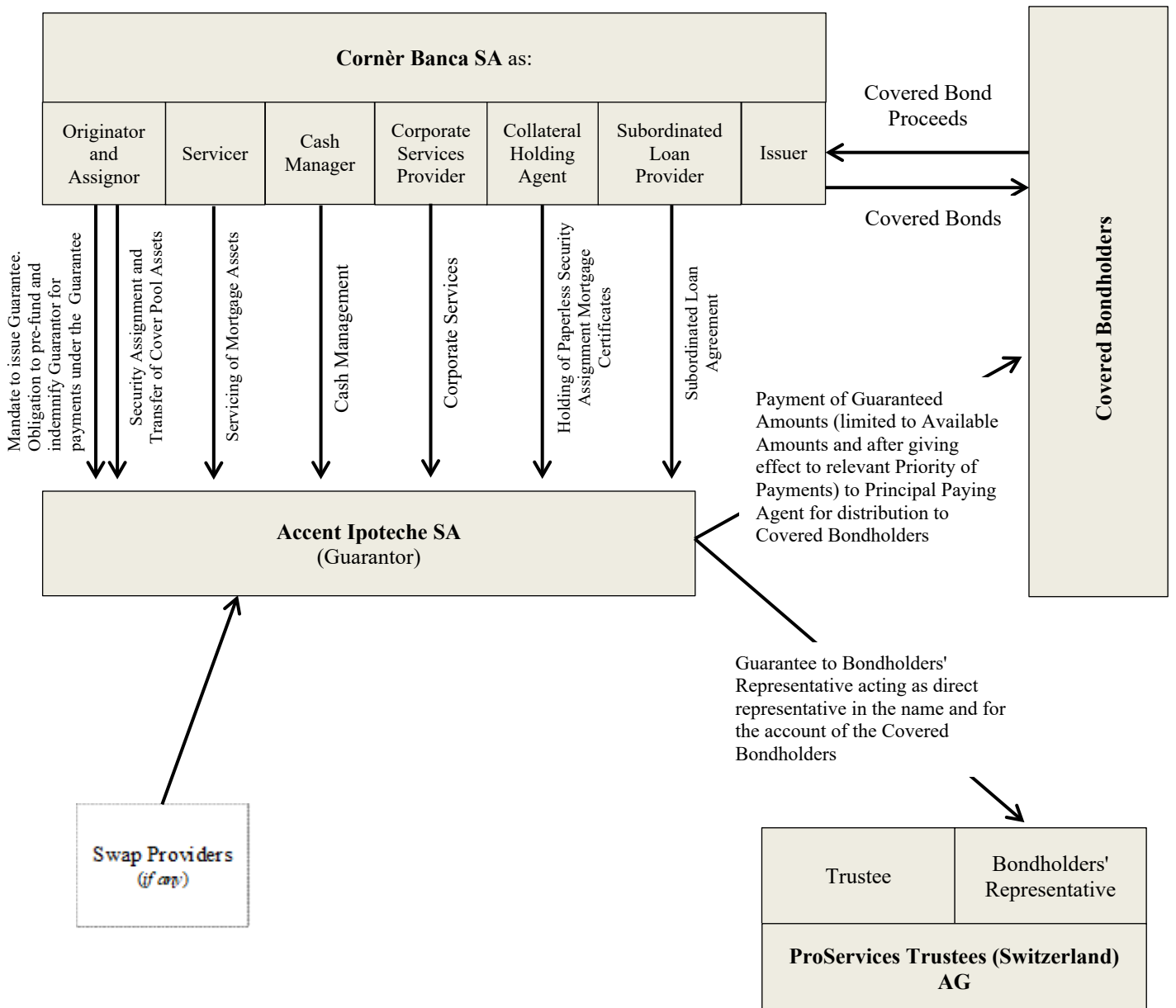
TABLE OF CONTENTS

<i>STRUCTURE DIAGRAM</i>	9
<i>OVERVIEW OF STRUCTURE OF THE PROGRAMME</i>	10
<i>SUMMARY</i>	13
<i>RISK FACTORS</i>	24
<i>ABOUT THIS BASE PROSPECTUS</i>	54
<i>FORM OF APPLICABLE FINAL TERMS</i>	55
<i>TERMS AND CONDITIONS OF THE COVERED BONDS</i>	61
<i>THE GUARANTEE</i>	91
<i>USE OF PROCEEDS</i>	106
<i>DESCRIPTION OF THE CORNÈR GROUP</i>	107
<i>DESCRIPTION OF THE GUARANTOR</i>	114
<i>DESCRIPTION OF THE TRUSTEE</i>	119
<i>OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS</i>	120
<i>CREDIT STRUCTURE</i>	155
<i>CASH FLOWS</i>	161
<i>CORNÈR BANCA'S MORTGAGE ORIGINATION AND LENDING POLICIES AND PROCEDURES</i>	169
<i>CORNÈR BANCA'S SERVICING AND RECOVERY PROCEDURES</i>	174
<i>SWISS LAW BONDHOLDER PROVISIONS</i>	175
<i>TAXATION IN SWITZERLAND</i>	178
<i>SUBSCRIPTION AND SALE</i>	182
<i>SELLING RESTRICTIONS</i>	183
<i>GENERAL INFORMATION</i>	186
<i>GLOSSARY OF DEFINED TERMS</i>	187

STRUCTURE DIAGRAM

Set out below is the transaction structure diagram. This transaction structure diagram is qualified in its entirety by the detailed information appearing elsewhere in this Base Prospectus, including the Documents Incorporated by Reference, any amendment or supplement thereto, and, in relation to the terms and conditions of a particular Tranche of Covered Bonds, the Applicable Final Terms. If there is any inconsistency between this transaction structure diagram and the information described above, such information will prevail.

The Issuer and any relevant Dealer(s) may agree that Covered Bonds shall be issued in a form other than that contemplated in the Conditions, in which event, in the case of listed Covered Bonds only and, if appropriate, a supplement to this Base Prospectus will be published.



OVERVIEW OF STRUCTURE OF THE PROGRAMME

The following paragraphs contain a brief summary of the structure of the Programme. This summary is necessarily incomplete and prospective investors are urged to read the entire Base Prospectus, including the Documents Incorporated by Reference and, in relation to the terms and conditions of a particular Tranche of Covered Bonds, the Applicable Final Terms carefully for more detailed information thereto, including but not limited to the sections of this Base Prospectus entitled "Risk Factors", "Overview of the Principal Transaction Documents", "Terms and Conditions of the Covered Bonds", "The Guarantee", "Credit Structure" and "Cash Flows". Any decision to invest in the Covered Bonds should be based on a consideration of this information as a whole and should not be based on this transaction summary. Words and expressions defined elsewhere in this Base Prospectus shall have the same meanings in this transaction summary. A glossary of certain defined terms used in this Base Prospectus is contained at the end of this Base Prospectus, see "Glossary of Defined Terms".

The Issuer and any relevant Dealer(s) may agree that Covered Bonds shall be issued in a form other than as contemplated in the Conditions, in which event, in case of listed Covered Bonds only and if appropriate, a supplement to this Base Prospectus will be published.

Under the Programme, the Issuer may issue Series or Tranches of Covered Bonds to Covered Bondholders on each Issue Date (as specified in the Applicable Final Terms). The Covered Bonds will be direct, unsecured, unsubordinated and unconditional obligations of the Issuer, which will have the benefit of the Guarantee. Prior to the IED Guarantee Activation Date (as defined in the Glossary of Defined Terms), the Issuer shall make all payments of interest and principal on the Covered Bonds.

Pursuant to the Guarantee Mandate Agreement, the Issuer has mandated the Guarantor to guarantee the due and punctual performance by the Issuer of its obligations to pay Scheduled Interest and Scheduled Principal on the Covered Bonds in an amount equal to the Guaranteed Amounts to the Principal Paying Agent for distribution to the Covered Bondholders and the Issuer has agreed to indemnify the Guarantor for any amounts that the Guarantor pays to the Covered Bondholders under the Guarantee in relation to the Covered Bonds and certain related expenses as described below. Upon the occurrence of an IED Guarantee Activation Date (following the occurrence of an Issuer Event of Default and the service by the Bondholders' Representative of an Issuer Default Notice on the Issuer) and following the service of a Notice to Pay for the relevant Guaranteed Amount on the Guarantor, until the occurrence of the GED Guarantee Activation Date, the Guarantor shall, pursuant to the Guarantee, pay, solely and exclusively to the Principal Paying Agent for distribution to the relevant Covered Bondholders, such Guaranteed Amounts in relation to the relevant outstanding Series of Covered Bonds subject to and in accordance with the Guarantee Priority of Payments on any Original Due for Payment Date (that is, payments of corresponding amounts under the Guarantee will be made on the originally scheduled payment dates under the Covered Bonds, irrespective of the default by the Issuer and the acceleration of the Issuer's obligations under the Covered Bonds, subject to deferral of the Final Maturity Date in part or in full until the Extended Due for Payment Date under certain conditions (see "*Summary—Guarantee and Guarantee Support—Extendable obligations under the Guarantee*"). The obligations of the Guarantor under the Guarantee are direct, unsecured, unsubordinated and, following the service of a Notice to Pay for the relevant amount on the Guarantor, unconditional.

Pursuant to the terms of the Guarantee Mandate Agreement, the Issuer has agreed that it will pre-fund all Guarantee Expenses, by making a corresponding payment to the Guarantor in advance of the relevant Guarantee Expenses falling Due for Payment. Guarantee Expenses consist of the Nominal Amount of any and all sums (including Guaranteed Amounts) paid or payable by or on behalf of the Guarantor to:

- (a) the Trustee, any Appointee, the Principal Paying Agent or the Covered Bondholders (including the Guaranteed Amounts) under the Guarantee upon receipt of a Notice to Pay in accordance with the Guarantee; or
- (b) to third parties not party to the Intercreditor Agreement in relation to any and all liabilities, claims, costs and expenses (including reasonable attorney's fees) which the Guarantor may suffer, sustain or incur in connection with the Guarantee or the preservation and enforcement of the Guarantor's related rights under the Guarantee Mandate Agreement, including without limitation, legal proceedings relating to (x) any court order, injunction, or other process decree etc. restraining or seeking to restrain the Guarantor from paying any amount under any Guarantee or (y) the enforcement of the Guarantee Pre-funding Obligation and the Guarantee Recourse and Indemnity Obligation.

Similarly, Cornèr Banca has agreed to pre-fund and indemnify the Guarantor against Swap Termination Payments (if any) that may be payable by the Guarantor following the replacement of a Swap Provider that may be appointed following the date hereof (as at the date of this Base Prospectus, no Swap Provider has been appointed and the Guarantor has not entered into any Swap Agreements) and certain increased amounts due by the Guarantor resulting from any Third Party Service Providers being appointed to replace Cornèr Banca (as Corporate Services

Provider and/or Cash Manager), if Cornèr Banca ceases to be eligible to provide those services. For a discussion of certain risks related to the Guarantee, see "*Risk Factors—Risks relating to the transaction structure generally*".

To secure, *inter alia*, its pre-funding and indemnity obligations to the Guarantor as described above, Cornèr Banca has agreed to assign for security purposes to the Guarantor eligible claims relating to mortgage credit agreements denominated in CHF (the **Assigned Mortgage Claims**) and transfer to the Guarantor entitlement to the related mortgage certificate(s) each relating to residential and commercial properties located in Switzerland providing security solely for the relevant Assigned Mortgage Claims (the **Transferred Mortgage Certificates**) as well as to transfer certain Substitute Assets as security therefor. Accordingly, the Assigned Mortgage Claims and other Cover Pool Assets secure, *inter alia*, the Pre-funding Obligations of the Issuer in relation to the Guarantee, but not the Guarantee itself. Therefore, Covered Bondholders will not benefit from a direct security over the Cover Pool Assets or any other assets of the Guarantor and the security can only be enforced by the Guarantor when Cornèr Banca fails to satisfy the Secured Obligations. See "*Risk Factors—Risks relating to the transaction structure generally— The Guarantor does not provide any direct security to Covered Bondholders for its obligations under the Guarantee*".

Prior to the IED Guarantee Activation Date, the Cover Pool will be required to be maintained by Cornèr Banca in an aggregate amount which is at least equal to the payment obligations under the Covered Bonds from time to time. The size and liquidity of the Cover Pool will be tested on a regular basis on each Pre-Event Test Date in accordance with the Asset Coverage Test and the Interest Coverage Test (the **Pre-Event Tests**), which tests will be periodically verified by the Asset Monitor (as defined below) (see "*Credit Structure—Asset Coverage Test*").

Following the IED Guarantee Activation Date (but prior to the GED Guarantee Activation Date) and the service of a Notice to Pay for the relevant amount on the Guarantor, the Trustee, on behalf of the Guarantor, will serve a Guarantee Pre-funding Notice for the relevant amount of Guarantee Expenses on the Issuer not more than 65 Business Days prior to the date that payments for interest, principal or other upcoming Guaranteed Amounts become Due for Payment. Upon receipt of the Guarantee Pre-funding Notice, the Issuer will be obliged to pre-fund (that is, pay) the relevant amount, as specified in the Guarantee Pre-funding Notice, to the Guarantor (the **Guarantee Pre-funding Obligation**) (i) in relation to Guarantee Expenses already due, within one Business Day, (ii) in relation to Guarantee Expenses falling Due for Payment in the 60 Business Day period from and including the date of the Guarantee Pre-funding Notice, within five Business Days, and (iii) in relation to all other Guarantee Expenses properly quantified in the Guarantee Pre-funding Notice on the date falling 60 Business Days prior to the date when the relevant Guaranteed Amount or other amount shall become Due for Payment, or if this is not practicable such other date within such 60 Business Day period as specified in the Guarantee Pre-funding Notice.

In order to claim the relevant amounts from Cornèr Banca in respect of the other Pre-funding Obligations as defined herein, the Guarantor will also be obliged to serve a relevant Pre-funding Notice on Cornèr Banca.

If the Issuer fails to pay the amount owed by the due date specified in that Pre-funding Notice, then the Guarantor may utilise or liquidate a corresponding part of the Cover Pool Assets (including by way of sale of Assigned Mortgage Claims together with the corresponding Transferred Mortgage Certificates to an Eligible Investor) and, subject to the relevant Priority of Payments (as described below), use the proceeds to satisfy the claims of the Covered Bondholders and the other Relevant Creditors. Additionally, for the purposes of creating liquidity in the Cover Pool, the Guarantor may sell Assigned Mortgage Claims in order to make scheduled payments under the Covered Bond Swap (if entered into following the date hereof), where those payments fall due within one year of the Liquidation Date. Because Cornèr Banca will issue Covered Bonds denominated in CHF only, it will not enter into any cross-currency Swaps.

Following a Guarantor Event of Default on the date on which a Guarantor Acceleration Notice is served on the Guarantor (the **GED Guarantee Activation Date**), all Guaranteed Amounts will become immediately due and payable by the Guarantor and, following service of a Notice to Pay for all Guaranteed Amounts by the Trustee on the Guarantor, the Covered Bondholders, represented by the Bondholders' Representative, will have a claim against the Guarantor under the Guarantee for an amount equal to the Early Redemption Amount in respect of each Covered Bond together with accrued and unpaid interest (and certain other amounts due under the Covered Bonds as specified in the Conditions).

Unless and until certain trigger events occur as described in this Base Prospectus (including the occurrence of a Notification Event (i.e. the earlier of the occurrence of an Issuer Event of Default (as defined below) or a Servicing Termination Event (as defined below)) or for so long as a Breach of Test Notice (as defined below) in respect of a breach of the Asset Coverage Test or the Interest Coverage Test has been served on the Issuer and the Guarantor, which remains outstanding), Cornèr Banca shall be entitled to collect and retain all cash flows from the Cover Pool Assets.

As Originator of the Assigned Mortgage Claims, Cornèr Banca will also continue to service and administer the Mortgage Assets (as defined herein) in accordance with its usual policies and processes until revocation of the relevant authority by the Guarantor.

As of the date of this Base Prospectus, the Guarantor has not appointed any Swap Providers and not entered into any Swap Agreements. See "*Risk Factors—Currency risks and certain risks related to Swap Agreements—As at the date of this Base Prospectus, the Guarantor has not appointed an Initial Swap Provider and has not entered into any Swap Agreements. If an Initial Swap Provider is appointed and the Guarantor enters into Swap Agreements following the date of this Base Prospectus, Covered Bondholders will be exposed to additional risks with respect to the reliance on Swap Providers and the Swap Agreements*".

The Guarantor (or the Cash Manager on its behalf) will be obliged to distribute available funds in accordance with the applicable Priority of Payments as set out in the Guarantee and the Intercreditor Agreement. The obligations of the Guarantor will be limited in recourse to its Available Funds (as defined herein) from time to time, as described in this Base Prospectus. Upon the Cash Manager giving written notice to the Covered Bondholders that it has determined in its sole and absolute opinion that there is no reasonable likelihood of there being any further realisations in respect of the Cover Pool Assets and all other amounts which would be available to pay amounts owing to the Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders and all such amounts have been so applied in accordance with the Transaction Documents (as defined herein), the Guarantor shall have no further obligations in respect of any amounts owed which remain unpaid and such unpaid amounts shall be deemed to be discharged in full as against the Guarantor (see further Condition 3.3 (*Limited Recourse against the Guarantor*) and Clause 6 of the Guarantee (*Limited Recourse against the Guarantor*), each as set out elsewhere in this Base Prospectus).

For the avoidance of doubt, the Covered Bondholders will continue to have recourse as against the Issuer in respect of any such amounts owing to them, which remain unpaid under the Guarantee.

SUMMARY

This summary should be read as an introduction to this Base Prospectus and, for purposes of the FinSA, constitutes a summary within the meaning of articles 40(3) and 43 thereof. Any decision to invest in the Covered Bonds should be based on a consideration of this Base Prospectus as a whole, including the documents incorporated by reference herein, as completed, modified, supplemented and/or replaced by the Applicable Final Terms. This summary is therefore qualified in its entirety by the remainder of this Base Prospectus and the Applicable Final Terms.

Potential investors in Covered Bonds should be aware that liability under article 69 of the FinSA for any false or misleading information contained in this summary is limited to any such information that is false or misleading when read together with, or that is inconsistent with, the other parts of this Base Prospectus, as completed, modified, supplemented and/or replaced by the information set out in the Applicable Final Terms.

Capitalised terms used in this summary but not defined herein have the meanings assigned to them elsewhere in this Base Prospectus (including the Conditions).

Principal Transaction Parties

The parties set out below may be replaced from time to time

Issuer:..... Cornèr Banca SA

The Issuer was incorporated under Swiss law as a corporation (*società anonima*) with unlimited duration on 3 July 1952 in Ticino, Switzerland, and is now registered with the Commercial Register of the Canton of Ticino under the number CHE-105.962.409. The Issuer's registered and principal executive office is located at Via Canova 16, CH-6900 Lugano, Switzerland; its telephone number is +41 91 800 51 11. See "*Description of Cornèr Banca*".

Legal Entity Identifier (LEI) Code of the Issuer: 8B4SQYKBT0013V7EP290

Guarantor:..... Accent Ipoteche SA

The Guarantor was incorporated under Swiss law as a corporation (*società anonima*) with unlimited duration on 21 July 2022 in Ticino, Switzerland, and is registered with the Commercial Register of the Canton of Ticino under the number CHE-177.586.044. The Guarantor's registered and principal executive office is located at c/o Cornèr Banca SA, Via Canova 16, CH-6900, Lugano Switzerland. See "*Description of the Guarantor*". The Guarantor is a special purpose entity. Pursuant to its articles of incorporation, its corporate purpose is limited, to, *inter alia*, the issuance of guarantees for the benefit of holders of covered bonds issued by Cornèr Banca or its affiliates, the acquisition, holding, administration, management and liquidation of mortgage assets and other assets transferred to it as security for the claims acquired by it in connection therewith, as well as activities and transactions ancillary thereto.

The shares of the Guarantor are held by Cornèr Banca (98% of voting rights) and two Independent Shareholders (as defined below) appointed by the Trustee (1% of voting rights each).

Trustee: ProServices Trustees (Switzerland) AG

Pursuant to the Trust Agreement, the Issuer and the Guarantor may appoint a Successor Trustee. See "*Overview of Principal Transaction Documents—Trust Agreement—Termination of appointment and appointment of Successor Trustee*".

Account Bank:	UBS Switzerland AG If the Account Bank Rating falls below the Minimum Account Bank Rating (see —" <i>Overview of Ratings and Rating Triggers</i> " below), the Guarantor shall within 60 calendar days appoint a Replacement Account Bank, obtain a guarantee from a financial institution having a Minimum Account Bank Rating or take any alternative action to the satisfaction of the Rating Agency. See " <i>Overview of the Principal Transaction Documents—Master Bank Account Agreement—Account Bank Downgrade Event</i> ".
Asset Monitor:	Ernst & Young SA The Asset Monitor is registered in the commercial register of the Canton of Basel-Stadt under the register number CHE-105.932.265. Its registered and principal executive office is located at Aeschengraben 27, CH-4051 Basel, Switzerland.
Assignor:	Cornèr Banca SA
Bondholders' Representative	ProServices Trustees (Switzerland) AG Bondholders' Representative or such other Bondholders' Representative appointed pursuant to the Bondholder Provisions from time to time. If more than one Bondholders' Representative is appointed as successor Bondholders Representative, "Bondholders' Representative" shall mean any Bondholders' Representative so appointed.
Cash Manager:	Cornèr Banca SA Upon the occurrence of a Cash Manager Downgrade Event, the Guarantor agrees to use its reasonable endeavours to promptly appoint a Replacement Cash Manager who, following a Cash Manager Termination Event, will perform, <i>inter alia</i> , the activities performed by the Cash Manager. See " <i>Overview of the Principal Transaction Documents—Cash Management Agreement—Cash Manager Downgrade Event</i> ".
Corporate Services Provider:	Cornèr Banca SA Upon the occurrence of certain corporate services termination events pursuant to the Corporate Services Agreement, including but not limited to if the Corporate Services Provider's Fitch Long-Term Issuer Default Rating is downgraded to below 'BBB-' the Guarantor may terminate the appointment of the Corporate Services Provider or take other remedial action. See " <i>Overview of the Principal Transaction Documents—Corporate Services Agreement—Termination</i> ".
Collateral Holding Agent:	Cornèr Banca SA See " <i>Overview of the Principal Transaction Documents—Collateral Holding Agreement</i> ".
Subordinated Loan Provider:	Cornèr Banca SA See " <i>Overview of the Principal Transaction Documents—Subordinated Loan Agreement</i> ".
Dealers:	The Initial Dealer and any other dealers may be appointed from time to time by the Issuer either generally for the Programme or in

relation to a particular Series or Tranche of Covered Bonds in accordance with the terms of the Programme Agreement.

Initial Dealer: UBS AG

The Initial Dealer is a company incorporated in Switzerland under register number CHE-101.329.561 having its registered office at Bahnhofstrasse 45, CH-8001 Zurich, Switzerland.

Originator:..... Cornè Banca SA

Initial Principal Paying Agent:..... UBS AG

Rating Agency:..... Fitch Ratings Limited

Subject to mandatorily applicable provisions of Swiss law applicable at the relevant time, the Issuer may, without the consent or sanction by any Covered Bondholder or any other Secured Creditor (i) remove a Rating Agency from rating any Series of Covered Bonds, and/or (ii) appoint (or reappoint) a Rating Agency to rate a Series of Covered Bonds, provided that, in each case and at all times, such Series of Covered Bonds continues to be rated by at least one Rating Agency (which qualifies for purposes of the inclusion of the Covered Bonds in the Swiss Bond Index (SBI) by SIX).

Servicer:..... Cornè Banca SA

Upon the occurrence of a Servicing Termination Event, including if a Servicer's Fitch Long-Term Issuer Default Rating falls below 'BBB-', the Assignee shall use its reasonable endeavours to appoint a Replacement Servicer. See "*Overview of the Principal Transaction Documents—Security Assignment Agreement—Appointment of Replacement Servicer*").

Sole Arranger:..... UBS AG

Swap Provider:..... As at the date hereof, no Swap Provider(s) have been appointed.

Covered Bonds and Programme

Description:..... CHF 1 billion Covered Bond Programme

Risk Factors:..... There are certain factors that may affect the Issuer's and/or Guarantor's ability to fulfil its obligations under the Covered Bonds issued under the Programme or the Guarantee, as the case may be (see "*Risk Factors*").

Programme Description: Programme for the issue of Covered Bonds by the Issuer to Covered Bondholders on each Issue Date.

Mortgage Bond Act does not apply:..... Neither the Covered Bonds nor the Guarantee benefit from any security attached to mortgage bonds under the Mortgage Bond Act (*legge sull'emissione di obbligazioni fondiarie*). Accordingly, Covered Bondholders do not benefit from any of the protections under the Mortgage Bond Act. Neither Cornè Banca nor the Guarantor is subject to supervision by the Swiss Financial Market Supervisory Authority FINMA (**FINMA**) under the Mortgage Bond Act in relation to the issue of the Covered Bonds and the Guarantee.

Programme Size:	Up to CHF 1 billion outstanding at any time as described herein. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Method of Issue:	The Covered Bonds will be issued on a syndicated or non-syndicated basis. The Covered Bonds will be issued in Series having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Covered Bonds of each Series being intended to be interchangeable with all other Covered Bonds of that Series. Each Series may be issued in Tranches on the same or different issue dates. The specific terms and conditions of each Tranche of Covered Bonds will consist of the Conditions, as completed, supplemented, amended or replaced by the Applicable Final Terms.
Selling Restrictions:	The Covered Bonds are subject to restrictions on their offering, sale, delivery and transfer both generally and specifically in the United States, the European Economic Area and the United Kingdom. These restrictions are described under " <i>Selling Restrictions</i> ". Further restrictions may be required in connection with particular Series or Tranches of Covered Bonds, and, if so, will be, together with information on the particular offering, specified in the documentation relating to the relevant Series or Tranche of Covered Bonds and, in particular, the respective Applicable Final Terms.
Specified Currencies:	Covered Bonds will be issued in Swiss francs (the Specified Currency).
Maturities:	Covered Bonds will be issued with such Final Maturity Dates as may be agreed from time to time between the Issuer and the relevant Dealer(s) and specified in the Applicable Final Terms. Covered Bonds issued under the Programme will have soft bullet maturities that allow, under certain conditions, payment by the Guarantor of Guaranteed Amounts equal to the Final Redemption Amount of the applicable Series of Covered Bonds on their Final Maturity Date to be deferred, in part or in full, until the Extended Due for Payment Date (see " <i>—Guarantee and Guarantee Support—Extendable obligations under the Guarantee</i> ").
Redemption:	Covered Bonds may be redeemed at par or at such other redemption amount above or below par as may be agreed by the Issuer and the relevant Dealer(s) in the Applicable Final Terms.
Issue Price:	Covered Bonds may be issued at par or at a discount or premium to par and on a fully-paid basis only, as specified in the Applicable Final Terms.
Interest Payment Dates:	Interest in respect of Covered Bonds shall be payable on the Covered Bonds of each Series on the Interest Payment Dates agreed by the Issuer and the relevant Dealer(s) and up to and including the Final Maturity Date or Extended Due for Payment Date (if applicable), each as specified in and subject to the Applicable Final Terms. The Issuer and the relevant Dealer(s) may agree that interest shall be payable monthly, quarterly, semi-annually, or annually, as specified in the Applicable Final Terms.
Interest:	Covered Bonds will bear interest at a fixed rate. Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count

Fraction as may be agreed between the relevant Issuer and the relevant Dealer.

Form of Covered Bonds: Each Series or Tranche of Covered Bonds will be issued as uncertificated securities (*diritti valore*) in accordance with art. 973c CO and entered into the main register (*registro principale*) with SIX SIS or any other intermediary in Switzerland recognized for such purposes by SIX (SIS or any such other intermediary, the **Intermediary**). Once the uncertificated securities are registered in the main register of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Covered Bonds will constitute intermediated securities (*titoli contabili*) within the meaning of the FISA (**Intermediated Securities**).

No individually certificated Covered Bonds (*carte valori*) will be printed or delivered. None of the Issuer, the Covered Bondholders, the Principal Paying Agent, the Guarantor or any other party will at any time have the right to effect or demand the conversion of such Covered Bonds into, or the delivery of, a permanent global certificate (*certificato globale*) or individually certificated securities (*carte valori*).

Other Covered Bonds. Subject to compliance with all relevant legal, regulatory and/or central bank requirements, Covered Bonds may be issued with such other terms and conditions not currently contemplated as may be agreed by the Issuer and the relevant Dealer(s).

Denominations:..... CHF 5,000 (and any integral multiples thereof).

Swiss Withholding Tax: Payments of interest in respect of the Covered Bonds (periodic payments, original issue discount and premium upon redemption) and payments of corresponding Guaranteed Amounts under the Guarantee will be subject to the Swiss federal withholding tax at the rate of currently 35 per cent. Neither the Issuer nor the Guarantor will be obliged to pay any additional amounts with respect to the deduction of such withholding tax.

Swiss Stamp Tax: The issuance of Covered Bonds on the relevant Issue Date (primary market) will not be subject to Swiss federal stamp duty on the turnover of securities (*tassa di negoziazione*). Subsequent dealings in Covered Bonds in the secondary markets may be subject to the tax at an aggregate rate of up to 0.15 per cent.

Use of Proceeds:..... The net proceeds from each issuance of Covered Bonds will be used by the Issuer for its general business purposes as specified in the Applicable Final Terms. See also "*Use of Proceeds*".

Cross default:..... None of the Covered Bonds will accelerate automatically on an Issuer Event of Default or a Guarantor Event of Default.

The Covered Bonds of all Series will accelerate following a failure to pay (subject to applicable grace periods) by the Issuer in respect of any Series (or the occurrence of any other Issuer Event of Default) if the Bondholders' Representative serves an Issuer Default Notice on the Issuer pursuant to Condition 9.1 (*Events of Default relating to the Issuer*).

Upon receipt of the Issuer Default Notice by the Issuer, the Covered Bonds of all Series shall, in relation to the Issuer only, thereupon immediately become due and repayable at their Early Redemption Amount together with accrued interest. The Trustee shall forthwith

serve on the Guarantor and the Issuer a Guarantee Activation Notice and an initial and subsequent Notice(s) to Pay.

Early Redemption: Pursuant to Condition 6 (*Redemption and Purchase*), early redemption will be permitted (i) upon the occurrence of a Regulatory Event, (ii) for taxation reasons and (iii) if Investor Put is specified in the Applicable Final Terms and, (iv) at the option of the Issuer or a Covered Bondholder on terms as may be agreed by the Issuer and the relevant Dealer(s) and specified in the Applicable Final Terms (subject to all relevant legal, regulatory and/or central bank requirements).

Status and Ranking:..... The Covered Bonds will be direct, unsubordinated and (other than in relation to the Guarantee) unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves.

The payment obligations of the Issuer under the Covered Bonds will at all times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer.

Series and Tranches:..... The Covered Bonds will be issued in Series and/or Tranches as specified in the Applicable Final Terms.

Date and Approval of Programme: This Base Prospectus is dated and has been approved by the Swiss Review Body as a base prospectus within the meaning of article 45 of the FinSA on 24 April 2026.

In respect of any Tranche of Covered Bonds to be issued during the 12 months from the date of this Base Prospectus, this Base Prospectus (as amended or supplemented as of the date of the Applicable Final Terms), together with the Applicable Final Terms, will constitute the prospectus for purposes of the FinSA.

On or after the date of this Base Prospectus, in the case of any Tranche of Covered Bonds to be publicly offered in Switzerland and/or with respect to which application will be made to admit such Covered Bonds to trading on SIX Swiss Exchange, the Applicable Final Terms will be filed with the Swiss Review Body and published in accordance with the FinSA as soon as the final terms of such Covered Bonds are available, but, in the case of an admission to trading, in any case no later than the first day of trading for such Covered Bonds on SIX Swiss Exchange. The Applicable Final Terms for such Covered Bonds will not be reviewed or approved by the Swiss Review Body.

Admission to Trading and Listing and/or Quotation:..... Each Tranche of Covered Bonds may be admitted to trading and listing on SIX Swiss Exchange or may be unlisted. A Tranche of Covered Bonds may also be admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system as may be agreed between the Issuer and the relevant Dealer. The specific terms of any admission to trading and listing of any Tranche of Covered Bonds will be set out in the Applicable Final Terms.

Prospectus:..... Covered Bonds issued under the Programme may be issued pursuant to this Base Prospectus, including Documents Incorporated by Reference and any amendments or supplements thereto as well as the Applicable Final Terms.

Governing Law:..... Except as otherwise stated below, all Transaction Documents, including the Conditions and the Guarantee shall be governed by and construed in accordance with the substantive laws of Switzerland.

The Swap Agreements (if any) will be governed by, and construed in accordance with, English law.

Jurisdiction: The exclusive place of jurisdiction for any dispute, claim or controversy related to each Transaction Document, including the Conditions and the Guarantee, shall be the courts of the City of Lugano, Switzerland.

Clearing Systems: SIX SIS AG, Baslerstrasse 100, CH-4600 Olten, Switzerland (**SIX SIS**) or any other agreed clearing system.

Guarantee and Guarantee Support

Guarantee: Upon the occurrence of an IED Guarantee Activation Date (but prior to the GED Guarantee Activation Date) and following the service of a Notice to Pay by the Trustee on the Guarantor for the relevant Guaranteed Amount, the Guarantor, as an independent obligation, irrevocably undertakes to the Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders, to pay such Guaranteed Amounts Due for Payment in relation to the relevant outstanding Series of Covered Bonds subject to and in accordance with the Guarantee Priority of Payments solely and exclusively to the Principal Paying Agent for distribution to the relevant Covered Bondholders, subject to deferral, in part or in full, of Guaranteed Amounts equal to the Final Redemption Amounts until the Extended Due for Payment Date, subject to certain conditions (see "*Extendable obligations under the Guarantee*").

Pursuant to the terms of the Guarantee Mandate Agreement, the Issuer has agreed that it will pre-fund or reimburse or indemnify all Guarantee Expenses (consisting of, *inter alia*, of all sums (including Guaranteed Amounts) paid or payable by the Guarantor under the Guarantee upon receipt of a Notice to Pay and certain increased amounts due by the Guarantor resulting from Third Party Service Providers being appointed to replace Cornèr Banca, if Cornèr Banca ceases to be eligible to provide those services) by making a corresponding payment to the Guarantor in advance of the relevant Guaranteed Amounts falling Due for Payment.

To secure, *inter alia*, its Pre-funding Obligations described above, the Issuer has agreed, pursuant to the Security Assignment Agreement, to, *inter alia*, assign for security purposes to the Guarantor eligible claims relating to a portfolio of residential and commercial mortgage agreements (the **Assigned Mortgage Claims**) and transfer to the Guarantor entitlement to the related mortgage certificates on residential and commercial properties located in Switzerland as well as transfer as collateral certain Substitute Assets. Because recourse under the Guarantee will be limited to Available Funds of the Guarantor from time to time, subject to the applicable Priority of Payments, the ability of the Guarantor to make payments under the Guarantee will ultimately depend on the Assigned Mortgage Claims, Transferred Mortgage Certificates and Substitute Assets assigned or transferred to the Guarantor for security purposes.

Payments of the Guarantor under the Guarantee will be made subject to the Guarantee Priority of Payments or the Post-Insolvency Priority of Payments, as applicable and will be made directly to the Principal Paying Agent for distribution to the Covered Bondholders.

See the Guarantee set out in full under "*The Guarantee*" below.

Status of the Guarantee:	The obligations of the Guarantor under the Guarantee are direct, unsecured, unsubordinated and, following the Guarantee Activation Date and subject to the service of a Notice to Pay by the Trustee on the Guarantor for the relevant Guaranteed Amounts, unconditional (save for certain obligations required to be preferred by law) and will rank <i>pari passu</i> and at least equally with all other present and future, unsecured and unsubordinated obligations of the Guarantor.
Extendable obligations under the Guarantee:	The obligations of the Guarantor under the Guarantee to pay the Guaranteed Amounts equal to the Final Redemption Amount of the applicable Series of Covered Bonds on their Final Maturity Date may be deferred, in full or in part, until the Extended Due for Payment Date. See clause 5 (<i>Extended Due for Payment Date</i>) of the Guarantee.
Nature of eligible assets:	Mortgage Assets and Substitute Assets (each as defined below) up to the prescribed limit
Location of eligible residential or commercial property underlying mortgage claims:	Switzerland

Asset Monitoring

Maximum LTV given credit under the Asset Coverage Test for mortgage loans on Residential Properties:.....	80%.
Maximum LTV given credit under the Asset Coverage Test for mortgage loans on Commercial Properties:.....	60%.
Maximum Asset Percentage:.....	95%.
Servicing:	Pursuant to the Security Assignment Agreement, Cornèr Banca as Servicer shall continue, subject to revocation of the authorisation upon a Servicing Termination Event, to service and administer the Serviced Mortgage Assets, <i>inter alia</i> , in accordance with the Servicing Standards.

Swaps

As at the date of this Base Prospectus, no Initial Swap Provider(s) have been appointed. The Guarantor has not entered into any Swap Agreements and will not enter into any cross-currency Swap Agreements. See "*Risk Factors—Currency risks and certain risks related to Swap Agreements—As at the date of this Base Prospectus, the Guarantor has not appointed an Initial Swap Provider and has not entered into any Swap Agreements. If an Initial Swap Provider is appointed and the Guarantor enters into Swap Agreements following the date of this Base Prospectus, Covered Bondholders will be exposed to additional risks with respect to the reliance on Swap Providers and the Swap Agreements*".

Cash Flows

Guarantor Accounts and Priority of Payments:.....

Prior to the occurrence of a Notification Event, the Assignor will generally be entitled to receive and retain all Collected Mortgage Payments for its own benefit and no cash flows will run through the Guarantor.

Upon the earlier to occur of an IED Guarantee Activation Date and service of a Notice to Pay or a GED Guarantee Activation Date, cash flows will run through the Guarantor and will be applied in accordance with the relevant Priority of Payments.

Pursuant to the Guarantee Mandate Agreement, the Issuer will pay a Guarantee Fee to the Guarantor as consideration for issuing the Guarantee and the Guarantor will pay the Collateral Differential to the Issuer as consideration for providing collateral.

See "*Cash Flows*" below.

Pre-Guarantee Priority of Payments:

See "*Cash Flows—Allocation and distribution of amounts prior to the Guarantee Activation Date—Pre-Guarantee Priority of Payments*".

Guarantee Priority of Payments: .

See "*Cash Flows—Allocation and distribution of amounts following the IED Guarantee Activation Date—Guarantee Priority of Payments*".

Post-Insolvency Priority of Payments:

See "*Cash Flows—Allocation and distribution of amounts following the GED Guarantee Activation Date—Post-Insolvency Priority of Payments*".

Limited Recourse and non-petition:

The Guarantee and the Guarantor's obligations under the Transaction Documents will constitute limited recourse obligations of the Guarantor.

All payments under the Transaction Documents will be payable to the parties thereto only from Available Amounts after giving effect to the applicable Priority of Payments.

With respect to the parties to the Transaction Documents, each Transaction Document provides that none of the parties shall for so long as any Covered Bonds are outstanding and until the expiry of a period ending 366 days after the date on which all potential liabilities secured by the Guarantee have been discharged or satisfied in full:

- (a) take any legal steps nor institute any legal proceedings against the Guarantor or its assets or corporate bodies for the purpose of asserting or enforcing any of its rights or claims against the Guarantor; in particular, it will not:
 - (i) file a request for payment (*domanda di esecuzione*) under the DEBA or otherwise initiate any debt collection, attachment or enforcement proceedings against the Guarantor or support any such proceedings; or
 - (ii) initiate any arbitration, court, administrative or other proceedings against the Guarantor, its assets or executive bodies, or support any such proceedings, except for any such action (x) solely seeking declaratory relief without requesting the adjudication of damages, or (y) solely seeking specific performance of the Guarantor's obligations under the Transaction Documents to serve Pre-funding Notices and/or Recourse Notices; or
 - (iii) without prejudice to the netting provisions expressly provided for in any Swap Agreement (if any), exercise any right of set-off;
- (b) take any steps nor institute any proceedings to procure or initiate the bankruptcy, winding up, liquidation, restructuring, administration or any similar procedure in respect of the

Guarantor, and, in particular, it will not initiate or support any Insolvency Proceedings against the Guarantor; and

- (c) other than by virtue of filing any of its claims in an insolvency of the Guarantor, it will not claim, rank, prove or vote as creditor of the Guarantor 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 relevant Priority of Payments have been paid in full,

provided, however, that Sub-clauses (a)(i) and (ii) as well as Sub-clause (b) shall become inapplicable if the Guarantor is adjudicated bankrupt by a competent Swiss court.

There is no guarantee that a court would grant any such relief (the award of specific performance in particular being subject to the court's discretion and granted only if it determines that other remedies are not available) or that receipt of declaratory judgment would procure enforcement of the relevant obligation by the Guarantor. See also clause 6 (*Limited Recourse against the Guarantor*) and clause 11 (*Non-Petition*) of the Guarantee set out in full in "*The Guarantee*" and "*Risk Factors—Risks relating to the Programme legal and regulatory matters—Insolvency proceedings and subordination provision*".

Overview of Ratings and Rating Triggers

Ratings: Covered Bonds to be issued under the Programme are at the time of issue expected to be rated "AAA" by Fitch. The rating of certain Series of Covered Bonds to be issued under the Programme may be specified in the Applicable Final Terms. See also "*Risk Factors—Risks relating to the Covered Bonds—Credit ratings may not reflect all risks*".

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, modification or withdrawal at any time.

Rating Triggers: As described further in this Base Prospectus, and in each case subject to any Rating Agency Confirmation to the contrary, certain consequences will arise as a result of the occurrence of relevant rating triggers. Set out below is a summary list of these rating triggers:

Rating Trigger

Consequence

If the Account Bank rating falls below Minimum Account Bank Rating. Minimum Account Bank rating means, in relation to the Account Bank:

Account Bank to be replaced or guaranteed or other actions taken to the satisfaction of the Rating Agency.

- If Account Bank deposit rating is available: *Either* a short-term deposit rating of 'F1' by Fitch *or* a long term deposit rating of 'A-' by Fitch.
- If Account Bank deposit rating is not available: *Either* a Fitch Short-Term Issuer Default Rating of 'F1' *or* a Fitch Long-Term Issuer Default Rating of 'A-'.

Upon Issuer Event of Default or Servicing Termination Event Notification Event.

Corporate Services Provider's Fitch Long-Term Issuer Default Rating falls below 'BBB-' Termination of Corporate Services Provider.

Cash Manager's Fitch Long-Term Issuer Default Rating falls below 'BBB-' Termination of Cash Manager.

Servicer's Fitch Long-Term Issuer Default Rating falls below 'BBB-' Termination of Servicer.

RISK FACTORS

The Issuer believes that the risks described below may affect its ability to fulfil its obligations under Covered Bonds issued under the Programme and/or the Guarantor's ability to fulfil its obligations under the Guarantee and could be material for the purpose of assessing the market risks associated with the Covered Bonds. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with the Covered Bonds issued under the Programme are described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Covered Bonds issued under the Programme, but the inability of the Issuer or the Guarantor to pay interest, principal or other amounts on or in connection with any Covered Bonds or the Guarantee, as applicable, may occur for other reasons which may not be considered significant risks by the Issuer and the Guarantor based on information currently available to them and which they may not currently be able to anticipate. The Issuer does not represent that the statements below regarding the risks of holding any Covered Bonds are exhaustive. Additional risks and uncertainties that the Issuer and the Guarantor are unaware of, or that they currently deem to be immaterial, may also become important risk factors that affect them.

Prospective investors should carefully read and consider the risks and uncertainties described below together with all other detailed information contained elsewhere and incorporated by reference in this Base Prospectus and reach their own view, based upon their own judgment and upon advice from such financial, legal and tax advisers as they have deemed necessary, before making any investment decision.

RISKS RELATING TO CORNÈR BANCA

Risks relating to global economic and financial market conditions and systemic risk in the financial services industry

Recent developments in international trade policy, including changes to United States tariff measures affecting Swiss products, have influenced the Swiss economic outlook. In a press release dated 15 December 2025, the Swiss Federal State Secretariat for Economic Affairs (SECO) reported that the reduction in U.S. tariffs on Swiss products has strengthened the outlook and planning certainty for directly affected sectors and companies. Based on this development, the Swiss Federal Government's Expert Group on Business Cycles slightly raised its forecast for Swiss economic growth. The Swiss economy is now expected to grow by approximately 1.1% in 2026, following growth of approximately 1.4% in 2025 (October 2025 forecast: 0.9% for 2026, following 1.3% for 2025). However, SECO also emphasised that, despite this easing of trade tensions, uncertainty regarding international economic and trade policy remains high. In particular, SECO noted that additional sector-specific tariffs imposed by the United States or the European Union could have a dampening effect on foreign trade, while further easing of international trade policy would support more favourable economic developments. The Expert Group's forecast is therefore subject to significant downside risks. SECO further identified a number of broader macroeconomic and financial risks that continue to affect the Swiss economy. These include the risk of a deterioration in the international economic environment, the vulnerability of financial markets to significant corrections, intensified risks related to high global debt levels—particularly sovereign debt—as well as balance-sheet risks within financial institutions and persistent vulnerabilities in real estate markets. In addition, geopolitical risks remain elevated, in particular in connection with the armed conflicts in Ukraine and the Middle East.

Any such developments could adversely affect economic conditions in Switzerland and may have a negative impact on companies with significant exposure to international trade or foreign currency movements. The Issuer cannot predict whether, or to what extent, these risks will materialise, and any such developments could have a material adverse effect on the Issuer's business, financial condition, results of operations. Any further deterioration of the international environment may negatively affect economic conditions in Switzerland in a number of ways, including by further strengthening the Swiss franc, which may negatively affect Swiss exports further and increase the risk of a return to negative interest rates applied by the Swiss National Bank.

Because Cornèr Banca principally conducts its operations in Switzerland, where the vast majority of its customers are located, any deterioration of the general market conditions and level of economic activity in

Switzerland could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Risks relating to additional capital needs

Cornèr Banca's capital requirements depend on many factors, including its operational results, its ability to generate new business successfully, regulatory changes to capital requirements or other regulatory developments. Cornèr Banca may be unable to obtain capital in the future or may only obtain it at considerable costs, in particular in case of negative rating actions (see "*RISK FACTORS – Risk of a rating downgrade and other negative rating actions*"). This could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Liquidity and funding risks

Liquidity risk is the risk that Cornèr Banca may not be able to anticipate and provide for unforeseen decreases or changes in funding sources or generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. The liquidity risk can have various causes whether due to factors specific to Cornèr Banca or to general market conditions, such as elevated demand for collateral by counterparties, rating downgrades, inadequate or limited access to central bank liquidity, or increased demand for liquidity due to rapid outflows of customer funds. If depositors lose confidence in a bank, this can quickly lead to large liquidity outflows. Word of this liquidity outflow can lead to more and more deposits being withdrawn and mean refinancing on the capital markets becomes impossible or funding can only be obtained at punitive rates. The turmoil in the banking sector in March 2023 showed that the speed and volume of deposit outflows is being accentuated by advances in the digitalisation of finance. Growing geopolitical and trade policy risks can also make it more difficult to access funding in foreign currencies.

Although Cornèr Banca has a diverse range of funding sources, with a well-diversified maturity profile and policies in place to manage liquidity and refinancing risks, such policies may prove inadequate or ineffective during periods of market volatility, changing market conditions, or other macroeconomic or external crisis scenarios, which could have a material adverse effect on Cornèr Banca's liquidity position, business, and results of operations.

Competition risks

Cornèr Banca operates mostly in Switzerland, with a focus in the Italian-speaking part of Switzerland, which is a highly competitive environment and where competitive conditions are expected to continue to intensify. Cornèr Banca's ability to compete depends on many factors, including its reputation, the quality of its services and advice, brand recognition, product innovation and pricing, execution ability, sales efforts, personal relationships and the talent of its employees. The significant and increasing competition on the basis of such factors may adversely affect Cornèr Banca's business.

Cornèr Banca also competes with the wealth management divisions of a number of large Swiss and international financial institutions as well as with established local and regional competitors. A number of Cornèr Banca's competitors are able to offer more comprehensive lines of products and services than Cornèr Banca, which may adversely affect Cornèr Banca's ability to attract or retain client relationships.

In addition, increased regulatory requirements and developments in IT require significant investments of time and resources. If Cornèr Banca's competitors are more efficient at incorporating such changes and developments, Cornèr Banca's competitive position may deteriorate.

The materialization of any of the aforementioned risks could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Credit and counterparty risks

Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent to Cornèr Banca's business. Cornèr Banca has monetary and securities claims under numerous transactions against customers, debtors and other contractual parties. Such third-party debtors may not pay or perform under their obligations. Third-party debtors may include borrowers under loans granted (that may or may not be secured by financial collateral or real estate), customers, counterparties under OTC derivatives positions and other financial intermediaries. Due to its business activities, Cornèr Banca is primarily exposed to credit risks from customer loans.

The lending business depends to a large degree on the general economic situation. Geopolitical tensions, trade policy or unexpected monetary decisions are very likely to impact on the real economy and pose a risk to borrowers' ability to pay. Due to the current international trade situation and the resultant uncertainties about the economic outlook, rising credit risks in loan portfolios are possible. Declining earnings and falling market valuations could lead to losses on Lombard loans and loans to corporations, where concentration risks can also arise if loans are backed by single securities or undiversified collateral. These defaults may translate into potential losses and could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Risk of a rating downgrade and other negative rating actions

The Issuer is rated by credit rating agencies. A rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. As of the date of this Base Prospectus Fitch assigned the Issuer an "Issuer Rating" of "BBB+".

Factors that could influence the Issuer's credit ratings include, for example, expected future profitability, risk management practices, legal expenses, regulatory developments and economic and geopolitical trends.

A downgrading of the Issuer's credit ratings (or any other negative rating actions such as a change in the outlook or an amendment of the capital modelling by a rating agency) and the corresponding loss of confidence in the Issuer as creditor could in particular reduce its access to capital markets, materially increase its refinancing costs and decrease the number of investors and counterparties that are willing or permitted to do business with the Issuer. Therefore, any negative rating action could have material adverse effects on the Issuer's business, results of operations and financial condition and the Issuer's ability to fulfil its obligations under the Covered Bonds.

Risks relating to the implementation of Cornèr Banca's strategy

Cornèr Banca has set itself strategic, financial and operational targets. Their achievement remains subject to uncertainty and could incur higher costs, require more management resources than expected or may not be implemented successfully. Cornèr Banca's strategic objectives are based on a number of key assumptions regarding the future economic environment, the economic growth of Switzerland and the neighbouring countries, the regulatory landscape, Cornèr Banca's ability to meet certain financial goals, anticipated interest rates and central bank action, among other things. If any of these assumptions prove inaccurate in whole or in part, Cornèr Banca's ability to achieve some or all of the expected benefits of its strategy could be limited, including its ability to retain key clients and employees, or achieve its other goals, such as those in relation to the increase in its income or cost savings.

Factors beyond Cornèr Banca's control, including but not limited to market and economic conditions, changes in laws, rules or regulations and other challenges and risk factors discussed herein, could limit its ability to achieve some or all of the expected benefits of its strategy. In addition, the implementation of Cornèr Banca's strategy may increase its exposure to certain risks, including but not limited to credit risks, market risks, operational risks and regulatory risks. Finally, changes to the organizational structure of Cornèr Banca's business, as well as changes in personnel and management, may lead to temporary instability of its operations. Cornèr Banca may be unable to implement its strategy successfully in whole or in part, or components of the strategy that are implemented could fail to produce the expected benefits.

Furthermore, mergers, acquisitions, disposals and management re-organisations may result in Cornèr Banca incurring costs and using considerable management resources. It is also possible that, as a result of any past or future mergers, acquisitions and disposals, Cornèr Banca may be subject to warranty, indemnity or other claims or to adverse tax or accounting charges.

The materialization of any of the aforementioned risks could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Reputational risks

Reputational risks refer to, inter alia, the risk of failure to meet stakeholder (e.g., clients, regulators and the general public) expectations as a result of any event, behaviour, action or inaction, either by Cornèr Banca, its employees or those with whom it is associated, that might cause stakeholders to form a negative view of Cornèr Banca. Equally, public opinion on Cornèr Banca may be adversely affected by the actual, or perceived, manner in which Cornèr Banca conducts its business activities, or financial performance, as well as actual or perceived practices in the banking and financial services industry generally. Modern IT technologies, in particular, online

social media channels and other broadcast tools which facilitate communication with large audiences in short time frames and with minimal costs, may significantly enhance and accelerate the impact of damaging information and allegations. Negative views of stakeholders or negative public opinion may have both financial and non-financial impacts, such as a decrease in the value of the 'Cornèr Banca' brand and adverse effects on Cornèr Banca's ability to keep and attract customers and retain motivated staff, and could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Risk of attracting and retaining key personnel

Cornèr Banca's continued success depends on the retention of key members of its management team and wider employee base. The ability to continue to attract, train, motivate and retain highly qualified and capable professionals is a key element to successfully implement Cornèr Banca's strategy. If Cornèr Banca fails to staff its operations appropriately or loses one or more of its key members of its management team or fails to replace them in a satisfactory and timely manner, this could place Cornèr Banca at a significant competitive disadvantage, which could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Operational and outsourcing risks

Operational risks and losses can result from inadequate or failed internal processes, fraud or errors by employees, such as failure to document transactions properly or to obtain proper internal authorization, failure to comply with regulatory requirements and conduct of business rules, IT system, buildings and equipment failures, from external causes such as natural disasters or the failure of third party systems, for example, those of Cornèr Banca's suppliers or counterparties or from delays due to internal or external factors such as for example delays in the delivery of some of the bank's digital developments/products.

The outsourcing of internal functions to third parties is also an important driver of operational risks. Cornèr Banca is dependent for certain functions to service providers due to different advantages such as flexibility, innovation, digitalization. The number of outsourcers and sub-outsourcers is rising and the supply chain for Cornèr Banca is becoming more complex. The increasing concentration on a small number of service providers, particularly in ICT infrastructure and cloud services, is a key risk. An outage or data breach at one of these central service providers could have a serious impact on Cornèr Banca's operations. Despite the benefits of outsourcing, interruptions and outages of critical functions and key service providers can pose significant risks with a negative impact on the bank's operational resilience.

It is not possible to implement procedures, which are fully effective in controlling each of the operational risks including the outsourcing risk. Because of the broad spectrum of operational risks, the realization of one or more of these risks could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Cyber security risks

Cornèr Banca's operations rely on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. Cornèr Banca's computer systems, its software and networks may be vulnerable to unauthorized access (from within its organization or by third parties), computer viruses or other malicious code and other cyber threats that could have a security impact. Cyber attacks on financial institutions and their external service providers are continuing to increase and therefore represent an ongoing high operational risk. Common forms of attack include distributed denial-of-service (DDoS) attacks, deliberate or unintentional insider threats and cyber fraud with payment methods. A further increase in cyber attacks can be expected.

Given the volume of transactions Cornèr Banca processes, its number of clients, partners and counterparties with which Cornèr Banca does business, and the increasing sophistication of cyber attacks, a cyber attack could occur without detection for an extended period of time. In addition, Cornèr Banca expects that any investigation of a cyber attack will be inherently unpredictable and it may take time before any investigation is complete. During such time, Cornèr Banca may not know the extent of the harm or how best to remediate it and certain errors or actions may be repeated or compounded before they are discovered and rectified, all or any of which would further increase the costs and consequences of a cyber attack. Reports to FINMA about cyber attacks demonstrate a growing trend of cyber attacks on third parties, which represents around half of all cyber incidents in the Swiss financial sector. Cyber attacks on ICT supply chains are expected to continue to increase.

If any of Cornèr Banca's systems does not operate properly or is compromised as a result of cyber attacks, security breaches, unauthorized access, loss or destruction of data, unavailability of service, computer viruses or

other events that could have an adverse security impact, Cornèr Banca could be subject to litigation or suffer financial loss not covered by insurance, a disruption of its businesses, liability to its clients, regulatory intervention or reputational damage. Any such event could also require Cornèr Banca to expend significant additional resources to modify its protective measures or to investigate and remediate vulnerabilities or other exposures. The increasing complexity of modern information and communications technology (ICT) systems and their extensive interlinkages increase operational risks. Malfunctioning software components, inadequate maintenance, poor data quality and the use of outdated legacy systems can lead to system outages. Effective incident management is essential to address and document incidents and limit outages to a minimum.

The materialization of any of the aforementioned risks could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Regulatory risks

Cornèr Banca expects to face increasingly extensive and complex regulation in the financial services industry. In recent years, costs related to compliance with these requirements and the penalties and fines sought and imposed on the financial services industry by regulatory authorities have increased significantly. Cornèr Banca expects such increased regulation to have an impact on its costs, including, but not limited to, costs related to compliance, systems and operations. In particular, Cornèr Banca is exposed to risks arising from potential violations of applicable laws, regulations and supervisory requirements, including those relating to anti-money laundering, sanctions regimes, data protection, tax transparency and other cross-border or extra-territorial frameworks (such as U.S.A., United Kingdom or EU sanctions). Non-compliance with such obligations, whether intentional or by negligence, may result in regulatory investigations, administrative or criminal proceedings, fines, restrictions on business activities, or reputational harm. These regulations may affect Cornèr Banca's activities, including through the application of increased capital or enhanced leverage and liquidity requirements, the implementation of additional capital surcharges for risks related to operational, litigation, regulatory and similar matters, customer protection and market conduct regulations and direct or indirect restrictions on the businesses in which it may operate or invest. Such limitations can have a negative effect on Cornèr Banca's business and its ability to implement strategic initiatives.

Cornèr Banca expects the financial services industry to continue to be affected by the significant uncertainty over the scope and content of regulatory reform in 2026 and beyond, including by changes in laws, rules or regulations, or in their interpretation or enforcement, or the implementation of new laws, rules or regulations.

The materialization of any of the aforementioned risks could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Credit spread risk

Credit spread risk is the risk of losses due to changes in credit spreads on bond yields. Cornèr Banca holds portfolios of fixed-interest securities that are subject to country and counterparty risk. Wider credit spreads on corporate or sovereign bonds can lead to significant losses and higher costs to insure against credit defaults. The credit spread risk is becoming more relevant against the backdrop of increased political risk in various regions of the world. The continuing subdued growth outlook, high or rising government debt levels in many countries and a further rise in geopolitical tensions could prompt an upsurge in risk aversion, leading to higher spreads on government or corporate bonds. In the light of high sovereign debt levels following the COVID-19 pandemic and current geopolitical and trade policy tensions, country risks are becoming more relevant. Higher spreads on corporate or sovereign bonds could have a considerable impact on Cornèr Banca, including direct losses on its portfolios or credit valuation adjustments on derivative transactions. This could in turn trigger a loss of confidence, higher costs to insure against credit defaults, and higher funding costs. The materialization of any of the aforementioned risks could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Reputational risk

In the highly competitive environment arising from globalisation and convergence in the financial services industry, a reputation for financial strength and integrity is critical to Cornèr Banca's financial performance, including with regard to the ability to attract and retain clients and employees, and to the ability to engage and transact with counterparties. Cornèr Banca is exposed to the risk that negative publicity, media reports, press speculation and threatened or actual legal proceedings and investigations concerning Cornèr Banca's business, employees, clients or counterparties may harm Cornèr Banca's reputation. Adverse developments affecting clients, or reputational events affecting Cornèr Banca or particular business lines, could trigger significant outflows in a

short period of time, which could adversely affect assets under management, operating income and profitability. Any of these negative effects could materially and adversely affect Cornèr Banca's business, financial condition and results of operations

Client concentration risk

As an institution engaged in private banking and wealth management, Cornèr Banca is exposed to client concentration risk. A significant portion of its customers are high net worth individuals who have, to a certain degree, similar socio-economic characteristics and are likewise exposed to comparable macroeconomic and regulatory risks. The geographical concentration of Cornèr Banca's client base, predominantly in Canton Ticino, may also pose concentration risks. If Cornèr Banca is unable to retain key clients or sufficiently diversify its client base, its results of operations and financial condition may be adversely affected. The ability to monitor as well as to forecast the behaviour of clients due to the clients' ability to withdraw their assets on short notice requires adequate responses by Cornèr Banca to either prevent such withdrawals through offering suitable services and products or accompanying measures.

Valuation and accounting estimate risk

Cornèr Banca is exposed to risk from its use of valuation and risk measurement models. Models used to value financial instruments and calculate hedging ratios may not fully reflect all relevant factors, and inadequate models or unsuitable assumptions may lead to incorrect valuations, risk assessments, and hedging positions, which could result in financial loss. Cornèr Banca also makes estimates and valuations that affect reported results, including for credit losses, litigation provisions, and the fair value of certain assets. These estimates are based on judgment and available information, but actual results may differ materially. Some of the methods of managing risks that Cornèr Banca employs are based upon its use of observed historical market behaviour and statistical methods, which may not be effective in predicting future risk exposures, which could be significantly greater than historical measures indicate. If these policies and procedures prove to be inadequate in addressing all the risks Cornèr Banca faces, or are not properly adhered to, Cornèr Banca may experience material losses that could adversely affect its business, financial condition and results of operations.

Data quality and information risks

Cornèr Banca's operations, risk management, and regulatory reporting depend on timely, accurate, complete, and consistent data from internal systems and third parties. In the course of business operations, Cornèr Banca requires certain information from clients, counterparties and third-party service or product providers to be able to establish client and counterparty profiles and structure transactions properly, to comply with anti-money laundering, counter financing of terrorism and suitability requirements, and to avoid taking unnecessary commercial risks. If the required information is unavailable, inaccurate, insufficient, outdated, incomplete, inconsistent, or compromised due to system malfunctions, cyber incidents, third-party failures, or control lapses, Cornèr Banca may face errors in transaction processing, misclassification of assets, inadequate compliance screening, incorrect risk assessments, and deficient decisions. Such failures could expose Cornèr Banca to legal, regulatory, and reputational risk, and could materially and adversely affect its business, results of operations, and financial condition.

Risks relating to Cornèr Banca's business lines

Risks relating to Cornèr Banca's business lines exist across a wide range of products (trading online platform, credit cards, consumer loans, shipping loans, trade finance, commercial loans, Lombard loans, residential and commercial mortgages), as well as OTC derivatives and other transactions. Cornèr Banca's exposure to credit risk can be exacerbated by adverse economic or market trends, as well as increased volatility in relevant markets or instruments; changes in consumer behaviour could also cause a reduction in consumer, as well as corporate, demand and spending.

For some business lines such as trade finance services and credit cards, Cornèr Banca faces some additional risks in terms of money laundering, terrorism financing, illicit activities or other restrictions, reduction of earnings and credit losses due to fraud and delinquencies particularly on credit cards and consumer loans. The wealth management activities increase also risks due to regulatory requirements due to cross-border market access.

The materialization of any of the aforementioned risks could have material adverse effects on Cornèr Banca's reputation, business, results of operations and financial condition.

Risks related to Cornèr Banca's mortgage business

Cornèr Banca is actively involved in the mortgage lending business to premium private and corporate clients, secured by commercial and residential properties predominantly in Canton Ticino. Cornèr Banca's real estate-related businesses and risk exposures could be adversely affected by a downturn in real estate markets. As highlighted in the "*FINMA Risk Monitor 2025*", risks relating to real estate and mortgages remain high, and past crises have shown that problems in the real estate market can spread quickly to financial institutions and the entire real economy. For a more detailed description of the risks relating to the Swiss residential and commercial mortgage market and their potential impact on the Cover Pool, see "*RISKS RELATING TO THE COVER POOL—Risks relating to the Swiss residential and commercial mortgage market, such as deterioration in the market for real estate, could negatively affect the value and marketability of the Covered Bonds*".

Furthermore, a reform of the taxation system for residential property in Switzerland was approved at the referendum of 28 September 2025. On 1 April 2026, the Federal Council (*Bundesrat*) exercised its implementing authority and formally set the entry into force of the reform for 1 January 2029, taking into account the need to give cantons sufficient time to adapt their tax legislation and (where applicable) introduce a compensatory property tax on second homes. It includes, among other things, the abolition of the taxation of imputed rental value (*Eigenmietwert*) for owner-occupied residential properties as well as the partial abolition of the tax deductibility of mortgage interest and maintenance costs. The partial abolition of the tax deductibility of mortgage interest will reduce the incentives for households to take out mortgages in future, which may result in a decrease of the volume of Cornèr Banca's mortgage portfolio as it increases incentives to repay mortgages, which may in turn result in a significant reduction in assets under management, as these may be used to repay or reduce mortgages. Furthermore, there is a risk of a deterioration in the average quality of the mortgage portfolio if first-class mortgages are repaid first, resulting in an increase in the average loan-to-value ratio of the remaining mortgages. Additionally, the abolition of tax deductibility could have an inhibiting effect on renovations, which are important to ensure that a property's value remains stable as the collateral for a mortgage. The materialization of any of the aforementioned risks could have material adverse effects on Cornèr Banca's reputation, business, results of operations and financial condition.

Risks related to Cornèr Banca's credit payment card business

Under the brand Cornèrcard, Cornèr Banca issues Visa, Mastercard® and Diners Club payment cards in Switzerland and, through its subsidiary Cornèr Europe AG in Vaduz, in the European Economic Area. The payment card business is a core activity of the Cornèr Group and a significant contributor to its revenues, fee income and customer base. Weaker economic conditions in Switzerland or in the markets served by Cornèr Europe AG that affect the financial situation of private individuals and businesses, reduce customer confidence, or cause declines in consumer spending or a negative change in the use of, or attitude towards, the use of payment cards, may have an adverse effect on Cornèr Banca's ability to generate net interest and fee income and new lending, affect Cornèr Banca's ability to retain or grow its customer base and may also entail increased default rates as well as increased withdrawals from deposit accounts among its customers.

The payment card industry is highly competitive and subject to rapid technological change. In recent years, new market entrants and existing competitors have launched digital wallets, buy now, pay later products, real-time account-to-account payment systems (such as SIC Instant in Switzerland and SEPA Instant Credit Transfer in the EEA) and other technology-based payment tools with credit or deferred payment features which may substitute conventional credit card payment or revolving credit products. Some of these competitors, including large technology companies and specialised fintech providers, may be able to offer services or credit at significantly lower cost than Cornèr Banca currently does, or may benefit from greater brand recognition, larger user bases or more advanced technology platforms. In addition, the growing adoption of digital wallets intermediates the relationship between card issuers and cardholders, which may reduce Cornèrcard's brand visibility and weaken customer loyalty, and may require Cornèr Banca to enter into fee-sharing arrangements that compress margins. These competitive dynamics may force Cornèr Banca to lower its fees and/or adapt its products, services or distribution channels in order to attract and retain its customers.

Cornèr Banca's payment card business depends on its licensing relationships with the Visa, Mastercard and Diners Club payment networks, which are governed by scheme rules, fee structures and technology requirements that the networks may modify unilaterally. Adverse changes to scheme economics, mandatory technology migration requirements, or the loss or non-renewal of a network licence could materially disrupt Cornèr Banca's card operations or result in the loss of a material revenue stream. Furthermore, the payment card industry is subject to regulatory intervention affecting interchange fees: in the EEA, the Interchange Fee Regulation (Regulation (EU) 2015/751) caps interchange fees on consumer card transactions, directly affecting the fee income that Cornèr Europe AG can earn, while in Switzerland, the Competition Commission (COMCO) has historically scrutinised domestic multilateral interchange fees and may impose further restrictions. In addition, open banking and payment services regulation, including the revised Payment Services Directive (PSD2) and its forthcoming successor framework (PSD3) in the EEA, require payment service providers to grant third parties access to customer account

data and payment initiation services, enabling competitors to offer payment solutions that bypass card rails. The card business also operates across multiple regulatory jurisdictions with distinct licensing, capital and compliance requirements, and the cost and complexity of maintaining compliance across these jurisdictions may increase as regulatory frameworks continue to evolve.

Cornèr Banca faces significant and growing risks from cyber fraud involving payment methods. Fraudsters use increasingly sophisticated techniques, including deepfake-enabled social engineering, synthetic identity fraud and generative artificial intelligence-driven attack vectors, to gain access to cardholder credentials and transaction approval mechanisms. Fraud involving payment methods is expected to continue to increase in both volume and sophistication, and customers may in some cases be unable to block affected services quickly enough, which could result in financial losses, reputational damage and regulatory scrutiny. The processing and storage of cardholder data additionally subjects Cornèr Banca to the Payment Card Industry Data Security Standard (PCI DSS), the Swiss Federal Act on Data Protection (revDSG) and, in respect of Cornèr Europe AG, the EU General Data Protection Regulation (GDPR), and a breach of cardholder data security could trigger scheme-level penalties, mandatory forensic investigations, card reissuance costs and significant reputational harm.

If Cornèr Banca is unable to adequately address these challenges, individually or in combination, this could have a material adverse effect on Cornèr Banca's business, results of operations and financial condition.

Risks related to Swiss resolution proceedings and resolution planning requirements

Pursuant to Swiss banking laws, FINMA has broad powers and discretion in the case of resolution proceedings with respect to a Swiss bank, such as Cornèr Banca. These broad powers include the power to open restructuring proceedings with respect to Cornèr Banca and, in connection therewith, cancel the outstanding equity of the entity subject to such proceedings, convert such entity's debt instruments and other liabilities into equity and/or cancel such debt instruments and other liabilities, in each case, in whole or in part, and stay (for a maximum of two business days) certain rights under contracts to which such entity is a party, as well as the power to order protective measures, including the deferral of payments, and institute liquidation proceedings with respect to Cornèr Banca. The scope of such powers and discretion and the legal mechanisms that would be utilized are subject to development and interpretation.

Risks related to changes in monetary policy

Cornèr Banca is affected by the monetary policies adopted by the central banks and regulatory authorities of Switzerland and internationally. The actions of the Swiss National Bank (SNB) and other central banking authorities directly impact Cornèr Banca's cost of funds for lending and investment activities and may impact the value of financial instruments it holds and the competitive and operating environment for the financial services industry. Many central banks have implemented significant changes to their monetary policy and may implement or experience further changes. Cornèr Banca cannot predict whether these changes will have a material adverse effect on it or its operations. In addition, changes in monetary policy may affect the credit quality of Cornèr Banca's customers. Any changes in monetary policy are beyond Cornèr Banca's control and difficult to predict and could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Litigation risks

In the ordinary course of business, Cornèr Banca is, from time to time, involved in legal and arbitration proceedings both as complainant and respondent. The outcome of such proceedings cannot be determined in advance. A certain risk exists that Cornèr Banca's assessment of litigation risks is proved to be inaccurate and therefore that proceedings adversely determined could negatively affect Cornèr Banca's reputation, business, results of operations and financial condition.

Emerging risks and new types of risks

Cornèr Banca's risk management techniques and strategies might not be fully effective to identify, anticipate and mitigate risks Cornèr Banca is exposed to, particular in changing market conditions and the emergence of new types of risks. The materialization of such risks could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

Risk from foreign currencies

Cornèr Banca in its day-to-day business can be exposed to foreign currency risk mainly due to banking book investments, credit exposures and trading activities in currencies different from Swiss Franc, such as US

Dollar and Euro. Exchange rates movements are highly dependent on macro factors like interest rates, inflation, relationships between the national economies and all these factors cannot be accurately predicted and are out of Cornèr Banca's control. The materialization of any of the aforementioned risks could have material adverse effects on Cornèr Banca's business, results of operations and financial condition.

RISKS RELATING TO THE TRANSACTION STRUCTURE GENERALLY

The Covered Bonds may not be a suitable investment for all investors

Each potential investor in the Covered Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should: (i) have sufficient knowledge and experience to make a meaningful evaluation of the Covered Bonds, the merits and risks of investing in the Covered Bonds and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement or Applicable Final Terms; (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Covered Bonds and the impact the Covered Bonds will have on its overall investment portfolio; (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Covered Bonds, including Covered Bonds where the currency for principal or interest payments is different from the potential investor's currency; (iv) understand thoroughly the terms of the Covered Bonds and be familiar with the behaviour of any relevant indices and financial markets; and (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Covered Bonds are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Covered Bonds unless it has the expertise (either alone or with a financial adviser) to evaluate how the Covered Bonds will perform under changing conditions, the resulting effects on the value of the Covered Bonds and the impact this investment will have on the potential investor's overall investment portfolio.

The Covered Bonds are obligations of the Issuer and the Guarantee is an obligation of the Guarantor only

The obligations in relation to the Covered Bonds and the Guarantee will be solely obligations of the Issuer and the Guarantor, respectively. Accordingly, the obligations under the Covered Bonds and the Guarantee will not be obligations of, or guaranteed by, any other Cornèr Banca entity or any other entity. In particular, the Covered Bonds will not be obligations of, and will not be guaranteed by, any of the Arranger, any of the Dealers, the Trustee, any of the Agents; any company in the same group of companies as such entities or any other party to the Transaction Documents relating to the Programme. Any failure by the Issuer or the Guarantor to pay any amount due under the Covered Bonds and/or the Guarantee shall not result in any liability whatsoever in respect of such failure being accepted by any of the Arranger, the Dealers, the Trustee, any of the Agents, any company in the same group of companies as such entities or any other party to the Transaction Documents relating to the Programme. Consequently, to the extent that Cornèr Banca's and the Guarantor's assets are not sufficient to fulfil their obligations under the Covered Bonds and Guarantee, respectively, Covered Bondholders will not be able to take recourse against third parties for payment and the Guarantor's obligations under the Guarantee may not be fully met.

The Guarantor's ability to enforce against the Cover Pool Assets will be subject to certain conditions, limited to Guaranteed Amounts falling Due for Payment during a certain time period and sales of Assigned Mortgage Claims will be limited to Eligible Investors

Cornèr Banca will not sell the Cover Pool Assets to the Guarantor. Instead, Cover Pool Assets will serve as security for the Secured Obligations in favour of the Guarantor (see "*The Guarantor does not provide any direct security to Covered Bondholders for its obligations under the Guarantee*"), including the Pre-funding Obligations, owed by Cornèr Banca to the Guarantor. See "*Overview of the Principal Transaction Documents—Guarantee Mandate Agreement—Guarantee Pre-funding Obligation and Guarantee Recourse and Indemnity Obligation*". The Cover Pool Assets consist of the Mortgage Security and Substitute Assets. The Mortgage Security comprises, *inter alia*, an assignment for security purposes of claims relating to a portfolio of residential and commercial mortgage credit agreements.

The Guarantor's ability to enforce against the Cover Pool Assets in respect of the Pre-funding Obligations will be subject to certain conditions being met, including the service of (i) a Guarantee Activation Notice and an initial Notice to Pay by the Trustee for the relevant amount on the Guarantor following the occurrence of an Issuer

Event of Default and service of an Issuer Default Notice by the Bondholders' Representative, (ii) periodic Notices to Pay that include, *inter alia*, Guarantee Expenses already due for payment and falling Due for Payment in the 60 Business Day period from and including the date of the relevant periodic Notice to Pay, (iii) service by the Guarantor of Pre-funding Notices for amounts pursuant to the relevant Notices to Pay and (iv) the failure of Cornèr Banca to pay all or part of the amounts owed by the due date, as specified in the relevant Pre-funding Notice. See "*Overview of the Principal Transaction Documents—Trust Agreement—Sale of Assigned Mortgage Claims*". In particular, the Guarantor cannot, except in certain circumstances, finalise any sale of the Assigned Mortgage Claims unless and until the Issuer has failed to pay the amount on or before the due date as specified in the Guarantee Pre-funding Notice, which cannot be served by the Trustee, on behalf of the Guarantor, more than 65 Business Days prior to the date that the relevant Guaranteed Amounts become Due for Payment and there can be no guarantee that 65 Business Days will be sufficient time to complete enforcement actions.

In addition, the Security Assignment Agreement provides that Assigned Mortgage Claims may be sold solely to Eligible Investors, *i.e.* banks and insurance companies incorporated and regulated in Switzerland. As such Eligible Investors are limited in number and in view of the amount and complexity of a potential transaction, there can be no assurance that there will be any Eligible Investors prepared to purchase the relevant Assigned Mortgage Claims at all or at fair prices, that a sale may be finalised within the necessary timeframe to ensure the payment of Guaranteed Amounts when due or that the sales proceeds will be sufficient to discharge the Guaranteed Amounts due but unpaid.

Furthermore, maturities of the Assigned Mortgage Claims may not match those of the Covered Bonds. In addition, should an Issuer Event of Default or other Notification Event occur, there may be a delay in any and all relevant Mortgage Debtors of Assigned Mortgage Claims switching payments to the Guarantor. Accordingly, the claims of the Covered Bondholders and other Relevant Creditors of the Guarantor against the Guarantor will be limited to the Guarantor's Available Funds from time to time. See "*Risks relating to the Cover Pool—Cash flows related to the Cover Pool Assets will be received and collected by Cornèr Banca (subject to transfer to the Guarantor in certain circumstances) and will be paid directly to the Guarantor only upon notification of the Mortgage Debtors. Any amounts received by Cornèr Banca and not transferred to the Guarantor prior to an insolvency of Cornèr Banca will not be protected by the security granted under the Security Assignment Agreement*".

For a discussion of certain risks with respect to the realisation of Cover Pool Assets following the occurrence of a Guarantor Event of Default and service of a Guarantor Default Notice, see "*When realising Cover Pool Assets following the occurrence of a Guarantor Event of Default, the proceeds may be insufficient to repay all amounts due to Covered Bondholders*".

Claims of Covered Bondholders under the Guarantee will be limited in amount and recourse to their pro rata share in the Guarantor's Available Funds after giving effect to the relevant Priority of Payment, which depends on a number of factors and may be insufficient to meet the Guarantor's obligations under the Guarantee in full or at all

Under certain circumstances, the receipt by Covered Bondholders of repayments of principal and payments of interest under the Covered Bonds will depend primarily on the Guarantor's ability to make payments of corresponding amounts under the Guarantee.

Pursuant to the Guarantee, claims of Covered Bondholders, represented by the Bondholders' Representative, against the Guarantor will be limited to their *pro rata* share in the Guarantor's Available Funds from time to time, after giving effect to the relevant Priority of Payments (see "*Cash Flows*"). Upon the Cash Manager giving written notice to the Covered Bondholders that it has determined in its sole opinion that there is no reasonable likelihood of there being any further realisations in respect of the Cover Pool Assets which would be available to pay amounts owing to Covered Bondholders and all amounts available to be applied to pay amounts owing to Covered Bondholders have been so applied in accordance with the Transaction Documents, the Covered Bondholders shall have no further claim against the Guarantor in respect of any amounts owing to them which remain unpaid. For a discussion of certain risks related to an insolvency of the Guarantor, see "*Risks relating to the Guarantor—Insolvency of the Guarantor may negatively affect the rights and claims of the Covered Bondholders under the Guarantee*".

The Guarantor's ability to make payments under the Guarantee depends in the first instance primarily on the ability of the Issuer to pay the amounts due under its Pre-funding Obligations pursuant to the Guarantee Mandate Agreement. If the Issuer defaults in making payments pursuant to its Pre-funding Obligations, the Guarantor will, *inter alia*, be entitled to sell Assigned Mortgage Claims and otherwise enforce Cover Pool Assets in accordance with, and subject to, the provisions of the Security Assignment Agreement (see "*Overview of the*

Principal Transaction Documents —Security Assignment Agreement") in an amount sufficient to discharge the Secured Obligations.

The proceeds from the sale of the Assigned Mortgage Claims will depend on the realisable value of the Assigned Mortgage Claims and other Cover Pool Assets, which depends on a number of factors, including those described under "*Risks relating to the Cover Pool*" and may be insufficient to cover the Secured Obligations in full or at all. For a discussion of certain risks related to Collected Mortgage Payments, see "*Risks relating to the Cover Pool—Cash flows related to the Cover Pool Assets will be received and collected by Cornèr Banca (subject to transfer to the Guarantor in certain circumstances) and will be paid directly to the Guarantor only upon notification of the Mortgage Debtors. Any amounts received by Cornèr Banca and not transferred to the Guarantor prior to an insolvency of Cornèr Banca will not be protected by the security granted under the Security Assignment Agreement*":

The Guarantor's obligation to pay the Final Redemption Amount in respect of any Series of Covered Bonds will be automatically deferred to the relevant Extended Due for Payment Date if the Issuer and the Guarantor have insufficient funds available to make payments in respect of such Series at the relevant Final Maturity Date

If the Issuer has failed to pay the Final Redemption Amount on the Final Maturity Date specified in the Applicable Final Terms applicable to such Series of Covered Bonds (subject to applicable grace periods) and the Guarantor is obliged under the Guarantee to pay a Guaranteed Amount equal to Scheduled Principal under the Guarantee but the Guarantor has insufficient funds available under the Guarantee Priority of Payments to pay such amount in full on the Extension Determination Date at the latest, then the obligation of the Guarantor to pay such Guaranteed Amount shall be automatically deferred to the relevant Extended Due for Payment Date. However, if and to the extent that the Guarantor has sufficient funds available to partially redeem the relevant Series of Covered Bonds, either on the Final Maturity Date or on the applicable Interest Payment Dates for that Series of Covered Bonds up to and including the Extended Due for Payment Date, then (assuming that the Guarantee Activation Notice and Notice to Pay for the relevant amount have been served on the Guarantor within the relevant timeframes) the Guarantor shall make such partial redemption in accordance with the Guarantee Priority of Payments.

Interest will continue to accrue and be payable on the unpaid amount of principal of the relevant Series of Covered Bonds on the basis as set out in the Applicable Final Terms or, if not set out therein, in accordance with Condition 4 (*Interest*), *mutatis mutandis*. In these circumstances, failure by the Guarantor to pay Guaranteed Amounts corresponding to all or any portion of the Final Redemption Amount on the Final Maturity Date (or such later date within any applicable grace period) shall not constitute a Guarantor Event of Default. However, failure by the Guarantor to pay Guaranteed Amounts corresponding to the unpaid portion of the Final Redemption Amount or the balance thereof, as the case may be, on the Extended Due for Payment Date and/or pay Guaranteed Amounts constituting Scheduled Interest on any Interest Payment Date or the Extended Due for Payment Date will in each case (subject to any applicable grace period) constitute a Guarantor Event of Default and Covered Bondholders, represented by the Bondholders' Representative, will continue to have full recourse against the Issuer in respect to any amounts owing to them which remain unpaid.

Because certain amounts payable to Third Party Services Providers rank higher in the applicable Priority of Payments than payments to Covered Bondholders under the Guarantee and certain other creditors may not be subject to any Priority of Payments, such payments may reduce funds available to pay Covered Bondholders

Pursuant to the Guarantee, any claims of the Covered Bondholders, represented by the Bondholders' Representative, against the Guarantor are limited to the *pro rata* share of such claims in the Available Funds based on the applicable Priority of Payments.

Under each Priority of Payments, certain amounts due to Third Party Services Providers rank higher than payments of Guaranteed Amounts corresponding to Scheduled Interest and Scheduled Principal under the Guarantee to Covered Bondholders. Consequently, any payment to such Third Party Services Providers may reduce the funds available for payments to Covered Bondholders under the Guarantee. Amounts that rank higher under each Priority of Payments include amounts payable to the Trustee pursuant to the Trust Agreement, to the Agents pursuant to the Agency Agreement, to the Cash Manager pursuant to the Cash Management Agreement, the Account Bank pursuant to the terms of the Master Bank Account Agreement, the Corporate Servicer under the Corporate Services Agreement, any Replacement Servicer under the Security Assignment Agreement, the Asset Monitor pursuant to the Asset Monitor Agreement.

Furthermore, there are also certain creditors of the Guarantor that are not subject to the relevant Priority of Payments, such as tax authorities, the Dealers, Mortgage Debtors and each Security Provider who has transferred

to the Originator one or several Related Mortgage Certificates by way of security for one or more Assigned Mortgage Claims. These creditors are not bound by the limited recourse (as against the Guarantor) and non-petition provisions in the Intercreditor Agreement or the Guarantee. Consequently, payments to such creditors will reduce funds available for payments to Covered Bondholders under the Guarantee.

Later maturing Covered Bonds may not be paid in full or at all under the Guarantee as Cover Pool Assets are not segregated for different Series of Covered Bonds and will be used to repay earlier maturing Covered Bonds first

Although each Series of Covered Bonds will rank *pari passu* with all other Series of Covered Bonds pursuant to the terms of the Guarantee, each Series of Covered Bonds may not necessarily have the same Final Maturity Date. As Cover Pool Assets are not segregated in relation to each Series of Covered Bonds and will be used to repay earlier maturing Covered Bonds first, there is a risk that later maturing Covered Bonds will not be paid in full (or at all) under the Guarantee. The Amortisation Test may not mitigate this risk. A breach of the Amortisation Test will occur if the aggregate principal amount outstanding of the Covered Bonds is greater than the aggregate outstanding principal balance of the Cover Pool Assets. Upon the occurrence of a breach of the Amortisation Test, a Guarantor Event of Default will also occur which will, subject to the Conditions, lead to the service of a Guarantor Acceleration Notice on the Guarantor and the acceleration of the obligations under the Guarantee in relation to all Covered Bonds then outstanding (hence any further timing subordination will cease to exist). There is, however, no guarantee that the remaining Cover Pool Assets will be sufficient to meet the claims of the remaining Covered Bondholders under the Guarantee in full.

Failure to maintain the Cover Pool in compliance with the Asset Coverage Test may affect the realisable value of the Cover Pool or any part thereof

Pursuant to the terms of the Security Assignment Agreement, the Assignor undertakes to secure the Secured Obligations by assigning and transferring the Mortgage Assets (in particular Assigned Mortgage Claims and Collected Mortgage Payments) and Substitute Assets to the Assignee in amount and composition sufficient to ensure that each Pre-Event Test is met as of any Cut-Off Date prior to the occurrence of an Issuer Event of Default and service of the Guarantee Activation Notice. These Pre-Event Tests are intended to ensure that the assets of the Guarantor do not fall below a certain threshold and the assets of the Guarantor are sufficient to meet its obligations under the Guarantee.

If the aggregate collateral value of the Cover Pool has not been maintained in accordance with the terms of the Asset Coverage Test or the Amortisation Test, then that may affect the realisable value of the Cover Pool or any part thereof (both before and after the IED Guarantee Activation Date) and/or the ability of the Guarantor to make payments under the Guarantee. The Amortisation Test is intended to ensure that if, following an Issuer Event of Default (but prior to a Guarantor Event of Default and service on the Guarantor of a Guarantor Acceleration Notice), the Cover Pool Assets available to the Guarantor to meet its obligations under the Guarantee and in respect of senior ranking expenses which will include costs relating to the maintenance, administration and enforcement or liquidation of the Cover Pool Assets whilst the Covered Bonds are outstanding, fall to a level where Covered Bondholders may not be repaid, a Guarantor Event of Default will occur and all amounts owing under the Covered Bonds may be accelerated.

Following the IED Guarantee Activation Date (but prior to the GED Guarantee Activation Date), the Asset Monitor will also be required to test the arithmetical accuracy of the calculations performed by the Assignor or the Replacement Servicer, as applicable, on its behalf, in respect of the Amortisation Test. See "*Overview of the Principal Transaction Documents—Asset Monitor Agreement*".

The Trustee shall not be responsible for monitoring compliance with, nor the monitoring of, the Asset Coverage Test, the Interest Coverage Test or the Amortisation Test or any other test, or supervising the performance by any other party of its obligations under any Transaction Document.

The Covered Bondholders are limited in enforcing their rights and claims against the Guarantor under the Guarantee

The Guarantee provides that, for as long as the Covered Bonds are outstanding and until the expiry of the date on which all potential liabilities secured by the Guarantee have been discharged or satisfied in full, neither the Bondholders' Representative acting as direct representative in the name and for the account of the Covered Bondholders nor the Covered Bondholders themselves may take any legal steps or institute legal proceedings against the Guarantor or its assets or corporate bodies for the purpose of enforcing any of its rights or claims against the Guarantor, take any steps or institute an Insolvency Proceedings or other proceedings to procure the

bankruptcy, winding-up, liquidation, restructuring, administration or similar procedure in respect of the Guarantor, and other than by virtue of filing of its claims in an insolvency of the Guarantor, claim, rank, prove or vote as creditor of the Guarantor 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 relevant Priority of Payments have been paid in full: See "*The Guarantee*". For a discussion of certain risks in relation to this limitation in an insolvency of the Guarantor, see "*Risks relating to the Guarantor—Insolvency of the Guarantor may negatively affect the rights and claims of the Covered Bondholders under the Guarantee*".

The Guarantor does not provide any direct security to Covered Bondholders for its obligations under the Guarantee

The Issuer assigns the Assigned Mortgage Assets to the Guarantor for security purposes (*cessione a titolo di garanzia*) in order to secure the Secured Obligations, including the indemnity and Pre-funding Obligations of the Issuer for payments of the Guarantor under the Guarantee pursuant to the Guarantee Mandate Agreement.

Claims of Covered Bondholders under the Guarantee are not Secured Obligations and, therefore, are not secured by the Cover Pool Assets. This may adversely affect the Guarantor's ability to make payment in full of all Guaranteed Amounts due, in particular in the event of bankruptcy proceedings (see "*Risks relating to the Guarantor—Insolvency of the Guarantor may negatively affect the rights and claims of the Covered Bondholders under the Guarantee*").

There is no tax gross-up under the Covered Bonds or the Guarantee

Payments of interest in respect of a Covered Bond by the Issuer and payments under the Guarantee by the Guarantor in respect thereof, are subject to Swiss federal withholding tax at a rate of 35 per cent. Neither the Issuer nor the Guarantor will pursuant to the Conditions and the Guarantee, as applicable, be obliged to pay any additional amounts with respect to any interest payments in respect of a Covered Bond as a result of the deduction or imposition of such Swiss federal withholding tax. A holder of a Covered Bond who resides in Switzerland and who, at the time the payment of interest is due, is the beneficial recipient of the payment of interest and, in the case of a holder who is an individual, duly reports the gross payment of interest in his or her tax return and, in the case of a holder who is a legal entity or an individual required to keep accounting books, includes such payment as earnings in its income statement, is entitled to a full refund of or a full tax credit for the Swiss federal withholding tax. A holder of a Covered Bond who does not reside in Switzerland may be able to claim a full or partial refund of the Swiss federal withholding tax by virtue of the provisions of an applicable double taxation treaty, if any, between Switzerland and the country of residence of such holder.

When realising Cover Pool Assets following the occurrence of a Guarantor Event of Default, the proceeds may be insufficient to repay all amounts due to Covered Bondholders

All Guaranteed Amounts will immediately become due and payable following the occurrence of a Guarantor Event of Default and the service of a Guarantor Acceleration Notice on the Guarantor. Upon receipt of a Notice to Pay for the relevant amounts by the Guarantor, the Trustee, on behalf of the Guarantor, will be required to serve a corresponding Guarantee Pre-funding Notice on the Issuer. If the Issuer fails to duly pre-fund such Guaranteed Amounts, the Guarantor will be entitled to sell Assigned Mortgage Claims and otherwise enforce Cover Pool Assets in accordance with, and subject to, the provisions of the Security Assignment Agreement. The enforcement proceeds thereof may be used by the Guarantor to make payments to the Guarantor's creditors, including payments under the Guarantee in accordance with the Post-Insolvency Priority of Payments, described in the section entitled "*Cash Flows*". However, there is no guarantee that the proceeds of enforcement of the Cover Pool Assets will be in an amount sufficient to repay all amounts due to the Covered Bondholders.

In particular, in the event of an occurrence of an Insolvency Event in relation to the Guarantor, there is no assurance that the administrator in bankruptcy or other bankruptcy official appointed would liquidate the Mortgage Assets in the Cover Pool in accordance with the provisions of the Security Assignment Agreement or that the proceeds of such liquidation would equal those which may be achieved in a solvent liquidation of the Cover Pool Assets (see "*Risks relating to the Guarantor—Insolvency of the Guarantor may negatively affect the rights and claims of the Covered Bondholders under the Guarantee*" and "*Risks relating to the Programme legal and regulatory matters—Insolvency proceedings and subordination provisions*"). Thus, if a Guarantor Acceleration Notice is served on the Guarantor, then the Covered Bonds may be repaid sooner or later than expected, in part only or not at all.

If Transferred Mortgage Certificates are sold at public auction there is no guarantee that a fair market price will be realised or that such a price will be sufficient to discharge the amount outstanding under the relevant Assigned Mortgage Claim

A Transferred Mortgage Certificate securing one or more Assigned Mortgage Claims may only be enforced by the Guarantor if and to the extent such claims are due and payable. If an agreement cannot be reached with a defaulting Mortgage Debtor for a private sale of the relevant property with a view to repay the secured claims, the enforcement of the Transferred Mortgage Certificate relating to such property becomes subject to a state regulated standardised enforcement process. This process will ultimately result in the relevant property being sold at public auction. The average time between a default and such auction is approximately 12 to 24 months, but it may be significantly longer. There is no guarantee that such an auction will attract enough interested buyers to ensure that a fair market price is realised for such property, or that such a fair market price will be sufficient to discharge the total amount then outstanding under the Assigned Mortgage Claims secured by relevant Transferred Mortgage Certificates and/or the Assigned Mortgage Claim(s) secured thereby.

RISKS RELATING TO THE COVER POOL

Cash flows related to the Cover Pool Assets will be received and collected by Cornèr Banca (subject to transfer to the Guarantor in certain circumstances) and will be paid directly to the Guarantor only upon notification of the Mortgage Debtors. Any amounts received by Cornèr Banca and not transferred to the Guarantor prior to an insolvency of Cornèr Banca will not be protected by the security granted under the Security Assignment Agreement

Prior to the occurrence of a Notification Event, Cornèr Banca shall be entitled to receive and collect all cash flows received in respect of the Cover Pool Assets (subject to an obligation to transfer Collected Mortgage Payments to the Guarantor under the limited circumstances described in more detail in "*Overview of the Principal Transaction Documents—Security Assignment Agreement—Collected Mortgage Payments Prior to the Occurrence of an Issuer Event of Default*"). To the extent that Cornèr Banca has not transferred Collected Mortgage Payments to the Guarantor prior to its insolvency, such amounts will be commingled with other funds of Cornèr Banca and not be protected by security granted under the Security Assignment Agreement and the Guarantor would only have an unsecured claim against the estate of Cornèr Banca for such amounts.

Mortgage Debtors will not be immediately notified of the transfer of the related Mortgage Claims to the Guarantor. Until such notice is received by the Mortgage Debtor, the Mortgage Debtor may validly discharge Mortgage Claims by making payment to Cornèr Banca. Notice of the transfer of the Assigned Mortgage Claims and instruction to pay further amounts due to the Guarantor is usually given to Mortgage Debtors following a Notification Event. There can be no assurance, however, that a notification of the Mortgage Debtors will be made due and timely. If notification is not made due and timely, any amounts paid by Mortgage Debtors to Cornèr Banca prior to such notice may not be protected by security granted under the Security Assignment Agreement and the Guarantor may only have an unsecured claim against the estate of Cornèr Banca for such amounts.

Moreover, UBS Switzerland AG also serves as Account Bank of the Guarantor. Therefore, even if the transfer of such Collected Mortgage Payments to the Guarantor's account with UBS Switzerland AG is completed, the Covered Bondholders bear the risk of an insolvency of UBS Switzerland AG. See also "*Risks relating to reliance on certain transaction parties—In the case of insolvency of the Account Bank, the Guarantor will only have an unsecured claim against the estate for funds deposited, and no assurance can be given that the Guarantor effectively will have adequate access to Substitute Assets*".

Mortgage Debtors may default in paying amounts due under the Assigned Mortgage Claims

The inability of Mortgage Debtors to pay amounts due under the Assigned Mortgage Claims on time and in their entirety may reduce the amount of the Guarantor's Available Funds. The failure of Mortgage Debtors to comply with payment obligations under the Assigned Mortgage Claims may also result in the acceleration of such Assigned Mortgage Claims and ultimately cause a payment default of such Mortgage Debtors. Mortgage Debtors may for a variety of reasons default on their obligations due under the Assigned Mortgage Claims. Various factors influence mortgage delinquency rates and the ultimate payment of interest and principal. Examples of such factors include changes in the national or international economic climate, regional economic or housing conditions, and changes in tax laws, interest rates, inflation, the availability of financing, yields on alternative investments, political developments and government policies. Furthermore, Mortgage Debtors of the floating rate and/or the fixed-to-floating rate Assigned Mortgage Claims may become unable to repay the mortgages in the event of wide fluctuations in interest rates and may default. Other factors in Mortgage Debtors' individual, personal or financial circumstances may affect the ability of Mortgage Debtors to repay the Assigned Mortgage Claims. Loss of earnings, illness, divorce and other similar factors may also lead to an increase in delinquencies by and bankruptcies of Mortgage Debtors, and could ultimately have an adverse impact on the ability of Mortgage Debtors to repay the Assigned Mortgage Claims.

In addition to the above, the ability of a Mortgage Debtor to sell a property at a price sufficient to repay the amounts outstanding under that Assigned Mortgage Claim will depend upon a number of factors, including the availability of purchasers for that property, the value of that property and property values in general at the time. See also "*Risks relating to the Swiss residential and commercial mortgage market, such as deterioration in the market for real estate, could negatively affect the value and marketability of the Covered Bonds*" and "*Changes in tax treatment on Swiss residential mortgage loans may adversely affect the prices of the residential properties relating to the Relevant Mortgage Loans, the ability of the Mortgage Debtors to pay their obligations under the Relevant Mortgage Loans and, as an indirect consequence, the value of the Relevant Mortgage Loans*".

Risks relating to the Swiss residential and commercial mortgage market, such as deterioration in the market for real estate, could negatively affect the value and marketability of the Covered Bonds

The risks relating to real estate and mortgages have been an important topic for Swiss financial institutions for some time. Due to the rise in property prices over many years, the risk of the Swiss real estate market overheating remains high, and mortgage debt in Switzerland is among the highest in the world relative to gross domestic product.

Credit risk and market (i.e., valuation) risk are key risk drivers for mortgage lending. In particular, borrowers' affordability and creditworthiness are key to the default risk of mortgages, and the valuation of mortgaged property is key to the level of potential losses in the event of default. As highlighted in the "FINMA Risk Monitor 2025", FINMA continues to observe increased vulnerabilities in the mortgage sector and notes, among other things, that many institutions interpret their affordability criteria too generously and increasingly grant loans outside their own internal guidelines. In addition, price trends for investment properties and holiday apartments show regional indications of overheating.

In commercial property, a price correction cannot be ruled out due to geopolitical uncertainties and current difficulties surrounding export tariffs to the US, and the heightened recession risk and possible second round effects could also put the price of commercial properties under pressure. Property price dynamics also vary significantly across regions: certain cantons, including Ticino, have experienced stagnating or declining residential property prices, which may reduce the loan-to-value headroom on mortgage collateral concentrated in those areas.

Furthermore, climate-related physical risks — including floods, storms and landslides — pose a growing threat to the value of mortgaged properties. FINMA highlights severe weather events in the summer of 2024 affecting, among others, the cantons of Ticino, Berne, Grisons and Valais. In a small number of cantons (including Ticino, Geneva, Valais and Appenzell Innerrhoden) there is no compulsory buildings insurance against natural hazards, meaning that properties in those cantons may be uninsured or underinsured for physical damage, which could reduce recovery values on affected mortgage collateral.

Any deterioration in the Swiss residential or commercial real estate markets (including in segments or regions showing indications of overheating or weaker price performance), any price correction, any climate-related physical damage to mortgaged properties (particularly where insurance coverage is limited), and/or any adverse change affecting borrowers' ability to service mortgage debt could lead to increased arrears and defaults and/or reduced recovery values on mortgage collateral. Any such developments could negatively affect the credit quality, value and marketability of mortgage loans in the Cover Pool and, in turn, could have an adverse effect on, inter alia, the value and marketability of the Covered Bonds and the ability of the Issuer to pay all amounts due to the Covered Bondholders or of the Guarantor to pay all Guaranteed Amounts and/or other amounts due to the Covered Bondholders and other Relevant Creditors of the Guarantor.

The Guarantor may be exposed to a potential shortfall in payments under the Assigned Mortgage Claims in the absence of a valid waiver of a Mortgage Debtor's right of set-off against Cornèr Banca

Cornèr Banca's standard forms of Mortgage Credit Agreements included in the Cover Pool comprise two types of Mortgage Credit Agreements, on the one hand, Mortgage Credit Agreements which include a contractual waiver of set-off by the Mortgage Debtor against Cornèr Banca and on the other hand Mortgage Credit Agreements, which do not include such waiver.

For Mortgage Credit Agreements without a set-off waiver, as a matter of Swiss law, each Mortgage Debtor is entitled to set-off all payments due under the relevant Assigned Mortgage Claim against any cash deposits (such as savings held in bank accounts and time deposits) held by Cornèr Banca in the name of such Mortgage Debtor and other monetary claims (potentially including claims for the restitution of Related Mortgage Certificates) by such Mortgage Debtor against Cornèr Banca.

In the event of a Mortgage Debtor invoking any right of set-off prior to being notified of the assignment, the Security Assignment Agreement requires that Cornèr Banca shall transfer to the Guarantor an amount corresponding to the amount set-off by the relevant Mortgage Debtor. However, in case of an insolvency of Cornèr Banca, the Guarantor would only have an unsecured claim against the estate.

Moreover, defences of the Mortgage Debtors in relation to Assigned Mortgage Claims, the factual basis of which predate the date the debtor had notice of the assignment, may also be raised against the Guarantor. Such defences include counterclaim, misrepresentation and material error as well as set-off.

Therefore the Mortgage Debtors will remain entitled to set-off any such amounts against cash deposits held by Cornèr Banca and any other monetary claims by the Mortgage Debtor against Cornèr Banca, and any such set-off shall be considered a good discharge of the Mortgage Debtor's obligations to make payments under the relevant Assigned Mortgage Claim even after the Mortgage Debtors are notified of the assignment of the relevant Assigned Mortgage Claims to the Guarantor. While upon the occurrence of a Notification Event, each notified Mortgage Debtor's right of set-off against Cornèr Banca shall crystallise, as noted above, Cornèr Banca may be unable to transfer to the Guarantor the payment by way of deemed collection, exposing the Guarantor to a potential shortfall in payments under the Assigned Mortgage Claims. The Asset Coverage Test may not be sufficient to mitigate the potential set-off risk associated with Mortgage Debtors holding deposits with Cornèr Banca.

The waivers of banking secrecy and the transfer clauses necessary for the transfer of Cover Pool Assets, the waiver of set-off against Cornèr Banca by the Mortgage Debtor under certain standard forms of agreement as well as other relevant provisions in Cornèr Banca's standard forms of agreement may be deemed by Swiss courts to be insufficient or inapplicable, which may negatively affect the validity of the transfer of Cover Pool Assets to the Guarantor, replenishment of the Cover Pool as well as the value and/or the enforceability of the Cover Pool Assets

The origination of Cover Pool Assets (such as the Assigned Mortgage Claims and the Transferred Mortgage Certificates) by Cornèr Banca as Originator, the servicing of Cover Pool Assets by Cornèr Banca or any Replacement Servicer, as well as the enforcement and liquidation of Cover Pool Assets by Cornèr Banca and the Guarantor, respectively, are based on Cornèr Banca's standard forms of agreement (such as the Mortgage Credit Agreements and the Security Transfer Agreements). Furthermore, under Swiss law, the transfer of the Assigned Mortgage Claims and the Transferred Mortgage Certificates from Cornèr Banca as Originator to the Guarantor requires a waiver by the relevant Mortgage Debtor or Security Provider of the confidentiality obligations owed under Swiss banking secrecy as well as its consent to such transfer.

The standard forms of the relevant agreements of Cornèr Banca contain such waiver and transfer clauses. However, the validity and enforceability of the provisions set out in standard forms of agreement are subject to specific requirements which are applied by the courts on a case-by-case basis, and there is a trend to apply such requirements more strictly. In particular, provisions in general terms and conditions of a surprising or particularly unbalanced nature 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 effective as of 1 July 2012, 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. As of the date of this Base Prospectus, there is no clear guidance on what impact this amendment will have on the existing and future agreements under which the Cover Pool Assets are originated and whether the bank secrecy waivers, transfer clauses and other relevant provisions in Cornèr Banca's current and new standard forms of agreement still meet the applicable requirements. However, emerging legal writing proposes to apply the new standards in a rather strict and consumer-friendly way. Moreover, under the revised Swiss Federal Act on Unfair Competition, consumer organisations and interested individuals may seek a judgement rendering certain provisions contained in standard forms of agreement (such as a bank secrecy waiver, a transfer clause or other relevant provisions) to be generally void. In addition, the risk of a successful challenge of the validity of a contractual provision contained in Cornèr Banca's standard form of agreements may also depend on whether or not Cornèr Banca can prove that the relevant customer was sufficiently informed of, and has consented to, the consequences of Cornèr Banca making use of a particular right conferred to it in the underlying agreements. There is currently no separate document by which the Mortgage Debtors and/or the Security Providers are informed of, and consent to, the transfer of Mortgage Assets or the consequences thereof. The absence of such document may increase the risk that the relevant Mortgage Debtor and/or Security Provider successfully challenge the validity of the relevant waivers and transfer clauses contained in Cornèr Banca's standard forms of agreements.

Any judicial decision or other legal development to the effect that the waivers and transfer clauses contained in the standard terms of the relevant Cornèr Banca agreements are or may be insufficient or invalid may restrict or preclude transfers of Mortgage Assets, including for purposes of replenishment of the Cover Pool or the sale of Mortgage Assets to Eligible Investors and/or affect the validity of the security of the Guarantor over the

Transferred Mortgage Certificates (see "*Risks relating to the Programme legal and regulatory matters—Change of law*"). Moreover, the revised Swiss Federal Act on Unfair Competition increases the risk that other provisions in Cornèr Banca's standard forms of agreement on which Cornèr Banca and/or the Guarantor may rely in connection with the origination, servicing, enforcement and liquidation of the Cover Pool Assets may be deemed to be unenforceable or void on a case-by-case basis or generally.

The sale of real property upon enforcement in the Transferred Mortgage Certificates may be subject to property transfer taxes and capital gain taxes or legal liens as a consequence of unpaid taxes

The sale of real property upon enforcement of the Transferred Mortgage Certificates and the underlying real property may be subject to real property transfer tax and real property capital gains tax in Switzerland, depending on the canton and municipality in which the real property is located. Real property capital gains taxes are payable by the seller of the real property and real property transfer taxes are generally payable by the buyer of the real property. In some cantons, however, transfer taxes are either payable by the seller of the property or by both the seller and buyer of the real property and, exceptionally, in a few cantons or municipalities half by the seller and half by the buyer of the real property or as agreed between the buyer and the seller.

The respective tax authority generally has a legal lien for the real property capital gains taxes and the real property transfer taxes. Such liens rank ahead of the security created in order to secure the corresponding mortgage loan. To mitigate risks arising from such legal liens, a buyer of real property usually requires of the seller that amounts equal to such taxes are directly paid from the purchase price to the relevant tax authority as concerns the capital gains tax on the basis of a provisional tax assessment. If no such amounts are deducted and remitted or the final assessment is higher than the provisional assessment, and if a such taxes remain unpaid, there is a risk that the tax authority to which such taxes are payable would enforce the legal lien. Any enforcement of legal liens would reduce the enforcement proceeds to amounts lower than the mortgage amount, despite Cornèr Banca restricting the level of lending for residential properties normally to 80% if situated in a prime location (75% in the case of luxury properties) and for second residence properties normally to 75% of the value of the real property.

Changes in tax treatment on Swiss residential mortgage loans may adversely affect the prices of the residential properties relating to the Relevant Mortgage Loans, the ability of the Mortgage Debtors to pay their obligations under the Relevant Mortgage Loans and, as an indirect consequence, the value of the Relevant Mortgage Loans

A reform of the taxation system for Swiss residential property, including changes to the tax deductibility of mortgage interest and maintenance costs, has been approved by Swiss voters on 28 September 2025 and is expected to enter into force from 1 January 2029. For a description of such changes and their potential effects, see "*RISKS RELATING TO CORNÈR BANCA—Risks related to Cornèr Banca's mortgage business*". The full consequences of such legislation remain unclear at this stage. However, such legislation could lead to accelerated repayments or amortisations of mortgage loans, non-renewals of mortgage loans, and a decline in the origination of mortgage loans, and may adversely affect the ability of Mortgage Debtors to pay their obligations under the Relevant Mortgage Loans, the prices of residential properties relating to the Relevant Mortgage Loans and, ultimately, the value of the Relevant Mortgage Loans.

The Cover Pool is formed by Mortgage Claims to be randomly selected by the Assignor and which meet the Eligibility Criteria, and only limited due diligence has been undertaken on a very small number of individual Mortgage Assets

Only limited due diligence on a very small number of individual Mortgage Assets has been performed by way of a sample review of loan files comprised in the Cover Pool or may be performed at the date of any future issuance. Moreover, none of the Arranger, the Issuer, the Guarantor, the Asset Monitor, the Trustee or any Dealer has undertaken or will undertake any due diligence with respect to the wording or content of the individual agreements underlying such Mortgage Assets or the facts and circumstances relating to the particular relationship between the relevant Mortgage Debtor or Security Provider, respectively, and the Originator, all of which may impact the viability and interpretation of such agreements. Instead, the Guarantor will rely on the Eligibility Criteria and the relevant warranties given by the relevant Originator in the Security Assignment Agreement. The remedies provided for in the Security Assignment Agreement to the Guarantor in respect of non-compliance with the Eligibility Criteria (or a breach of warranty (other than where such breach was waived at the point of assignment to the Guarantor)), shall be for Cornèr Banca to assign another Mortgage Claim meeting the Eligibility Criteria as a replacement for any Mortgage Claim which is the subject of such failure or breach, provided that neither shall limit any other remedies available to the Guarantor if Cornèr Banca fails to substitute a Mortgage Claim when obliged to do so. Such obligations are not guaranteed by, nor will they be the responsibility of, any person other than Cornèr Banca and neither the Guarantor nor the Trustee will have recourse to any other person in the event that Cornèr Banca, for whatever reason, fails to meet such obligations.

The lending criteria applicable to any new Mortgage Asset at the time of its origination may not be the same as those set out in this Base Prospectus

Pursuant to the terms of the Security Assignment Agreement, the Assignor has represented that each of the Mortgage Assets was originated in accordance with the Assignor's lending criteria applicable at the time of origination. These lending criteria consider a variety of factors such as a potential borrower's credit history, employment status and repayment ability, as well as the value of the property to be mortgaged. In the event of the assignment and transfer of any new Mortgage Assets and their related security to the Assignee, representations and warranties will at such time be given to the Assignee that those new Mortgage Assets and their related security were originated in accordance with the Assignor's lending criteria applicable at the time of the origination of such new Mortgage Assets. Whilst any new Mortgage Assets and their related security will have to comply with the representations and warranties set out in the Security Assignment Agreement, the Assignor retains the right to revise its lending criteria as determined from time to time in its absolute discretion and the lending criteria applicable to any new Mortgage Asset at the time of its origination may not be the same as those in force as at the date of this Base Prospectus and such differences may be material.

Investors will receive limited information on the Cover Pool

Other than certain summary information contained in the Investor Reports, Investors will not receive detailed statistics or information in relation to the Assigned Mortgage Claims in the Cover Pool from time to time. There is no assurance that the characteristics of any new Mortgage Assets will be the same as, or similar to, those of the Mortgage Assets in the Cover Pool as further described in this Base Prospectus or the Applicable Final Terms. For a brief description of the types of Assigned Mortgage Claims that may be included in the Cover Pool, see "*Overview of the Principal Transaction Documents—Security Assignment Agreement—Eligibility Criteria*".

RISKS RELATING TO RELIANCE ON CERTAIN TRANSACTION PARTIES

The Covered Bondholders rely on the Bondholders' Representative for the exercise of rights and claims under the Conditions and the Guarantee and the Trustee for the exercise of rights under other Transaction Documents and there can be no guarantee that the Bondholders' Representative and/or Trustee will act on behalf of the Covered Bondholders in a timely manner or at all

Pursuant to the Guarantee, the Guarantor has guaranteed payment of Guaranteed Amounts (pursuant to the terms and subject to the conditions of the Guarantee, see "*The Guarantee*") to the Bondholders' Representative acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders. Pursuant to Condition 3 (*The Guarantee*), each Covered Bondholder will appoint the Bondholders' Representative as representative for purposes of the Guarantee, including the serving of a Guarantor Acceleration Notice pursuant to Condition 9.2 (*Events of Default relating to the Guarantor*). Pursuant to Condition 12 (*Appointment of Bondholders' Representative*), each Covered Bondholder will appoint the Bondholders' Representative as representative as explicitly stated in the Conditions, including with respect to the serving of an Issuer Default Notice pursuant to Condition 9.1 (*Events of Default relating to the Issuer*) as well as the authorisation of waivers, authorisations and determinations pursuant to Condition 14 (*Waiver, Authorisation and Determination*) and modifications pursuant to Condition 15 (*Modification*). To the extent of such appointment, any rights of the Covered Bondholders under the Guarantee can be exercised solely by the Bondholders' Representative and no Covered Bondholder may independently exercise any rights or proceed against the Guarantor under the Guarantee. See "*Swiss Law Bondholder Provisions*".

Furthermore, the Covered Bondholders rely on the Trustee for certain actions pursuant to the Conditions and the Guarantee, including serving the Guarantee Activation Notice and Notices to Pay and the Trustee is, pursuant to the Trust Agreement, authorised by the Covered Bondholders to, without the consent of any Covered Bondholder of any Series, agree to certain waivers and modifications and make certain determinations with respect to Transaction Documents other than the Conditions and the Guarantee, as more fully described in "*Overview of the Principal Transaction Documents—Trust Agreement*".

Consequently, Covered Bondholders depend on the Bondholders' Representative and the Trustee to take certain actions with respect to the Conditions and the Guarantee. However, pursuant to Condition 12 (*Appointment of Bondholders' Representative*) with respect to the Bondholders' Representative and the Trust Agreement with respect to the Trustee, the Bondholders' Representative and the Trustee, respectively, shall not be bound to act unless it shall first be indemnified and/or secured and/or prefunded to its satisfaction against all liabilities which it may render itself liable for or which it may incur by doing so (either by reimbursement of costs or otherwise) except for liabilities as a result of wilful misconduct, wilful default or gross negligence.

Therefore, there can be no guarantee that the Bondholders' Representative and/or the Trustee will act on behalf of the Covered Bondholders in a timely manner or at all. If the Bondholders' Representative or the Trustee

does not act in a timely manner or at all Covered Bondholders may be unable to exercise rights and claims under the Conditions, the Guarantee and other Transaction Documents.

The Guarantor places significant reliance on Cornèr Banca, which may give rise to conflicts of interest. Replacement of Cornèr Banca as Servicer may not be found on acceptable terms, within an acceptable time period or at all and the ability of the Guarantor to perform its obligations may be impaired

The Guarantor places significant reliance on Cornèr Banca in connection with the servicing of the Cover Pool Assets, as well as for the Guarantor's administration and funding. Cornèr Banca is exposed to a variety of risks that could adversely affect its results of operations or financial conditions, including, among others, those described in "*Risks relating to Cornèr Banca*".

In particular, Cornèr Banca performs a number of initial roles. In particular, Cornèr Banca performs the initial roles of (a) Cash Manager, (b) Corporate Services Provider to the Guarantor and may in the future perform the role of Swap Provider. Cornèr Banca is also the majority shareholder of the Guarantor and is represented with two members of the Board of Directors of the Guarantor.

In addition, Cornèr Banca shall, as Originator of the Assigned Mortgage Claims, continue to service and administer the Serviced Mortgage Assets until revocation of the relevant authority by the Guarantor. Furthermore, Cornèr Banca, as the Originator of the Mortgage Assets in the Cover Pool, has considerable discretion to substitute Cover Pool Assets during the course of the Covered Bond Programme and generates and stores the data and documentation relating to the Cover Pool underlying the transfer, retransfer and servicing of Mortgage Assets, which data is also provided to third parties in their respective functions under the Covered Bond Programme.

In view of the multiple roles of Cornèr Banca, such reliance may give rise to a wide variety of substantial conflicts of interests. There can be no assurance that the conflicts of interest described will not have a material adverse effect on the Guarantor's ability to fulfil its payments and other obligations and/or on the Covered Bondholders.

In certain circumstances, Cornèr Banca is required to be replaced as provider of these services (see "*Under Swiss law, Cornèr Banca or any other third-party service provider may terminate their contractual relationships at will. Because the Guarantor depends on Cornèr Banca and other third parties for certain services, any termination with immediate effect may adversely affect the Guarantor's ability to make full and timely payments under the Guarantee*"). For instance, Cornèr Banca will be replaced if it ceases to have the requisite minimum rating (and it is unable to take other mitigating steps) or if an Insolvency Event occurs in relation to Cornèr Banca.

There is no certainty that a relevant replacement third party services provider/counterparty can be found who would be willing to enter into the relevant agreement with the Guarantor and can be appointed on acceptable terms, within an acceptable time period or at all. The ability of that servicer/counterparty to perform fully its services would depend in part on the information, software and records which are then available to it. In addition, any Replacement Servicer may be required to acquire or develop new servicing systems or platforms, which may require substantial time and expense to implement. There can be no assurance that the Guarantor will be able to enter into such replacement agreements and transactions on acceptable terms and within a time period which will ensure uninterrupted payments of amounts due by the Guarantor under the Guarantee (following a Guarantee Activation Date) or at all. Moreover, any entity appointed as Replacement Servicer would not become bound by Cornèr Banca's obligations under the Security Assignment Agreement, in particular in relation to the warranties.

Under Swiss law, Cornèr Banca may not contract with itself

Cornèr Banca acts in different capacities under the Transaction Documents (see "*Risks relating to reliance on certain transaction parties—The Guarantor places significant reliance on Cornèr Banca, which may give rise to conflicts of interest. Replacement of Cornèr Banca may not be found on acceptable terms, within an acceptable time period or at all and the ability of the Guarantor to perform its obligations may be impaired*"). As a matter of Swiss law, a party is not capable of contracting with itself. However, this does in itself not prevent such party (like Cornèr Banca) from contracting with other parties (such as the Trustee and the Guarantor).

Accordingly, if pursuant to any Transaction Document Cornèr Banca in a particular capacity assumes obligations towards Cornèr Banca in a different capacity, such obligations may not be enforceable. This may potentially adversely affect the Guarantor's ability to fulfil its obligations under the Guarantee unless such obligations of Cornèr Banca are also assumed towards the Guarantor or the Trustee (as the case may be).

If an Insolvency Event occurs in relation to Cornèr Banca, transactions involving the provision, replenishment or substitution of Cover Pool Assets may be successfully challenged, and the Guarantor may therefore have insufficient funds to make payments under the Guarantee

If an Insolvency Event occurs in relation to Cornèr Banca (see "*Risks relating to Cornèr Banca*"), then the insolvency official appointed in respect of Cornèr Banca or, under certain circumstances, certain of Cornèr Banca's creditors may challenge any transfer of Cover Pool Assets to the Guarantor and dispositions of Cornèr Banca (i) if no or no equivalent consideration was given by the Guarantor at the relevant time (referred to as "transaction at an undervalue"), or (ii) if Cornèr Banca was over indebted at the time of the transfer (referred to as "transaction voidable for over-indebtedness"), or (iii) if Cornèr Banca intended to disfavour or favour certain of its creditors or should have reasonably foreseen such result (referred to as "preference"). In particular, there is no assurance that a challenge of a transaction involving the providing, replenishment or substitution of Cover Pool Assets leading to a net enlargement or improvement of the Cover Pool or involving payments by Cornèr Banca relatively shortly prior to it becoming insolvent would not be successful, in which case the Guarantor may not be able to liquidate the relevant assets in the Cover Pool for the benefit of the Covered Bondholders and may have to transfer the relevant assets (or their equivalent value) back to Cornèr Banca, which in turn may mean that the Guarantor has insufficient funds to make payments under the Guarantee.

In the case of insolvency of the Account Bank, the Guarantor will only have an unsecured claim against the estate for funds deposited, and no assurance can be given that the Guarantor effectively will have adequate access to Substitute Assets

While the Guarantor has undertaken to transfer the funds standing to the credit of the Account Bank to another bank or to obtain a guarantee from a financial institution with the requisite credit ratings or to take any alternative remedial measures if the credit rating of the Account Bank falls below the Minimum Account Bank Ratings, there can be no assurance that such transfer would be completed before the Account Bank becomes insolvent. Furthermore, the credit rating of the Account Bank may also not reflect the potential impact of all risks related to the Account Bank.

If the Account Bank were to become insolvent, the Guarantor would have a claim as an unsecured creditor of the Account Bank. Accordingly, there is a potential risk of loss of the Guarantor's funds held with the Account Bank in the event that the Account Bank has insufficient funds to meet all the claims of its unsecured creditors.

In addition, while the Guarantor as account holder is entitled to segregate the Substitute Assets in the form of intermediated securities held in the Cover Pool Custody Account in the event of the bankruptcy of the Account Bank, no assurance can be given that the Guarantor effectively will have adequate access to these Substitute Assets, e.g. in case of operational difficulties or in case of an insolvency of the Account Bank.

Under Swiss law, Cornèr Banca or any other third-party service provider may terminate their contractual relationships at will. Because the Guarantor depends on Cornèr Banca and other third parties for certain services, any termination with immediate effect may adversely affect the Guarantor's ability to make full and timely payments under the Guarantee

The Guarantor and the Covered Bondholders place significant reliance on Cornèr Banca, the Trustee and other third-party service providers. In the event that any relevant party providing services to the Guarantor under the Transaction Documents fails to perform its obligations or the Guarantor is unable to replace such service providers in a timely manner, the Guarantor's ability to perform its payment and other obligations may be compromised. Furthermore, any delay or inability to appoint a suitable Replacement Servicer may have an impact on the realisable value of the Cover Pool Assets. Each of the Transaction Documents contains provisions that restrict the ability of Cornèr Banca, the Trustee or any other third-party service provider to resign from their respective appointments.

Under Swiss 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 and with immediate effect (subject to certain restrictions for untimely terminations) by either the appointer or the agent regardless of the terms of the agreement appointing such agent. Because this is a mandatory provision of Swiss law, contractual provisions that limit such termination at will are likely to be held unenforceable by Swiss courts. Therefore, it cannot be excluded that Cornèr Banca, the Trustee or any other third party service provider may terminate the services agreement to which it is a party with immediate effect by invoking the mandatory termination provision under Swiss law, regardless of any contractual restrictions to resign from the respective appointments. There can be no assurance that the Guarantor will be able to enter into replacement agreements which, following the service of the Guarantee Activation Notice on the Guarantor, may affect payments on the Covered Bonds (see also "*Risks relating to reliance on certain transaction parties—The*

Guarantor places significant reliance on Cornèr Banca, which may give rise to conflicts of interest. Replacement of Cornèr Banca may not be found on acceptable terms, within an acceptable time period or at all and the ability of the Guarantor to perform its obligations may be impaired"). 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.

CERTAIN RISKS RELATED TO SWAP AGREEMENTS

As at the date of this Base Prospectus, the Guarantor has not entered into any Swap Agreements. Because the Covered Bonds will be denominated in CHF only, the Guarantor will not enter into cross-currency Swaps. If the Guarantor enters into Swap Agreements following the date of this Base Prospectus, Covered Bondholders will be exposed to additional risks with respect to the reliance on the Swap Agreements

No Swap Providers have been appointed under the Programme and the Guarantor has not entered into or agreed any Swap Agreements. Pursuant to the Guarantee Mandate Agreement, the Issuer may appoint an Initial Swap Provider and instruct the Guarantor to enter into Swap Agreements at any time.

If the Guarantor enters into Swap Agreements following the date hereof, the Guarantor will rely on the Swap Providers following the IED Guarantee Activation Date to mitigate certain interest rate and other risks. If the Guarantor fails to make timely payments of amounts due or certain other events occur in relation to the Guarantor as set out in a Swap Agreement, then the Guarantor will have defaulted under such Swap Agreement and the Swap Provider will not be obliged to make further payments under the Swap Agreement and may terminate the Swaps. If the Swap Provider is not obliged to make payments, or if it defaults in its obligations to make payments, under the Swap Agreement, the Guarantor will be exposed to those changes in interest rates that would otherwise be hedged by the Swap Agreements. There can be no guarantee that the Guarantor will be able to appoint a Replacement Swap Provider who will enter into Swap Agreements with the Guarantor at acceptable terms, within an acceptable timeframe or at all. Furthermore, if the Swap Agreements are terminated, the Guarantor may as a result be obliged to make a Swap Termination Payment to the Swap Provider.

RISKS RELATING TO THE COVERED BONDS

Credit ratings may not reflect all risks

The Covered Bonds are expected on issue to be assigned a "AAA" rating by Fitch (the actual ratings will be as specified in the Applicable Final Terms). Such rating may not reflect the potential impact of all risks related to an investment in the Covered Bonds. Accordingly, a credit rating is not a recommendation to buy, sell or hold Covered Bonds and may be revised or withdrawn by Fitch at any time. In addition, a significant deterioration of the value of the real property underlying the Assigned Mortgage Claims in the Cover Pool may entail a downgrading of the credit rating assigned to the Covered Bonds. Neither the Issuer nor the Guarantor commits to ensure that any specific rating of the Covered Bonds will be upheld until maturity, nor that any or all of the Covered Bonds will be issued with any particular minimum rating.

Covered Bonds issued under the Programme will rank pari passu, may cross-default and are subject to acceleration

Covered Bonds issued under the Programme (save in respect of the first issue of Covered Bonds) will either be fungible with an existing Series of Covered Bonds or have different terms to an existing Series of Covered Bonds (in which case they will constitute a new Series). All Covered Bonds issued from time to time will rank *pari passu* with each other and with any other Covered Bonds which may be issued by the Issuer in accordance with the Conditions.

The Covered Bonds will cross-default to each other. That is, if the Issuer fails to pay interest or principal due on any outstanding Series of Covered Bonds (or upon the occurrence of any other Event of Default), then subject to the applicable grace periods and subject to the Bondholders' Representative of the relevant Series serving an Issuer Default Notice, an Issuer Event of Default will occur in respect of all Series of Covered Bonds then outstanding. Upon service of the Issuer Default Notice, the Covered Bonds of all Series shall, in relation to the Issuer only, thereupon immediately become due and repayable at their Early Redemption Amount together with accrued interest unless such Issuer Event of Default shall have been remedied prior to the receipt of such notice by the Issuer.

Similarly, following the IED Guarantee Activation Date, if the Guarantor fails to pay Guaranteed Amounts in respect of the Covered Bonds of any Series (or upon the occurrence of any other Guarantor Event of Default),

then, subject to the applicable grace periods and subject to the Bondholders' Representative serving a Guarantor Acceleration Notice, a Guarantor Event of Default will occur in respect of all Series of Covered Bonds then outstanding and (i) each Covered Bonds shall, as against the Issuer (if not already due and repayable against it following the occurrence of an Issuer Event of Default) and as against the Guarantor, immediately become due and repayable at its Early Redemption Amount together with accrued interest; and (ii) all Guaranteed Amounts corresponding to the Early Redemption Amount for each Covered Bond together with all accrued and unpaid interest and all amounts due and payable in respect of the Covered Bonds, including all Excluded Scheduled Interest Amounts, all Excluded Scheduled Principal Amounts (whenever they arose) and all other amounts payable by the Guarantor under the Guarantee with respect to the Covered Bonds become due and payable by the Guarantor in accordance with the Guarantee.

Pursuant the Conditions, the Bondholders' Representative may, subject to certain conditions, at its sole discretion file an Issuer Default Notice or Guarantor Acceleration Notice (as applicable). If more than one Bondholders' Representative is appointed, each Bondholders' Representative will act solely in the interests of the Series of Covered Bonds which such Bondholders' Representative represents when filing an Issuer Default Notice or Guarantor Acceleration Notice and not in the interests of all Series of Covered Bonds. This increases the risk that a Bondholder's Representative will, when serving an Issuer Default Notice or Guarantor Acceleration Notice act in the interest of a specific Series of Covered Bonds and not have the interests of Covered Bondholders of all Series in mind.

There is no assurance that applications for listing at SIX Swiss Exchange will be accepted

There can be no assurance that the application made for the Covered Bonds issued under the Programme to be listed on SIX Swiss Exchange will be approved or that any particular Tranche of Covered Bonds will be so listed and admitted to trading on SIX Swiss Exchange.

All Transferred Paperless Security Assignment Mortgage Certificates will be held by Cornèr Banca as fiduciary on behalf of the Guarantor and the Guarantor may not have effective access thereto.

All Transferred Paperless Security Assignment Mortgage Certificates will be held by Cornèr Banca in its role as Collateral Holding Agent as fiduciary (*gestore fiduciario della cartella*) on behalf of the Guarantor, and no assurance can be given that the Guarantor will have effective access to the Transferred Paperless Security Assignment Mortgage Certificates, e.g. in case of operational difficulties or in case of an insolvency of the Collateral Holding Agent. Furthermore, under Swiss law, the holding of the Transferred Paperless Security Assignment Mortgage Certificates by the Collateral Holding Agent on behalf of the Guarantor may give rise to a retention right in respect of the Transferred Paperless Security Assignment Mortgage Certificates in favour of the Collateral Holding Agent in relation to any amounts owed by the Guarantor to the Collateral Holding Agent. Pursuant to the terms of the Collateral Holding Agreement, the Collateral Holding Agent has agreed not to exercise such a right of retention. However, such an undertaking may not be enforceable against the Collateral Holding Agent. Therefore, it cannot be excluded that access by the Guarantor to the Transferred Paperless Security Assignment Mortgage Certificates may be delayed or subject to retention rights.

The Bondholders' Representative with respect to the Conditions and the Guarantee and the Trustee with respect to the other Transaction Documents will have certain discretion in respect of modifications, waivers, authorisations and determinations that will be binding on the Covered Bondholders

The Conditions contain provisions for calling meetings of Covered Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Covered Bondholders including Covered Bondholders who did not attend and vote at the relevant meeting and Covered Bondholders who voted in a manner contrary to the majority. An individual Covered Bondholder may not be in a position to affect the outcome of the resolutions adopted by the meetings of Covered Bondholders. See "*Bondholder representation with respect to the Covered Bonds and the Guarantee is subject to the mandatorily applicable Swiss Bondholder Provisions*"

The Conditions of the Covered Bonds also provide that the Bondholders' Representative may, and is authorised pursuant to the Bondholder Provisions, with respect to the Conditions and the Guarantee, without the consent of Covered Bondholders of any Series, to

- (a) in so far as, in the sole and absolute discretion of the Bondholders' Representative, the interests of the Covered Bondholders of any Series will not be materially prejudiced thereby, waive or authorise any breach or proposed breach by the Issuer, the Assignor or the Guarantor of any of the covenants or provisions contained in the Conditions and/or the Guarantee or determine that any Issuer Event of Default, Guarantor Event of Default or Notification Event shall not be treated as such, in each

case in the circumstances described in Condition 14 (*Waiver, Authorisation and Determination*), subject to cross-default, see "*—Covered Bonds issued under the Programme will rank pari passu and will cross-default and are subject to acceleration*"; and

- (b) concur with the Issuer, the Assignor, the Guarantor or any other person in any modifications to the Conditions and/or the Guarantee, (a) not materially prejudicial to the interests of the Covered Bondholders of any Series, (b) of a formal, minor or technical nature, or (c) to correct a manifest error, which is, in the opinion of the Bondholders' Representative, proven, in each case in the circumstances described in Condition 15 (*Modification*).

Consequently, by purchasing any Covered Bonds, each Covered Bondholder will agree that the Bondholders' Representative with respect to the Conditions and the Guarantee and the Trustee with respect to the other Transaction Documents to which it is a party may take any actions delegated to it pursuant to the Conditions and the Trust Agreement, respectively, that will be binding on the Covered Bondholders and the Covered Bondholders may not be able to prevent the Bondholders' Representative and/or Trustee from making certain modifications to the Transaction Documents, Conditions and the Guarantee as described above.

Bondholder representation with respect to the Covered Bonds and the Guarantee is subject to the mandatorily applicable Swiss Bondholder Provisions

The Covered Bondholders of each Series form a separate "community of bondholders" under the Bondholder Provisions, which is the ultimate decision making body to safeguard the interests of the Covered Bondholders. The community of bondholders can resolve matters that are binding on all bondholders in formal Bondholder Meetings, subject to statutory majority requirements that cannot be changed in the Conditions.

Pursuant to the Bondholder Provisions, the removal of the Bondholders' Representative with respect to each Series of Covered Bonds requires consent of the Issuer. Following the termination of appointment of the Trustee under the Trust Agreement, the appointment of the Trustee as Bondholders' Representative will also be terminated. See "*Risks relating to reliance on certain transaction parties—Under Swiss law, Cornèr Banca or any other third-party service provider may terminate their contractual relationships at will. Because the Guarantor depends on Cornèr Banca and other third parties for certain services, any termination with immediate effect may adversely affect the Guarantor's ability to make full and timely payments under the Guarantee*". If a new Bondholders' Representative must be appointed following the termination of the appointment of the Bondholders' Representative pursuant to the Bondholder Provisions, each Series can, by majority vote, appoint a Bondholders' Representative with respect to such Series. Therefore, it cannot be excluded that more than one Bondholders' Representative may be appointed, each representing specific Series of Covered Bonds. Each Bondholders' Representative so appointed will be subject to the Conditions.

Resolutions that negatively affect the rights of Covered Bondholders require unanimous consent of the Covered Bondholders, unless the resolution concerns subject matters specifically listed in art. 1170 CO (**1170 CO Resolutions**). 1170 CO Resolutions may have a substantial negative impact on the rights of Covered Bondholders through measures including, in the event of financial distress of the Issuer, debt to equity swap or interest moratorium of up to five years (extendable twice by up to five years). 1170 CO Resolutions require a majority of at least two-thirds of the aggregate outstanding principal amount of the Covered Bonds of a Series outstanding. Lower majority requirements apply where resolutions are proposed to several communities of bondholders, subject to approval by all communities of bondholders. See "*Swiss Law Bondholder Provisions*". Unless a unanimous decision by all Covered Bondholders is reached, 1170 CO Resolutions will require approval by the competent cantonal court. A validly adopted 1170 CO Resolution will be binding on all Covered Bondholders of the relevant Series or of all Series (as applicable) including Covered Bondholders who did not attend or vote at the relevant meeting and Covered Bondholders who voted against such 1170 CO Resolution at the relevant meeting. Thus, with respect to the actions described above, holders of the Covered Bonds may be dependent on the votes of the holders of other outstanding Covered Bonds and may not be in a position to affect the outcome of the resolutions adopted by the Bondholder Meetings.

Conversely, resolutions that negatively affect the rights of Covered Bondholders that are not 1170 CO Resolutions require consent by all Covered Bondholders of all Series that are affected. Because it is unlikely that consent by all Covered Bondholders will be achievable, it may not be possible to pass such Bondholder Resolutions. Therefore, there can be no guarantee that Bondholder Resolutions that may be required in the future, e.g. to implement new legal requirements, can be passed.

Lack of liquidity in the secondary market may adversely affect the market value of the Covered Bonds

No assurance is provided that there is an active and liquid secondary market for the Covered Bonds or that a secondary market for the Covered Bonds will develop. To the extent that a secondary market exists or develops, it may not continue for the life of the Covered Bonds or it may not provide Covered Bondholders with liquidity of investment. None of the Covered Bonds have been, or will be, registered under the Securities Act or any other

securities laws and they are subject to certain restrictions on the resale and other transfer thereof as set forth under "*Selling Restrictions*". Therefore, a Covered Bondholder may not be able to find a purchaser of its Covered Bonds readily or sell its Covered Bonds at prices that will provide it with a desired yield or a yield comparable to similar investments in respect of which a secondary market has developed.

RISKS RELATING TO THE STRUCTURE OF A PARTICULAR ISSUE OF COVERED BONDS

A wide range of Covered Bonds may be issued under the Programme. A number of these Covered Bonds may have features which contain particular risks for potential Investors. Set out below is a description of the most common features.

Fixed Rate Covered Bonds

Each Series of Covered Bonds will bear interest at a fixed rate, as specified in the Applicable Final Terms. Therefore, any investment in such Covered Bonds involves the risk that if market interest rates subsequently change, the return on (and value of) the Covered Bonds would typically be affected. Therefore, investors should be aware that movements of the market interest rate can adversely affect the price of the Covered Bonds and can lead to losses if investors sell such Covered Bonds during certain periods.

Covered Bonds issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Transfers of Covered Bonds

The Covered Bonds are subject to restrictions on transfer, as described in the section of this Base Prospectus entitled "*Selling Restrictions*".

Covered Bonds subject to early redemption by Issuer under certain circumstances

Unless in the case of any particular Series of Covered Bonds where the Applicable Final Terms specify otherwise, early redemption will be permitted (i) for taxation reasons, *i.e.* in the event that the Issuer is or will be obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) of the Conditions as a result of any change in, or amendment to, the laws, regulations or rulings of a Tax Jurisdiction (as defined in Condition 7 (*Taxation*)) or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the date of this Base Prospectus, the Issuer may redeem the relevant Series of Covered Bonds (in whole but not in part) in accordance with the Conditions, (ii) upon the occurrence of a Regulatory Event.

RISKS RELATING TO THE GUARANTOR

Limited Events of Default with respect to the Guarantor

Service of an Issuer Default Notice on the Issuer does not constitute an event of default with respect to the Guarantor. Therefore, it does not in itself trigger an acceleration of the payment obligations of the Guarantor under the Guarantee. Instead, the Conditions contain limited events of default with respect to the Guarantor, the occurrence of which would entitle Covered Bondholders to accelerate payment obligations under the Guarantee. Acceleration of the Covered Bonds following a Guarantor Event of Default may not lead to accelerated payments to Covered Bondholders, since there can be no assurance that the Guarantor and/or any insolvency official or liquidator appointed in respect of the Guarantor is able to promptly sell the Cover Pool Assets.

Insolvency of the Guarantor may negatively affect the rights and claims of the Covered Bondholders under the Guarantee

The Guarantor is a special purpose entity. The Transaction Documents include certain provisions that aim to protect the Guarantor from becoming subject to applicable insolvency laws, mainly non-petition and limited recourse provisions in Transaction Documents to which the Guarantor is a party. Notwithstanding these measures, the possibility of the Guarantor becoming subject to applicable insolvency laws and procedures cannot be

excluded. This may adversely impact the Guarantor's contractual obligations. See "*Risks relating to the Programme legal and regulatory matters—Change of law*".

Accordingly, there is no assurance that an insolvency of the Guarantor will not, directly or indirectly, adversely affect the rights and claims of the Trustee for the benefit of the Covered Bondholders against the Guarantor. In particular, payment of the Guaranteed Amounts may not be fully enforceable upon the occurrence of an Insolvency Event in relation to the Guarantor. In particular, pursuant to Swiss bankruptcy laws, upon bankruptcy, all claims against a debtor in bankruptcy become immediately due for payment, which will result in the acceleration of claims under the Guarantee in relation to payment of principal and/or interest under the Covered Bonds which would otherwise only become due for payment in the future. Upon the occurrence of an Insolvency Event in relation to the Guarantor, such accelerated claims in relation to payment of principal and/or interest under the Covered Bonds may not be admitted in their face amount, but discounted back to the date of adjudication of bankruptcy applying a five per cent. discount rate. Alternatively, claims in relation to payment of interest under the Covered Bonds may only be admitted up to the date of adjudication of bankruptcy. In the event that a payment of a Guaranteed Amount is not fully enforceable in the bankruptcy of the Guarantor, this would also result in a corresponding reduction of the relevant Pre-funding Obligation and limit the Guarantor's access to the Cover Pool accordingly. This would lead to an overall reduction in the claims of Covered Bondholders and the assets available for satisfying their claims. In addition, the service of a Guarantor Acceleration Notice on the Guarantor would result in a disruption of the scheduled cash flows on the Covered Bonds. In addition, under Swiss law it is untested whether subordination provisions of the type included in the Transaction Documents (such as the applicable Priority of Payments) would be enforceable against an insolvency administrator of a Swiss debtor. See also "*Risks relating to Programme legal and regulatory matters—Insolvency proceedings and subordination provisions*".

Ownership of and control over the Guarantor by Cornèr Banca may have adverse consequences for the Covered Bondholders

Under Swiss law, the board of directors of a corporation is elected by a vote of the shareholder's meeting. As at the date hereof, Cornèr Banca holds 98% of the shares of the Guarantor. 1% of the shares each is held by the two Independent Directors, who are proposed by the Trustee (see also "*Description of Cornèr Banca*"). Pursuant to the Guarantor's Articles of Incorporation, the Board of Directors of the Guarantor is composed of no more than four members. Two of the four current members of the Board of Directors are employees of Cornèr Banca and are not paid any fees by the Guarantor. The other two current members of the Board of Directors of the Guarantor are individuals independent from Cornèr Banca within the meaning of the Swiss Code of Best Practice on Corporate Governance and, pursuant to the Intercreditor Agreement, Cornèr Banca, in its capacity as majority shareholder of the Guarantor, undertakes to cause at all times to have elected, by a resolution of the shareholders' meeting of the Guarantor, two individuals independent from Cornèr Banca. However, while pursuant to the Guarantor's Articles of Incorporation the dismissal of directors needs the approval of 99% of the shares in the Guarantor, directors of a Swiss company can resign for any reason and at any time, and, as a matter of Swiss company law, Cornèr Banca as majority shareholder has the power not to (re)elect directors of the Guarantor, including the Independent Directors. Therefore, there can be no assurance that the Guarantor will at all times have the Independent Directors necessary for its operations and the safeguarding of its interests in the Cover Pool Assets. The absence of direct control by the Trustee may have adverse consequences for Covered Bondholders if the instructions of the Guarantor conflict with the interests of the Covered Bondholders (e.g. because the Trustee's instructions cannot supersede those given by the Guarantor to, inter alia, the Cash Manager, the Account Bank or the Originator in relation to the servicing and administration of the Assigned Mortgage Claims). See also "*Risks relating to reliance on certain transaction parties—The Guarantor places significant reliance on Cornèr Banca, which may give rise to conflicts of interest. Replacement of Cornèr Banca may not be found on acceptable terms, within an acceptable time period or at all and the ability of the Guarantor to perform its obligations may be impaired*".

Furthermore, upon the occurrence of an Insolvency Event in relation to Cornèr Banca the shares of the Guarantor owned by Cornèr Banca would become part of the bankruptcy estate and may be liquidated for the benefit of Cornèr Banca's creditors. No assurance can be given that the solvency and governance of the Guarantor and the structure of the Covered Bonds issued under the Programme will not be negatively affected by an insolvency of Cornèr Banca. Apart from the potential impact on the Swiss mortgage market and the value of the real property underlying the Cover Pool, relevant other potential impacts include non-receipt of any and all Mortgage Payments collected by and other monies held with Cornèr Banca as well as changes to the Board of Directors of the Guarantor and non-enforceability of Cornèr Banca covenants in the Shareholders Agreement, which may negatively affect the compliance of the Guarantor with its payment obligations and undertakings under the Guarantee Mandate Agreement. See also "*Risks relating to Cornèr Banca*".

The affiliation of the independent directors of the Guarantor with the Trustee and Bondholders' Representative may give rise to conflicts of interest

The Chairman and the Vice-Chairman were elected to the Board of Directors of the Guarantor as independent directors (the **Independent Directors**). See "*Description of the Guarantor—Board of Directors*". The Independent Directors have been proposed by Amicorp Switzerland AG, which is an entity affiliated with the Trustee and Bondholders' Representative. As at the date of this Base Prospectus, the Independent Directors were employees of Amicorp Switzerland AG. This may involve conflicts of interest involving circumstances under which the Independent Directors may not act in the best interests of the Covered Bondholders.

Material breach of any SPE Covenant may result in a Guarantor Event of Default, which could adversely affect the Guarantor's ability to make payment of all Guaranteed Amounts due

Special purpose entity (**SPE**) covenants are generally designed to limit the activities and purposes of certain entities involved in structured financings to owning the related assets, making payments on the related financial instruments and taking such other actions as may be necessary to carry out the foregoing in order to reduce the risk that circumstances unrelated to such instruments and related assets result in the occurrence of an Insolvency Event in relation to the Guarantor. Such covenants (known as **SPE Covenants**) are generally used in structured finance transactions to satisfy requirements of institutional lenders and recognised statistical rating organisations. In order to minimise the possibility that SPEs, like the Guarantor, will be the subject of bankruptcy proceedings, provisions are generally contained in the SPE's organisational documents and/or documentation relating to the transaction that, among other things, limit the indebtedness that can be incurred by such entities and restrict such entities from conducting business as an operating company (thus limiting exposure to outside creditors).

The Guarantee Mandate Agreement will contain provisions that require the Guarantor to conduct itself in accordance with certain SPE Covenants, which may include some or all of the foregoing. However, there can be no assurance that the Guarantor will in fact comply with such SPE Covenants. There can also be no assurance that all or most of the restrictions customarily imposed on SPEs will be complied with by the Guarantor, and even if all or most of such restrictions have been complied with by the Guarantor, there is no guarantee that the Guarantor will not nonetheless become insolvent.

A material breach of any SPE Covenant may result in a Guarantor Event of Default, giving rise to acceleration of all Series of Covered Bonds. This could adversely affect the Guarantor's ability to make all payments due of the Guaranteed Amounts.

RISKS RELATING TO THE PROGRAMME LEGAL AND REGULATORY MATTERS

Switzerland's lack of a statutory framework for the Covered Bonds creates legal uncertainty and may adversely affect the market value of the Covered Bonds

Switzerland does not have a legislative framework for the issuance of Covered Bonds in line with international standards such as the legislative proposal adopted by the European Commission on 12 March 2018 for an EU-framework consisting of a directive on the issue of covered bonds and covered bond public supervision and a regulation amending Regulation (EU) No 575/2013 as regards exposures in the form of covered bonds, as part of the EU Capital Markets Union project or similar rules as implemented in most industrialized countries. Furthermore, as at the date of this Base Prospectus, there are no legislative initiatives to introduce a Swiss regulatory framework for Covered Bonds.

As a result of Switzerland's lack of a legislative framework for Covered Bonds, the Covered Bonds cannot be and are not issued as "Regulated Covered Bonds" pursuant to a specific statutory framework, in particular the final implementation of the Basel III framework in each jurisdiction. The lack of a "Regulated Covered Bond" status may adversely affect the market value of the Covered Bonds. Furthermore, the lack of a legislative framework for covered bonds means that Switzerland will not pass through an equivalence assessment under the EU Covered Bond Framework. This may adversely affect the market value and regulatory treatment of the Covered Bonds.

Furthermore, as a result of Switzerland's lack of a legislative framework, the Covered Bonds are based on a novel structure (see "*—The transaction structure relies on a number of legal concepts which have not been previously tested in Swiss courts*"). Accordingly, changes in law or its interpretation, including by way of changes to administrative practice and judicial decisions, may adversely affect the Covered Bonds and the rights of the Covered Bondholders against the Issuer under the Covered Bonds and/or against the Guarantor under the Guarantee and even the viability of the transaction structure. Without limitation to the generality of the foregoing, relevant changes could result in the transfer of Mortgage Assets and Cover Pool Assets to the Guarantor not being recognised, prevent or limit the liquidation or enforcement of Mortgage Assets and Cover Pool Assets for the benefit of the Covered Bondholders and the distribution of the proceeds thereof in accordance with the applicable

Priority of Payments, compromise the bankruptcy remoteness of the Guarantor and/or make the Guarantor subject to the special insolvency regime for banks and other relevant entities, all of which could leave the Covered Bondholders with economically unsecured claims against the Issuer.

The transaction structure relies on a number of legal concepts which have not been previously tested in Swiss courts.

The Covered Bonds are not issued as Mortgage Bonds (*obbligazioni fondiarie*) within the meaning of the Swiss Federal Act on Mortgage Bonds. Consequently, Covered Bondholders will not benefit from the protections afforded to holders of Mortgage Bonds pursuant to the Swiss Federal *Act on Mortgage Bonds*.

As one of the first programmes for the issuance of Covered Bonds in Switzerland that is entirely governed by Swiss law, the Programme is based on a novel structure and such structure has not been tested in court or validated in legal writing. Moreover, the structure relies on a number of innovative legal concepts, some of which have not been tested in court. Cornèr Banca has received legal advice as to, among other things, the effectiveness and legal enforceability of, amongst other things, the provisions of the Security Assignment Agreement, the Guarantee Mandate Agreement and the Guarantee.

However, there is no case law which is directly applicable to the structure of the Programme, and the judicial precedents, legal authorities and other considerations underlying such advice are subject to change (see "*Change of law*"). In addition, the relevant advice was based on customary assumptions and qualifications including, in relation to the compliance of the Transaction Parties with relevant representations, warranties and undertakings, the validity and enforceability of the agreements, including in relation to the transfer clauses therein, pursuant to which the Mortgage Assets transferred or to be transferred were or may be originated (see "*Risks relating to the Cover Pool—The waivers of banking secrecy and the transfer clauses necessary for the transfer of Cover Pool Assets, as well as other relevant provisions in Cornèr Banca's standard forms of agreement may be deemed by Swiss courts to be insufficient or inapplicable, which may negatively affect the validity of the transfer of Cover Pool Assets to the Guarantor, replenishment of the Cover Pool as well as the value and/or the enforceability of the Cover Pool Assets*"), 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 act and rule in the same manner as contemplated in the legal advice received. Any such action or decision deviating from the advice received may adversely affect the rights and obligations of the holder of the Covered Bonds and even the viability of the transaction structure. Without limitation to the generality of the foregoing, relevant decisions could compromise the bankruptcy remoteness of the Guarantor and/or make the Guarantor subject to the special restructuring and insolvency regime for banks and other relevant entities, which could adversely affect the claims of the Covered Bondholders, represented by the Bondholders' Representative, under the Guarantee as well as the liquidation of the Cover Pool Assets for the benefit of the Covered Bondholders 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 Mortgage Assets and Cover Pool Assets to the Guarantor not being recognised or in preventing or limiting the liquidation or enforcement of Mortgage Assets and Cover Pool Assets, all of which could leave the Covered Bondholders with economically unsecured claims against the Issuer.

Insolvency proceedings and subordination provisions

There is uncertainty as to the validity and/or enforceability of a provision such as the limited recourse provisions in the Transaction Documents that subordinates certain payment rights of a creditor to the payment rights of other creditors upon the occurrence of Insolvency Proceedings relating to that creditor. In particular, recent cases have focused on provisions involving the subordination of a hedging counterparty's payment rights in respect of certain termination payments upon the occurrence of Insolvency Proceedings or other default on the part of such counterparty (so-called "flip clauses"). Such provisions are similar in effect to the terms which will be included in the Transaction Documents relating to the subordination of payments under the Priorities of Payments.

In addition, under Swiss law it is uncertain whether subordination provisions of the type included in the Transaction Documents would be enforceable against an insolvency administrator of a Swiss debtor. If an insolvency administration does not respect the applicable Priority of Payments, Covered Bondholders may have to directly take action against parties who have received more than their applicable share pursuant to the applicable Priority of Payments, which may be time consuming and expensive and there can be no guarantee that Covered Bondholders will ultimately be able to recover any such amounts.

Changes in capital requirements rules (BCBS)

Implementation of and/or changes to the Basel III framework may affect the capital requirements and/or the liquidity associated with a holding of the Covered Bonds for certain investors and may negatively affect the market value of the Covered Bonds.

Legal investment laws and regulations may restrict certain investments

The investment activities of certain Investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential Investor should consult its legal advisers to determine whether and to what extent (a) Covered Bonds are legal investments for it, (b) Covered Bonds can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Covered Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Covered Bonds under any applicable risk-based capital or similar rules (see "*Risks relating to the Cover Pool—The waivers of banking secrecy and the transfer clauses necessary for the transfer of Cover Pool Assets, as well as other relevant provisions in Cornèr Banca's standard forms of agreement may be deemed by Swiss courts to be insufficient or inapplicable, which may negatively affect the validity of the transfer of Cover Pool Assets to the Guarantor, replenishment of the Cover Pool as well as the value and/or the enforceability of the Cover Pool Assets*").

Change of law

The transaction structure developed for purposes of the issuance of Covered Bonds (see "*The transaction structure relies on a number of legal concepts which have not been previously tested in Swiss courts*"), the Conditions of the Covered Bonds and the Transaction Documents are based on Swiss law in effect as at the date of this Base Prospectus and the description of the effects thereof or any default or insolvency of the Guarantor or Cornèr Banca are based on Swiss law in effect as at the date thereof. Such laws and the interpretation thereof have been and are subject to change. No assurance can be given as to the impact of any possible judicial decision or change to Swiss law or administrative practice in Switzerland after the date of this Base Prospectus nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer or the Guarantor to make payments under the Covered Bonds and/or the ability of the Guarantor to make payments under the Guarantee.

Payments under the Covered Bonds may be subject to U.S. Foreign Account Tax Compliance Withholding

In certain circumstances the Issuer and certain other non-US financial institutions (**FFIs**) through which payments on the Covered Bonds will be made may be required to withhold US tax at a rate of 30 percent pursuant to sections 1471-1474 of the US Internal Revenue Code of 1986, as amended (enacted in 2010 as part of the Foreign Account Tax Compliance Act), and the regulations and other guidance promulgated thereunder, including any intergovernmental agreements concluded between the United States and any other jurisdiction, and such other jurisdiction's implementing legislation related thereto, (collectively, **FATCA**) on all, or a portion of, payments made after the later of (a) 31 December 2018, or (b) the date of publication of final US treasury regulations defining the term "foreign passthru payment", in respect of (i) Covered Bonds that are treated as debt for US federal tax purposes that are issued or materially modified after the date that is six months after the date of publication of final US treasury regulations defining the term "foreign passthru payment", and (ii) Covered Bonds that are treated as equity for US federal tax purposes, whenever issued.

If an amount in respect of FATCA were required to be withheld from any payment on the Covered Bonds, there will be no "gross up" (or any other additional amount) payable by way of compensation to the investor for the withheld amount. An investor that is able to claim the benefits of an income tax treaty between its own jurisdiction and the United States may be entitled to a refund of amounts withheld pursuant to the FATCA rules, though the investor would have to file a US tax return to claim this refund and would not be entitled to interest from the US Internal Revenue Service (**IRS**) for the period prior to the refund.

Generally, FFIs in a jurisdiction that has entered into an intergovernmental agreement with the United States for the implementation of FATCA (an **IGA**), such as Switzerland, are not required to withhold under FATCA or the IGA (or any law implementing the IGA) from payments they make to their "account holders", including, in certain circumstances, debt and equity holders. However, the Swiss IGA may require that Swiss FFIs withhold under FATCA on payments made to certain FFIs that do not fulfil their obligations under FATCA or certain account holders (including debt and equity holders) who are deemed to be unable to receive payments free of FATCA withholding.

FATCA withholding, if ever required, may affect payments made to custodians or intermediaries in the payment chain leading to the Issuer, or the ultimate investor, if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. Within the transaction, this could result in the Issuer receiving amounts on the loans that are materially less than it would have received had no such FATCA withholding been imposed. FATCA withholding may also affect payment to any ultimate investor that is an FFI that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding.

The Issuer's obligations under the Covered Bonds are discharged once it has made payment to, or to the order of, a Paying Agent and the Issuer has therefore no responsibility for any amount thereafter transmitted through a Paying Agent, custodians, or intermediaries. Under the Conditions, a holder of Covered Bonds agrees or is deemed to agree to provide any information required for FATCA compliance, and to permit this information to be reported to the IRS.

If Cornèr Banca experiences financial difficulties, FINMA has the power to open restructuring or liquidation proceedings in respect of, and/or impose protective measures in relation to, Cornèr Banca, which proceedings or measures may have a material adverse effect on the terms and market value of the Covered Bonds and/or the ability of Cornèr Banca and the Guarantor to make payments under the Covered Bonds and the Guarantee, respectively

Pursuant to article 25 et seq. of the FBA, FINMA has broad statutory powers to take measures and actions in relation to Cornèr Banca if (i) there is a justified concern that it is over indebted or has serious liquidity problems or (ii) it 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 (*procedura di risanamento*), (b) to open liquidation (bankruptcy) proceedings (*fallimento di una banca*) in respect of and/or (c) to impose protective measures (*misure di protezioni*) in relation to Cornèr Banca. The FBA and its implementing ordinance grants significant discretion to FINMA in connection with the aforementioned proceedings and measures. In particular, protective measures that may be imposed by FINMA in relation to Cornèr Banca, include a broad variety of measures such as a bank moratorium (*differimento*) or a maturity postponement (*rinvio del termine*) and may be ordered by FINMA either on a stand-alone basis or in connection with reorganisation or liquidation proceedings. In a restructuring proceeding (*procedura di risanamento*), FINMA as resolution authority is competent to approve the resolution plan (*piano di risanamento aziendale*). The resolution plan may, among other things, provide for (i) the transfer of Cornèr Banca's assets or parts thereof with assets and debts as well as contracts, which may or may not include the Transaction Documents to which Cornèr Banca is a party to another entity, (ii) staying (for a maximum of two business days) the termination of, and the exercise of rights to terminate, netting rights, rights to enforce or dispose of certain types of collateral or rights to transfer claims, liabilities or certain collateral, under contracts to which Cornèr Banca is a party, (iii) the conversion of Cornèr Banca's debt or other obligations, including Secured Obligations and other obligations of Cornèr Banca under the Transaction Documents, into equity (a "debt-to- equity swap"), and/or (iv) the partial or full write-off of such obligations (a "haircut"). Pursuant to article 48 lit. a-c BIO-FINMA, a debt-to-equity swap and/or a partial or full haircut on the unsubordinated debt instruments may only take place after (i) the existing equity of Cornèr Banca has been fully cancelled, and (ii) all debt instruments issued by Cornèr Banca qualifying as additional tier 1 capital or tier 2 capital have been converted into equity or written off. Article 49 lit. b BIO-FINMA provides that secured claims whose existence and amount can be readily demonstrated are exempted from a debt-to-equity swap or a haircut up to the secured amount.

In absence of court precedent, it cannot be excluded that Cornèr Banca's obligations under or in connection with the Covered Bonds, to the extent not covered by the Guarantee (see "*Risks relating to the transaction structure generally—When realising Cover Pool Assets following the occurrence of a Guarantor Event of Default, the proceeds may be insufficient to repay all amounts due to Covered Bondholders*"), will be subject to a bail-in by FINMA and how the secured amount would be calculated in a restructuring proceeding. Therefore, to the extent that they are not deemed to be secured claims within the meaning of article 49 lit. b BIO-FINMA, it cannot be excluded that any resolution plan concerning Cornèr Banca would provide that the claims under or in connection with any Covered Bonds (including Pre-Funding and Recourse Claims) will be partially or fully converted or written-off and that in case of a write-off claims ranking junior to the claims under such Covered Bonds will be preserved.

As of the date of this Base Prospectus, there are no precedents as to what impact the revised restructuring regime would have on the rights of the Covered Bondholders under the Covered Bonds and/or the Guarantee, the ability of the Guarantor to enforce the Cover Pool Assets and the ability of Cornèr Banca and the Guarantor to make payments under the Covered Bonds and the Guarantee, respectively, if one or several of measures under the revised insolvency regime were imposed in connection with a restructuring of Cornèr Banca.

ACTUAL RESULTS MIGHT DIFFER SUBSTANTIALLY FROM THE PROJECTIONS IN THIS BASE PROSPECTUS.

Forecasts and estimates in this Base Prospectus are forward-looking statements which relate, but are not limited, to the Issuer's potential exposure to various types of market risks, such as counterparty risk, interest rate risk, foreign exchange rate risk and commodity and equity price risk and are speculative in nature. Such statements are subject to risks and uncertainties and therefore not historical facts and represent only the Issuer's beliefs regarding future events, many of which, by their nature, are inherently uncertain and beyond the control of the Issuer. It can be expected that some or all of the assumptions underlying the projections will not prove to be correct or will vary from actual results. Consequently, the actual result might differ from the projections and such differences might be significant.

ABOUT THIS BASE PROSPECTUS

Documents Incorporated by Reference

The following documents, which have previously been published or are published simultaneously with this Base Prospectus, are incorporated in, and form part of, this Base Prospectus:

- (a) The English version of the 2025 annual report of Cornèr Banca as at and for the year ended 31 December 2025 including prior year comparative financial information for the year ended 31 December 2024 (available at: <https://www.cornergroupp.ch/en/media/annual-reports>, the **2025 Cornèr Banca Annual Report**).
- (b) Cornèr Banca press release (Ad Hoc announcement pursuant to Art. 53 LR) dated 2 March 2026 on the Group's 2025 results, in which it is stated, among other matters, that the entire acquisition of Finpromotion SA was completed in January 2026, available at: https://www.cornergroupp.ch/export/ch.cornergroupp.content/.galleries/pdf/en/comunicati_stamp/corn_er_group_results_2025_en.pdf
- (c) the Articles of Association of Cornèr Banca.

Supplements

After the date hereof, a supplement to this Base Prospectus that adds, updates or changes the information contained in this Base Prospectus may be prepared by the Issuer, which supplement will be filed with and, to the extent required by article 56(4) of the FinSA, approved by the Swiss Review Body and published by the Issuer in accordance with the FinSA. Statements contained in any such supplement (or contained in any document incorporated by reference herein via such supplement) will be deemed to modify or supersede statements contained in this Base Prospectus or in a document that is incorporated by reference herein. Any statement so modified or superseded will not, except as so modified or superseded, constitute a part of this Base Prospectus with respect to the Covered Bonds offered on or after the date of the relevant supplement.

Availability of Documents

Copies of this Base Prospectus (including the documents incorporated by reference herein and any supplements hereto), the Transaction Documents as well as each Applicable Final Terms (save that final terms relating to an unlisted Covered Bond will be available for inspection only by the relevant Dealer or Dealers specified in such Applicable Final Terms or, upon proof satisfactory to the Principal Paying Agent as to the identity of the holder of any Covered Bond to which such Applicable Final Terms relate) and any other documents incorporated therein by reference can be obtained in electronic or printed form, free of charge, during normal business hours from Cornèr Banca, Via Canova 16, CH-6900 Lugano, Switzerland, email: info@corner.ch.

For as long as the Programme remains in effect or any Covered Bonds shall be outstanding, copies of each Transaction Document may be inspected by physical means during usual business hours (public holidays excepted) at the offices of Cornèr Banca at Via Canova 16, CH-6900 Lugano, Switzerland.

In addition, the annual and semi-annual reports of Cornèr Banca and the Investor Reports are published on Cornèr Banca's website, at Cornèr Banca <https://www.cornergroupp.ch/en/media/annual-reports>. The information contained on these websites or other securities filings do not form part of this Base Prospectus unless otherwise specifically incorporated by reference herein.

FORM OF APPLICABLE FINAL TERMS

Set out below is the form of Applicable Final Terms which will be completed for each Tranche of Covered Bonds issued under the Programme.

[Date]

Cornèr Banca SA

Legal Entity Identifier (LEI) Code: 8B4SQYKBT0013V7EP290

Issue of [Aggregate Nominal Amount of Tranche] [Title of Covered Bonds]

irrevocably and unconditionally guaranteed as to payment of principal and interest by

Accent Ipoteche SA

under the CHF 1 billion Covered Bond Programme

PART A – CONTRACTUAL TERMS

Terms used but not defined herein have the meanings assigned to such terms in the Conditions of the Covered Bonds set forth in the Base Prospectus dated 24 April 2026 [, as supplemented by the Supplement[s] thereto dated [insert date(s)]] (the **Base Prospectus**), which constitutes a base prospectus for purposes of article 45 of the Swiss Financial Services Act dated 15 June 2018 (the **FinSA**). This document constitutes the Applicable Final Terms within the meaning of article 45(3) of the FinSA for the Tranche of Covered Bonds described herein and must be read in conjunction with the Base Prospectus, which together constitute the prospectus with respect to such Tranche of Covered Bonds for purposes of the FinSA.

Full information on the Issuer, the Guarantor and the offer of the Covered Bonds described herein is only available on the basis of the combination of these Applicable Final Terms and the Base Prospectus as supplemented from time to time. Copies of the Base Prospectus (including the documents incorporated by reference therein and any supplements thereto) and these Applicable Final Terms can be obtained in electronic or printed form, free of charge, during normal business hours from (i) registered office of the Issuer, or (ii) UBS AG as listing agent, P.O. Box, CH-8098 Zurich (Switzerland) Switzerland, or telephone (+41-(0)44-239 47 03), fax: (+41-(0)44-239 69 14) or email to swiss-prospectus@ubs.com.

- (1) Issue Date: []
- (2) (a) Series Number: []
- (b) Tranche Number: []
- (c) Series which Covered Bonds will be consolidated and form a single Series with: []/[Not Applicable]
- (d) Date on which the Covered Bonds will be consolidated and form a single Series with the Series specified above: []/[Issue Date]/[Not Applicable]
- (3) Specified Currency or Currencies: Swiss Francs
- (4) Aggregate Nominal Amount: []
- (a) Series: []
- (b) Tranche: []
- (5) Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date]]
- (6) (a) Specified Denominations: []
- (b) Calculation Amount: []
- (7) Interest Commencement Date: []/Issue Date]

- (8) (a) Final Maturity Date: []/[Interest Payment Date falling in or nearest to
[specify month and year]]
- (b) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Guarantee: []/[Interest Payment Date falling in or nearest to
[specify month and year]/[Not Applicable]]
- (9) Interest Basis: Fixed Rate payable in arrears
- (10) Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Covered Bonds will be redeemed on the Final Maturity Date at [100] per cent. of the nominal value [Redemption amount will always be 100% of the nominal value or higher]
- (11) Change of Interest Basis or Redemption/Payment Basis: []/[in accordance with paragraphs 15 and 16]
- (12) Investor Put: [Investor Put] / [Not Applicable]
- (13) (a) Date of Board approval for issuance of Covered Bonds obtained: Approval of the Board of Directors of Cornèr Banca SA obtained on [] / []
- (b) Date Board approval for the Guarantee obtained: Approval of the Board of Directors of the Guarantor obtained on [] / []
- (14) Method of Distribution: []

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- (15) Fixed Rate Covered Bond Provisions: Applicable
- (a) Rate(s) of Interest: [] per cent. per annum payable in arrears on each Interest Payment Date
- (b) Interest Payment Date(s):
- (i) To Final Maturity Date: [] in each year, commencing on [] up to and including the Final Maturity Date.
- (i) From Final Maturity Date up to Extended Due for Payment Date (pursuant to the Guarantee): Quarterly on [], [], [], [] in each year commencing on [], until the earlier of (i) the date on which the Covered Bonds are redeemed in full and (ii) the Extended Due for Payment Date.
- (c) Fixed Coupon Amount(s): [] per Calculation Amount
- (d) Broken Amount(s): [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []/[Not Applicable]
- (e) Day Count Fraction: [30/360, unadjusted]/[Actual/Actual (ICMA)]
- (f) Determination Date(s): [[] in each year]/[Not Applicable]

PROVISIONS RELATING TO REDEMPTION

- (16) Redemption for Tax Reasons – other minimum or maximum period: [[Not Applicable] / Not less than [] days and not more than [] days
- (17) Investor Put: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): []

- | | | | |
|------|---|------------------------------|--------------------|
| (b) | Optional Redemption Amount: | [Nominal Amount/[
Amount] |]] per Calculation |
| (18) | Final Redemption Amount: | [Normal Amount/[
Amount] |] per Calculation |
| (19) | Early Redemption Amount payable on redemption for taxation reasons, due to a regulatory event or on event of default: | [Normal Amount/[
Amount] |] per Calculation |

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

- | | | |
|------|------------------------|--|
| (20) | Form of Covered Bonds: | <p>Uncertificated Covered Bonds:</p> <p>Uncertificated Covered Bonds registered into the main register (<i>registro principale</i>) with [SIX SIS AG, Olten, Switzerland] / [].</p> <p>No individually certificated Covered Bonds (<i>carte valori</i>) will be printed or delivered.</p> |
|------|------------------------|--|

[REPRESENTATIVE (N.B. Only to be included in case of Covered Bonds to be admitted to trading and listed on SIX Swiss Exchange)

In accordance with article 58a of the Listing Rules of the SIX Swiss Exchange, the Issuer and the Guarantor have appointed UBS AG, located at Bahnhofstrasse 45, CH-8001 Zürich, as recognised representative to file the application with SIX Exchange Regulation AG in its capacity as competent authority for the admission to trading (including the provisional admission to trading) and listing of the Covered Bonds on SIX Swiss Exchange.

NO MATERIAL ADVERSE CHANGE STATEMENT

Except as disclosed in the Base Prospectus, no material changes have occurred in the Issuer's assets and liabilities, financial position or profits and losses since [insert the date of the latest annual or interim financial statements].

RESPONSIBILITY

The Issuer (Cornèr Banca SA, Lugano) and the Guarantor (Accent Ipotecche SA, Lugano) assume responsibility for the completeness and accuracy of these Applicable Final Terms and the Base Prospectus (with respect to the Base Prospectus only, as set out in the section "Important Information" in the Base Prospectus).

Signed on behalf of the Issuer:

Signed on behalf of the Guarantor:

Name:
Title:

Name:
Title:

Name:
Title:

Name:
Title:

PART B – OTHER INFORMATION

1. LISTING, ADMISSION TO TRADING AND EXPENSES

- (a) Listing: [SIX Swiss Exchange] / [Not Applicable]
- (b) Admission to trading: [The first day of trading on SIX Swiss Exchange will be *[date]*. Application for definitive admission to trading and listing on SIX Swiss Exchange will be made as soon as practicable thereafter and (if granted) will only be granted after the Issue Date. [The last day of trading on SIX Swiss Exchange will be *[date]*.] / [Not Applicable] / []
- (When documenting a fungible issue need to indicate that the original securities are already admitted to trading)*
- (c) Estimated total expenses relating to admission to trading: []

2. USE AND ESTIMATED NET PROCEEDS

- (a) Use: [The net proceeds of the issue of each Series or Tranche of Covered Bonds will be used by the Issuer for its general business purposes.]
- (b) Estimated Net Proceeds: []

3. RATINGS

- Ratings: The Covered Bonds to be issued have been rated:
Fitch Ratings Limited: []

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER

[Save for any fees payable to the Dealers, so far as the Issuer and the Guarantor are aware, no person involved in the offer of the Covered Bonds has an interest material to the offer. The Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer, the Guarantor and their affiliates in the ordinary course of business.]

5. YIELD

- Indication of yield (calculated at the Issue Date on the basis of the Issue Price): [Not Applicable/[]]

7. OPERATIONAL INFORMATION

- ISIN: []
- Common Code: []
- Swiss Security Number: []
- Relevant Clearing System(s): [SIX SIS AG] / [Not Applicable] / []
- Delivery: Delivery [against/free of] payment
- Names and addresses of Principal Paying Agent: [UBS AG
[Bahnhofstrasse 45, CH-8001 Zurich]
Switzerland] /
[]]

Names and addresses of additional Paying Agent(s) (if any): [Not Applicable]/[]

8. DISTRIBUTION

If syndicated, names and addresses of Dealers and underwriting commitments: [Not Applicable/give names, addresses and underwriting commitments]

(a) Date of Subscription Agreement / Purchase Agreement: []

(b) Stabilising Manager(s) (if any): [Not Applicable/give name]

If non-syndicated, name and address of relevant Dealer: [Not Applicable/give name and address]

U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA not applicable

Prohibition of sales to EEA retail investors Applicable

Prohibition of sales to UK retail investors Applicable

TERMS AND CONDITIONS OF THE COVERED BONDS

The following general terms and conditions (the “**Conditions**”) of the Covered Bonds govern the rights and obligations of the Issuer and each Covered Bondholder in relation to the Covered Bonds issued by the Issuer, are agreed by the Issuer and the Dealer or Dealers with whom the Issuer has agreed the issue and purchase of such Covered Bonds (the “**relevant Dealer**”) at the time of issue. The Applicable Final Terms in relation to any Tranche of Covered Bonds may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Conditions, replace, amend or modify the following Conditions for the purpose of such Covered Bonds. Reference should be made to “Applicable Final Terms” for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Series of Covered Bonds.

References herein to the “**Covered Bonds**” shall mean the covered bonds of the Tranche or Series (each as defined below) specified in the Applicable Final Terms (as defined below) issued by Cornèr Banca SA, a Swiss bank and stock corporation (*società anonima*) incorporated in, and under the laws of, Switzerland under company registration number CHE-105.962.409 with its registered office at Via Canova 16, CH-6900 Lugano, Switzerland (“**Cornèr Banca**” or the “**Issuer**”) under the Programme.

As used herein, “**Tranche**” means Covered Bonds of a given Series issued on a single issue that are identical in all respects (including as to listing) and “**Series**” means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Issuer may also issue unlisted Covered Bonds and/or Covered Bonds not admitted to trading on any market.

The Covered Bonds have the benefit of an agency agreement dated on or about the Programme Closing Date (such agency agreement as amended and/or supplemented and/or restated from time to time, the “**Agency Agreement**”) between the Issuer, Accent Ipotecche SA as guarantor, ProServices Trustees (Switzerland) AG as Trustee and UBS AG as principal paying agent (the “**Principal Paying Agent**”, which expression shall include any successor principal paying agent and, together with any other paying agents appointed under the Agency Agreement, the “**Paying Agents**”, which expression shall include any additional or successor paying agents).

Accent Ipotecche SA, a stock corporation (*società anonima*) incorporated in, and under the laws of, Switzerland under company registration number CHE-177.586.044 with its registered office at c/o Cornèr Banca SA, Via Canova 16, CH-6900 Lugano, Switzerland as guarantor (the “**Guarantor**”) has, pursuant to a guarantee dated on or about the Programme Closing Date between the Guarantor and ProServices Trustees (Switzerland) AG as Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders, and as Trustee (the “**Guarantee**”), irrevocably and, following the Guarantee Activation Date and subject to the service of a Notice to Pay by the Trustee on the Guarantor for the relevant Guaranteed Amounts and subject to the terms and conditions of the Guarantee, unconditionally guaranteed in accordance with article 111 CO to the Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders the due and punctual performance by the Issuer of its obligations to pay Scheduled Interest and Scheduled Principal on the Covered Bonds in an amount equal to the Guaranteed Amounts. The Guarantor's obligations under the Guarantee constitute direct, unsecured, unsubordinated and, following the service of a Notice to Pay for the relevant amount on the Guarantor, unconditional obligations of the Guarantor.

These Conditions are completed by the Applicable Final Terms prepared in connection with the relevant Series or Tranche of Covered Bonds, which may specify other terms and conditions that will, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of the Covered Bonds.

Save as provided for in Condition 9 (*Events of Default and Enforcement*), Condition 13 (*Meetings of Covered Bondholders*) and Condition 15 (*Modification*), references herein to the Covered Bonds shall be references to the covered bonds of the Tranche or Series (each as defined above) specified in the Applicable Final Terms.

Any reference to **Covered Bondholders** or **Holders** in relation to any Covered Bonds shall mean if such Covered Bonds are held in the form of Intermediated Securities (as defined below), the person holding such Covered Bonds in a securities account (*conto titoli*) that is in such person's name or, in the case of intermediaries (*enti di custodia*), the intermediary (*ente di custodia*) holding such Covered Bonds for its own account in a securities account (*conto titoli*) that is in its name.

Copies of these Conditions, the Applicable Final Terms, the Trust Agreement, the Agency Agreement, the Guarantee, the Guarantee Mandate Agreement, the Security Assignment Agreement and the other Transaction Documents are available for inspection during usual business hours on any weekday (public holidays excepted) from the specified offices of Cornèr Banca. In addition, copies of these Conditions and the Applicable Final Terms are available free of charge at UBS AG, P.O. Box, CH-8098 Zurich (Switzerland) Switzerland (telephone +41-(0)44-239 47 03; fax: +41-(0)44-239 69 14 or email: swiss-prospectus@ubs.com).

1. AMOUNT, DENOMINATION, FORM AND TRANSFERS

- (a) The initial aggregate principal amount of the Covered Bonds is specified in the Applicable Final Terms. All payments in relation to the Covered Bonds will be made in Swiss Francs. The Covered Bonds are issued to the Covered Bondholders in the Specified Denomination(s) specified in the Applicable Final Terms.
- (b) The Covered Bonds have an Extended Due for Payment Date specified in the Applicable Final Terms.
- (c) The Covered Bonds will be issued in uncertificated form (the **Uncertificated Covered Bonds**). Each Tranche of Covered Bonds will be entered into the main register (*registro principale*) of SIX SIS AG (SIS) or any other intermediary in Switzerland recognised for such purposes by SIX Swiss Exchange (SIS or any other such intermediary, the **Intermediary**) on or prior to the Issue Date. Once the Uncertificated Covered Bonds are registered in the main register of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Uncertificated Covered Bonds will constitute intermediated securities (*titoli contabili*) (the **Intermediated Securities**) within the meaning of the FISA.
- (d) So long as the Uncertificated Covered Bonds constitute Intermediated Securities, they may only be transferred or otherwise disposed of by the entry of the transferred Uncertificated Covered Bonds in a securities account (*conto titoli*) of the transferee in accordance with the FISA.
- (e) The records of the Intermediary will determine the principal amount of the Covered Bonds and the number of Covered Bonds held through each participant in the Intermediary.
- (f) No individually certificated Covered Bonds (*carte valori*) will be printed or delivered. None of the Issuer, the Covered Bondholders, the Principal Paying Agent, the Guarantor or any other party will at any time have the right to effect or demand the conversion of the Uncertificated Covered Bonds into, or the delivery of a permanent global certificate (*certificato globale*) or individually certificated securities (*carte valori*).

2. STATUS OF THE COVERED BONDS

The Covered Bonds constitute direct, unsecured, unsubordinated and unconditional obligations of the Issuer and rank *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer and without any preference among themselves, except for such preferences as are provided by any mandatory applicable provision of law.

3. THE GUARANTEE

3.1 Guarantee of the Covered Bonds

- (a) The payment of the Guaranteed Amounts in respect of the Covered Bonds shall be irrevocably guaranteed by the Guarantor in accordance with the terms and conditions of the Guarantee. However, the Guarantor shall have no obligation under the Guarantee to pay any Guaranteed Amounts when the same shall become Due for Payment under the Covered Bonds or the Guarantee until the Guarantee Activation Date and such obligation shall be subject to the service of a Notice to Pay for the relevant amount on the Guarantor and subject to the provisions set forth in Condition 3.3 (*Limited Recourse against the Guarantor*).
- (b) The obligations of the Guarantor under the Guarantee are direct, unsecured, unsubordinated and, following the Guarantee Activation Date and subject to the service of a Notice to Pay by the Trustee on the Guarantor for the relevant Guaranteed Amounts, unconditional obligations of the Guarantor and (save for certain obligations required to be preferred by law) rank *pari passu* and at least equally with all other present or future, unsecured and unsubordinated obligations of the Guarantor.
- (c) Prior to the issuance of a new (initial or subsequent) Series or Tranche of Covered Bonds, the Issuer shall deliver to the Guarantor an Instruction of the Extension of the Guarantee with respect to such Series or Tranche in accordance with the Guarantee Mandate Agreement, requesting that

the Guarantee shall extend to and cover all amounts due and payable under such new Series or Tranche of Covered Bonds to be issued. Upon such Instruction of the Extension of the Guarantee having been duly acknowledged and agreed by the Guarantor, the Guarantee will be extended to such Series or Tranche of Covered Bonds.

- (d) Each Covered Bondholder acknowledges and agrees with the terms and conditions of the Guarantee as set out in the section "*The Guarantee*" of the Base Prospectus and any documents incorporated therein by reference, including, but not limited to the following:
- (i) any rights under the Guarantee can be exercised exclusively by the Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders, appointed by each Covered Bondholder pursuant to Condition 12 (*Appointment of Bondholders' Representative*), and no Covered Bondholder may assert any rights or proceed against the Guarantor under the Guarantee for as long as the Bondholders' Representative is entitled to act as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders in accordance with Condition 12 (*Appointment of Bondholders' Representative*);
 - (ii) any obligations of the Guarantor to make any payments under the Guarantee are solely and exclusively to the Principal Paying Agent for distribution to the Covered Bondholders in accordance with the Guarantee;
 - (iii) unless all Covered Bonds are accelerated upon the occurrence of a Guarantor Event of Default, earlier maturing Covered Bonds will be repaid before later maturing Covered Bonds; and
 - (iv) the Guarantee is governed by, and construed in accordance with, the substantive laws of Switzerland and any dispute, controversy or claim arising under, out of or in connection with this Guarantee, including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the ordinary courts of the City of Lugano, Switzerland.

3.2 Reliance on Pre-funding Obligations and Cover Pool

Payments by the Guarantor of Guaranteed Amounts in respect of the Covered Bonds and certain other expenses will be met primarily from payments made to the Guarantor by the Issuer under its Pre-funding Obligation and, in the case of failure by the Issuer to comply with its Pre-funding Obligations, from the proceeds of the enforcement of the corresponding part of the Cover Pool Assets applied in discharge of the Pre-funding Obligations and which shall constitute funds available for distribution on the tenth day of each calendar month and, if such day is not a Business Day, the immediately following Business Day (the **Guarantor Payment Date**). The Pre-funding Obligations of the Issuer shall constitute Secured Obligations of the Issuer pursuant to the terms of the Guarantee Mandate Agreement and the Security Assignment Agreement.

3.3 Limited Recourse against the Guarantor

Without limiting the generality of, and in addition to the acknowledgments and agreements pursuant to, paragraph (d) of Condition 3.1 (*Guarantee of the Covered Bonds*), each Covered Bondholder acknowledges and agrees that any payment obligations of the Guarantor under or in connection with the Guarantee will, *inter alia*:

- (a) become due only:
 - (i) up to the occurrence of a GED Guarantee Activation Date, on any Guarantor Payment Date; and
 - (ii) thereafter, on any date on which amounts are paid or payable in accordance with the Post-Insolvency Priority of Payments; and
- (b) be limited to Guaranteed Amounts Due for Payment in an amount corresponding to a *pro rata* share in the Available Funds after giving effect to the relevant Priority of Payments from time to time pursuant to clause 6 (*Limited Recourse against the Guarantor*) of the Guarantee.

3.4 No enforcement against the Guarantor (non-petition)

Without limiting the generality of, and in addition to, the acknowledgments and agreements pursuant to paragraph (d) of Condition 3.1 (*Guarantee of the Covered Bonds*), each Covered Bondholder

acknowledges and agrees that pursuant to the Guarantee and this Condition 3.4 the rights of the Trustee, the Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders, and each Covered Bondholder to (i) take legal steps or to institute any legal proceedings against the Guarantor or its assets or corporate bodies for the purpose of asserting or enforcing any of its rights or claims against the Guarantor, or (ii) institute any proceedings to procure or initiate any Insolvency Proceedings against the Guarantor shall be limited pursuant to clause 11 (*Non-Petition*) of the Guarantee for as long as the Covered Bonds are outstanding and until the expiry of a period ending 366 days after the date on which all potential liabilities secured by the Guarantee have been discharged or satisfied in full.

3.5 Role of the Trustee

Each Covered Bondholder acknowledges and agrees that:

- (a) the Issuer and the Guarantor have appointed ProServices Trustees (Switzerland) AG as Trustee in accordance with the terms and conditions of the Trust Agreement. Pursuant to the Trust Agreement, the Trustee assumes different roles in relation to the Transaction Documents as more fully described in "*Overview of the principal transaction documents—Trust Agreement*".
- (b) The role of the Trustee is separate and different from the role of the Bondholders' Representative.
- (c) The parties to the Trust Agreement and each Covered Bondholder acknowledge and agree that the role of the Trustee and the role of the Bondholders' Representative should, to the extent possible, at all times be held by the same Person. Therefore:
 - (i) if a new Bondholders' Representative is appointed with respect to one or more Series of Covered Bonds with an Aggregate Principal Amount Outstanding of more than 50 per cent. of the Aggregate Principal Amount Outstanding of all Series of Covered Bonds, such Bondholders' Representative shall be appointed as Trustee pursuant to the Trust Agreement, provided that the Issuer and the Guarantor shall have the right to jointly appoint any other Person as Trustee in case it is not feasible in the view of the Guarantor and the Issuer, acting reasonably, for such new Bondholders' Representative to be appointed as Trustee, in each case subject to any provisions of Swiss law mandatorily applicable at the relevant time; and
 - (ii) if a new Bondholders' Representative is appointed with respect to one or more Series of Covered Bonds with an Aggregate Principal Amount Outstanding of 50 per cent. or less of the Aggregate Principal Amount Outstanding of all Series of Covered Bonds, such new Bondholders' Representative shall not be appointed as Trustee under the Trust Agreement. The Trustee will remain and the role of such Bondholders' Representative shall be limited strictly to its authorisation pursuant to paragraph (a) of Condition 12 (*Appointment of Bondholders' Representative*).

4. INTEREST

4.1 Rate of Interest

- (a) The Applicable Final Terms contain provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 4.1 for full information on the manner in which interest is calculated. In particular, the Applicable Final Terms will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Final Maturity Date, any applicable Broken Amount, the Calculation Amount, the Day Count Fraction and any applicable Determination Date.
- (b) Each Covered Bond bears interest from (and including) the Interest Commencement Date at the rate(s) per annum (expressed as a percentage) equal to the Rate(s) of Interest. Interest will be payable in arrears on each Interest Payment Date(s) up to (and including) the Final Maturity Date (if any) subject as provided in this Condition 4.1.
- (c) Interest shall be calculated in respect of any period by applying the Rate of Interest to the Aggregate Principal Amount Outstanding of the respective Tranche of Covered Bonds and multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest Swiss Francs sub-unit, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.
- (d) In these Conditions:

Day Count Fraction means, in respect of the calculation of an amount of interest:

- (i) if **Actual/Actual (ICMA)** is specified in the Applicable Final Terms:
 - (A) in the case of Covered Bonds where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the Applicable Final Terms) that would occur in one calendar year; or
 - (B) in the case of Covered Bonds where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if **30/360** is specified in the Applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12, 30-day months) divided by 360; and
- (iii) **Determination Period** means each period from (and including) the Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after such date).

4.2 Interest following a Notice to Pay under the Guarantee

Following an IED Guarantee Activation Date and the service of a Notice to Pay on the Guarantor in relation to an interest amount due under the Covered Bonds but prior to the occurrence of a GED Guarantee Activation Date, the Guarantor shall pay the relevant Guaranteed Amounts in accordance with the terms of the Guarantee and subject to Condition 7 (*Taxation*) in respect of the Covered Bonds on the Original Due for Payment Date or, if applicable, the Extended Due for Payment Date.

4.3 Accrual of interest

- (a) Each Covered Bond (or in the case of the redemption of part only of a Covered Bond, that part only of such Covered Bond) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:
 - (i) the date on which all amounts due in respect of such Covered Bond have been paid; and
 - (ii) five days after the date on which the full amount of the monies payable in respect of such Covered Bond has been received by the Principal Paying Agent and notice to that effect has been given to the relevant Covered Bondholders in accordance with Condition 11 (*Notices*).
- (b) Each Covered Bond will cease to bear interest upon the occurrence of a GED Guarantee Activation Date.

5. PAYMENTS

5.1 Method of payment

- (a) All payments required to be made under the Covered Bonds will be made available in good time in freely disposable funds in Swiss Francs to the Principal Paying Agent which shall, where applicable, promptly reimburse each other Paying Agent on demand for payments in respect of

such Covered Bonds properly made by such other Paying Agent. Payments in respect of such Covered Bonds will be made irrespective of any present or future transfer restrictions and without regard to any bilateral or multilateral payment or clearing agreement which may be applicable at the time of such payments.

- (b) The receipt by the Principal Paying Agent of the due and punctual payment of funds shall release the Issuer from its payment obligations under the Covered Bonds to the extent of such payment.
- (c) All payments required to be made under the Covered Bonds (including, without limitation, any additional amounts that may be payable under Condition 7 (*Taxation*)) shall be made to the Covered Bondholders in Switzerland in Swiss Francs, without collection costs, without any restrictions and whatever the circumstances may be, irrespective of nationality, domicile or residence of the relevant Covered Bondholder and without certification, affidavit or the fulfilment of any other formality.

5.2 Payments subject to fiscal and other laws

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in any jurisdiction, but without prejudice to the provisions of Condition 7 (*Taxation*), and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the Code), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any agreements, law, regulation or other official guidance implementing an intergovernmental agreement or other intergovernmental approach thereto (collectively, **FATCA**).

5.3 Payment Day

If the date for payment of any amount in respect of any Covered Bond is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in Switzerland and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 8 (*Prescription*)) is a Business Day.

5.4 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Covered Bonds shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 7 (*Taxation*);
- (b) the Final Redemption Amount of the Covered Bonds;
- (c) the Early Redemption Amount of the Covered Bonds;
- (d) the Optional Redemption Amount(s) (if any) of the Covered Bonds; and
- (e) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Covered Bonds.

Any reference in the Conditions to interest in respect of the Covered Bonds shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 (*Taxation*).

6. REDEMPTION AND PURCHASE

6.1 Redemption at maturity

- (a) Unless previously redeemed or purchased and cancelled as specified below and subject to Condition 3 (*The Guarantee*), each Covered Bond will be redeemed by the Issuer at its Final Redemption Amount specified in the Applicable Final Terms on the Final Maturity Date.
- (b) Without prejudice to Condition 9 (*Events of Default and Enforcement*) but prior to the service of a Guarantor Acceleration Notice on the Guarantor, if:
 - (i) the Issuer has failed to pay the Final Redemption Amount on the Final Maturity Date specified in the Applicable Final Terms (after the expiry of the grace period set out in paragraph (a)(i) of Condition 9.1(a)(i) (*Events of Default relating to the Issuer*) with respect to a Series of Covered Bonds; and
 - (ii) following the Guarantee Activation Date and subject to the service of a Notice to Pay for the Guaranteed Amount equal to such Final Redemption Amount on the Guarantor

by the date falling one Business Day prior to the Extension Determination Date, the Guarantor has insufficient monies available under the Guarantee Priority of Payments to pay the Guaranteed Amount corresponding to the Final Redemption Amount in full in respect of the relevant Series of Covered Bonds on the date falling on the earlier of (x) the date which falls two Business Days after service of a Notice to Pay for the relevant amount on the Guarantor or, if later, the Final Maturity Date (in each case after the expiry of the grace period set out paragraph (a)(i) of Condition 9.1(a)(i) (*Events of Default relating to the Guarantor*)) and (y) the Extension Determination Date,

then (subject as provided below) payment of the unpaid portion of the Final Redemption Amount by the Guarantor under the Guarantee shall be deferred until the Extended Due for Payment Date, provided that any amount representing the Final Redemption Amount due and remaining unpaid on the earlier of sub-clauses (x) and (y) of Condition 6.1(b)(ii) above will be paid by the Guarantor to the extent it has sufficient funds available for distribution under the Guarantee Priority of Payments on any Interest Payment Date applicable to that Series of Covered Bonds thereafter up to (and including) the relevant Extended Due for Payment Date. Failure by the Guarantor to make payment in respect of all or any portion of the Final Redemption Amount on the Final Maturity Date (or such later date within any applicable grace period) shall not constitute a Guarantor Event of Default. For the avoidance of doubt, the Covered Bondholders will continue to have full recourse as against the Issuer in respect of any such amounts owing to them which remain unpaid.

- (c) The Guarantor shall notify the relevant Covered Bondholders (in accordance with Condition 11 (*Notices*)), the Rating Agency, the Trustee and the Principal Paying Agent as soon as reasonably practicable and in any event at least one Business Day prior to the date specified in sub-clauses (x) or (y) of Condition 6.1(b)(ii) above (as appropriate) of any inability of the Guarantor to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of a Series of Covered Bonds pursuant to the Guarantee on such date.
- (d) In the circumstances outlined above, the Guarantor shall on the earlier of
 - (i) the date falling two Business Days after service of a Notice to Pay for the Guaranteed Amount equal to the relevant Final Redemption Amount or, if later, the Final Maturity Date (in each case after the expiry of the grace period set out in paragraph (a)(i) of Condition 9.2 (*Events of Default relating to the Guarantor*)), and
 - (ii) the Extension Determination Date,

apply the funds available for distribution under the Guarantee (if any) (after paying or providing for payment of higher ranking or *pari passu* amounts in accordance with the Guarantee Priority of Payments) pro rata in part payment of the Guaranteed Amount equal to the Final Redemption Amount of each Covered Bond of the relevant Series of Covered Bonds.

Interest will continue to accrue and be payable on the unpaid amount of principal of the relevant Series of Covered Bonds in accordance with Condition 4 (*Interest*) and the Guarantor will pay Guaranteed Amounts constituting Scheduled Interest on each Interest Payment Date up to and including the Extended Due for Payment Date, in each case pursuant to the terms and conditions of the Guarantee.

6.2 Redemption due to a Regulatory Event

- (a) The Covered Bonds of all Series may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 10 days' notice to the Trustee, the Bondholders' Representative and the Principal Paying Agent and, in accordance with Condition 11 (*Notices*), the Covered Bondholders (which notice shall be irrevocable and shall specify the date fixed for redemption), if a Regulatory Event has occurred or, in the reasonable discretion of the Issuer, will occur before the next Interest Payment Date.
- (b) Covered Bonds redeemed pursuant to this Condition 6.2 will be redeemed at their Early Redemption Amount referred to in Condition 6.5 (*Early Redemption Amounts*) below together (if applicable) with interest accrued to (but excluding) the date of redemption.
- (c) Prior to the publication of any notice of redemption pursuant to this Condition 6.2, the Issuer shall deliver to the Trustee a certificate signed by two authorised persons of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing in reasonable detail that a Regulatory Event has occurred. The Trustee shall accept such certificate as sufficient evidence that a Regulatory Event has occurred.

- (d) A **Regulatory Event** shall have occurred if a change in law or regulation or the interpretation thereof has an adverse impact on any of the terms of the Transaction Documents so that, in the reasonable discretion of the Issuer, performance of any material obligation under such Transaction Documents by either party thereto is substantially impeded or becomes impracticable.

6.3 Redemption for Tax Reasons

- (a) The Covered Bonds of all Series may be redeemed at the option of the Issuer (other than due to a Regulatory Event) in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' (or such other minimum and/or maximum period as may be specified in the Applicable Final Terms) notice to the Trustee, the Bondholders' Representative and the Principal Paying Agent and, in accordance with Condition 11 (*Notices*), the Covered Bondholders (which notice shall be irrevocable), if:
- (i) on the occasion of the next payment due under the Covered Bonds, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws, regulations or rulings of a Tax Jurisdiction (as defined in Condition 7 (*Taxation*)) or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Covered Bonds and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or
- (ii) if the Issuer is prevented by Applicable Law from making payment of the full amount then due and payable.
- (b) Prior to the publication of any notice of redemption pursuant to this Condition 6.3, the Issuer shall deliver to the Trustee (i) a certificate signed by two authorised persons of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment or became prevented by Applicable Law from making such payments, as the case may be, and the Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Covered Bondholders.
- (c) Covered Bonds redeemed pursuant to this Condition 6.3 will be redeemed at their Early Redemption Amount referred to in Condition 6.5 (*Early Redemption Amounts*) below together (if applicable) with interest accrued to (but excluding) the date of redemption.

6.4 Redemption at the Option of the Covered Bondholders (Investor Put)

- (a) If **Investor Put** is specified in the Applicable Final Terms, prior to the occurrence of an Issuer Event of Default and service of an Issuer Default Notice on the Issuer, upon the holder of any Covered Bond giving to the Principal Paying Agent not less than 15 nor more than 30 days' notice in accordance with Condition 6.4(b) the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the Applicable Final Terms, such Covered Bond on the Optional Redemption Date and at the Optional Redemption Amount together, with interest accrued to (but excluding) the Optional Redemption Date.
- (b) To exercise the right to require redemption of such Covered Bond the holder of such Covered Bond must, within the notice period, give notice to the Principal Paying Agent in a form acceptable to the Principal Paying Agent from time to time and transfer the Covered Bonds to be redeemed to the Principal Paying Agent by not later than ten (10) Business Days prior to the relevant Optional Redemption Date.
- (c) Any investor put notice given by a holder of any Covered Bond pursuant to this Condition 6.4 shall be irrevocable and may not be withdrawn, except with the consent of the Issuer.

6.5 Early Redemption Amounts

For the purpose of Condition 6.2 (*Redemption due to a Regulatory Event*), Condition 6.3 (*Redemption for Tax Reasons*) and Condition 9 (*Events of Default and Enforcement*), each Covered Bond will be redeemed at its Early Redemption Amount, which is 100% of the Principal Amount Outstanding of such Covered Bond (or such other Early Redemption Amount as may be specified in the Applicable Final Terms).

6.6 Purchases

- (a) The Issuer, the Guarantor (subject to paragraph (b) of this Condition 6.6 below) or any of their Affiliates may at any time purchase Covered Bonds at any price in the open market or otherwise. Any purchase shall be made in accordance with applicable laws or regulations, including (without limitation) applicable stock exchange regulations.
- (b) The Guarantor may only purchase Covered Bonds in accordance with this Condition 6.6 on or after the occurrence of an IED Guarantee Activation Date, and provided that the Guarantor has provided a certificate to the Trustee signed by a member of the board of directors of the Guarantor certifying that it will have the necessary funds, not subject to the interest of any other person, required to purchase the Covered Bonds and to pay or make provision for any amounts required under the Guarantee Priority of Payments or the Post-Insolvency Priority of Payments, as the case may be, to be paid in priority to or *pari passu* with such Covered Bonds.

Covered Bonds, so purchased, may be held, resold or, at the option of the Issuer or the Guarantor, as applicable, surrendered to any Paying Agent for cancellation.

6.7 Cancellation

All Covered Bonds that are redeemed will forthwith be cancelled. All Covered Bonds so cancelled and any Covered Bonds surrendered to any Paying Agent for cancellation pursuant to Condition 6.6 (*Purchases*) above cannot be reissued or resold.

7. TAXATION

- (a) In accordance with the Swiss Federal Withholding Tax Act of 13 October 1965 (*legge federale sull'imposta preventiva*), all payments of interest in respect of Covered Bonds (periodic, as original issue discount or premium upon redemption) and all payments of corresponding Guaranteed Amounts pursuant to the Guarantee will be made by or on behalf of the Issuer or the Guarantor after deduction or withholding for or on account of Swiss federal withholding tax, currently at the rate of 35 per cent.
- (b) Subject to the exception set forth in Condition 7(a), all payments of principal and interest by or on behalf of the Issuer in respect of the Covered Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by any governmental or other taxing authority unless such withholding or deduction is required by law. In the event that any such withholding or deduction is imposed in respect of the Covered Bonds by or on behalf of any Tax Jurisdiction, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Covered Bonds after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Covered Bonds, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable by the Issuer to any such holder on account of:
 - (i) any such taxes, duties, assessments or other governmental charges imposed in respect of such Covered Bond by reason of the holder thereof having some connection with a Tax Jurisdiction other than the mere holding of such Covered Bond; or
 - (ii) are payable more than 30 days after the Relevant Date except to the extent that the Covered Bondholder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day; or
 - (iii) any such taxes where such withholding or deduction is required to be made pursuant to laws enacted by Switzerland changing the Swiss federal withholding tax system from an issuer-based system to a paying-agent-based system pursuant to which a person in Switzerland other than the Issuer is required to withhold tax on any interest payments; or
 - (iv) any combination of two or more items (i) through (iii) above.
- (c) Notwithstanding any other provision of the Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Covered Bonds for, or on account of, any withholding or deduction required pursuant to FATCA.
- (d) Under the terms of the Guarantee, the Guarantor will not be liable to pay any such additional amounts payable by the Issuer under this Condition 7 (*Taxation*) or to pay any additional

amounts in respect of any amount withheld or deducted for, or on account of, taxes from a payment by the Guarantor under the Guarantee.

- (e) As used herein:
 - (i) **Tax Jurisdiction** means Switzerland, including any authority thereof or therein having power to tax; and
 - (ii) **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the monies payable has not been duly received by the Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such monies having been so received, notice to that effect is duly given to the Covered Bondholders in accordance with Condition 11 (*Notices*).

8. PRESCRIPTION

In accordance with Swiss law, claims for payment of principal and interest under the Covered Bonds will become time-barred unless made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the date on which such payment first became due and payable.

9. EVENTS OF DEFAULT AND ENFORCEMENT

9.1 Events of Default relating to the Issuer

- (a) If any of the following events (each an “**Issuer Event of Default**”) occurs and is continuing:
 - (i) default is made by the Issuer for a period of 10 days or more in the payment of any principal or redemption amount on the Covered Bonds of any Series when due, or for a period of 30 days or more in the payment of interest on any of the Covered Bonds of any Series when due; or
 - (ii) if the Issuer fails to comply with either Pre-Event Test (or any representation, warranty or undertaking given by the Issuer in respect of such Pre-Event Test) and is served a notice by the Assignee in accordance with the Security Assignment Agreement notifying the Assignor that the Asset Coverage Test and/or the Interest Coverage Test is not met on a Pre-Event Test Date (the “**Breach of Test Notice**”), and such Breach of Test Notice has not been revoked on or before the date which is two Business Days after the immediately following Pre-Event Test Date; or
 - (iii) a default is made in the performance or observance by the Issuer of any other material obligation under the provisions of any of the Covered Bonds of any Series or any other Transaction Documents to which the Issuer is a party (including the failure by the Issuer to pay the Guarantee Fee to the Guarantor on an ongoing basis but excluding any obligation pursuant to paragraphs (i) and (ii) of this Condition 9.1 and any undertaking of the Issuer in any capacity under the Transaction Documents to maintain or procure the maintenance of any rating) which remains unremedied for 60 days after written notification by the Trustee requiring such default to be remedied; or
 - (iv) an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation where all of the assets of the Issuer are transferred to, and all of its debts and liabilities are assumed by, a continuing entity; or
 - (v) the Issuer is (or is deemed by an authority of competent jurisdiction to be) insolvent or bankrupt or unable to pay its debts as they fall due, makes a general assignment or an arrangement or composition with or for the benefit of its creditors generally or a moratorium is agreed or declared in respect of the debts of the Issuer, it being understood that any declaration of a stay ordered in relation to the Issuer by FINMA pursuant to article 30a FBA or in any successor or analogous Swiss law or regulation applicable to the Issuer shall not constitute an Issuer Event of Default; or
 - (vi) the Issuer commences a voluntary case or proceeding under any applicable bankruptcy, insolvency, reorganisation or similar law to be adjudicated insolvent or bankrupt, or consents to the entry of a decree or order for relief in any involuntary case or proceeding under any such law,

then the Bondholders' Representative at its sole discretion may, and if (x) so requested in writing by the Covered Bondholders of at least one-fifth in the Aggregate Principal Amount Outstanding of the Covered Bonds (which for this purpose means the Covered Bonds of the Series together

with the Covered Bonds of all other Series (if any) as if they were a single series) then outstanding or (y) if so directed by an Extraordinary Resolution of the Covered Bondholders, shall (but in the case of the happening of any of the events described in paragraph (a)(iii) of this Condition 9.1, only if the Bondholders' Representative shall have certified in writing to the Issuer and the Cash Manager that such event is, in its opinion, materially prejudicial to the interests of the Covered Bondholders of any Series) give notice (an “**Issuer Default Notice**”) in writing to the Issuer that the Covered Bonds of all Series shall, in relation to the Issuer only, thereupon immediately become, due and repayable at their Early Redemption Amount together with accrued interest unless such Issuer Event of Default shall have been remedied prior to the receipt of such notice by the Issuer, provided that with respect to paragraphs (iv), (v) and (vi) of Condition 9.1(a) none of (i) the opening of Cornèr Banca Restructuring Proceedings, (ii) the exercise of any Swiss Resolution Power with respect to the Issuer other than with respect to the Covered Bonds, (iii) the ordering of any Restructuring Protective Measures with respect to the Issuer other than with respect to the Covered Bonds, and (iv) any consequences resulting from any of the foregoing, will constitute an Issuer Event of Default. However, any consequences resulting from any Non-Restructuring Protective Measures that would otherwise constitute an Issuer Event of Default will constitute an Issuer Event of Default with respect to such Covered Bonds.

- (b) The Bondholders' Representative shall send a copy of the Issuer Default Notice to the Guarantor, the Trustee and the Bondholders' Representative of other Series (if any) to notify the Covered Bondholders thereof in accordance with Condition 11 (*Notices*).
- (c) Following the occurrence of an Issuer Event of Default and service by the Bondholders' Representative of an Issuer Default Notice on the Issuer pursuant to Condition 9.1(a) above, the Trustee shall promptly serve on the Guarantor (with a copy to the Issuer, the Bondholders' Representative, the Principal Paying Agent and the Collateral Holding Agent and, with regards to the Notice to Pay to the Corporate Services Provider) (i) a guarantee activation notice (the “**Guarantee Activation Notice**”), substantially in the form set out in schedule 2 (*Form of Guarantee Activation Notice*) to the Guarantee, requiring the Guarantor to pay the Guaranteed Amounts as and when the same are Due for Payment in accordance with the terms of the Guarantee, and (ii) an initial notice to pay (a “**Notice to Pay**”) substantially in the form set out in schedule 3 (*Form of Notice to Pay*) to the Guarantee for the Guaranteed Amounts (A) then due and payable on the Covered Bonds as at such date, and (B) falling due and payable in the 65 Business Day period commencing on such date. The Guarantor shall be required to make payments of Guaranteed Amounts when the same shall become Due for Payment in accordance with the terms of the Guarantee.
- (d) If the Trustee – following the occurrence of an Insolvency Event with respect to the Trustee – automatically ceases to be a party to the Transaction Documents to which it is a party in accordance with the provisions set out in the respective Transaction Documents, or if the Trustee fails to deliver a Guarantee Activation Notice and/or a Notice to Pay in accordance with paragraph (c) of this Condition 9.1 within a reasonable time period and such failure is continuing, the Bondholders' Representative, as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders, shall be entitled to deliver such Guarantee Activation Notice and/or Notice to Pay.
- (e) Following receipt of each Notice to Pay, the Trustee, on behalf of the Guarantor, shall serve without delay a Guarantee Pre-funding Notice on the Issuer in accordance with clause 7.1 of the Guarantee Mandate Agreement, and the Guarantor shall pay the Guaranteed Amounts to the Principal Paying Agent pursuant to the terms of the Guarantee and the Guarantee Priority of Payments on the date on which the relevant Guaranteed Amount is Due for Payment.

9.2 Events of Default relating to the Guarantor

- (a) If any of the following events (each a “**Guarantor Event of Default**”) occurs and is continuing:
 - (i) default is made by the Guarantor for a period of seven (7) days or more in the payment of any Guaranteed Amount when Due for Payment in respect of the Covered Bonds of any Series; or
 - (ii) default is made in the performance or observance by the Guarantor of any material obligation (other than the obligations pursuant to (i) above or (iii) below) binding upon it under the Transaction Documents to which the Guarantor is a party which remains unremedied for 30 days after written notification by the Trustee to the Guarantor,

requiring such default to be remedied (except where, in the sole and absolute opinion of the Trustee, such breach is not capable of remedy, in which case no such period of continuation will apply and no such notice will be required); or

- (iii) the Guarantor breaches the Amortisation Test (as set out in the Security Assignment Agreement) on any Test Date following service of the Guarantee Activation Notice and a Notice to Pay; or
- (iv) an order becomes final and non-appealable or an effective resolution is passed for the liquidation or winding up of the Guarantor; or
- (v) an administrator (*commissario*) is appointed in relation to the Guarantor or in relation to the whole or any part of its assets; or
- (vi) the Guarantor is adjudicated bankrupt,

the Bondholders' Representative at its sole discretion may, and if (x) so requested in writing by the Covered Bondholders of at least one-fifth in the Aggregate Principal Amount Outstanding of the Covered Bonds (which for this purpose means the Covered Bonds of the relevant Series together with the Covered Bonds of all other Series (if any) as if they were a single series) then outstanding or if (y) so directed by an Extraordinary Resolution shall (but in the case of the occurrence of any of the events described in paragraph (a)(ii), only if the Bondholders' Representative shall have certified in writing to the Guarantor and the Cash Manager that such event is, in its opinion, materially prejudicial to the interests of the Covered Bondholders of any Series), give notice (a "**Guarantor Acceleration Notice**") in writing to the Guarantor and the Issuer that (a) each Covered Bond is, and that Covered Bonds shall, as against the Issuer (if not already due and repayable against it following the occurrence of an Issuer Event of Default) and as against the Guarantor, thereupon immediately become, due and repayable at its Early Redemption Amount together with (subject to Condition 5 (*Payments*)) accrued interest; and (b) all Guaranteed Amounts corresponding to the Early Redemption Amount for each Covered Bond together with all accrued and unpaid interest and all amounts due and payable in respect of the Covered Bonds, including all Excluded Scheduled Interest Amounts, all Excluded Scheduled Principal Amounts (whenever they arose) and all other amounts payable by the Guarantor under the Guarantee with respect to the Covered Bonds become due and payable by the Guarantor in accordance with the Guarantee.

- (b) The Trustee shall, immediately upon delivery of the Guarantor Acceleration Notice, serve a corresponding Notice to Pay for all Guaranteed Amounts on the Guarantor.

10. PAYING AGENTS

- (a) The initial Paying Agent is set out below. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in the Applicable Final Terms.
- (b) The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:
 - (i) there will at all times be a Principal Paying Agent;
 - (ii) as long as the Covered Bonds are listed on any stock exchange or admitted to trading by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and
 - (iii) as long as any Covered Bonds denominated in Swiss Francs are listed on SIX Swiss Exchange, the Issuer will at all times maintain an Agent having a specified office in Switzerland. At no time will the Issuer maintain a Paying Agent having a specified office outside of Switzerland in respect of Swiss Franc denominated Covered Bonds listed on SIX Swiss Exchange.
- (c) Notice of any variation, termination, appointment or change shall be given promptly to the Covered Bondholders in accordance with Condition 11 (*Notices*).
- (d) In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and the Guarantor and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to or relationship of agency or trust with, any Covered Bondholders.

11. NOTICES

The Issuer shall, if and for so long as the Covered Bonds are listed on SIX Swiss Exchange and so long as the rules of SIX Swiss Exchange so require, cause the Principal Paying Agent to publish any notice in respect of the Covered Bonds either (i) by means of electronic publication on the internet website of SIX Swiss Exchange (where notices are currently published under the address www.six-exchange-regulation.com/en/home/publications/official_notices.html) or (ii) otherwise in accordance with the regulations of SIX Swiss Exchange. 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. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Covered Bonds are for the time being listed or by which they have been admitted to trading. If the Covered Bonds are for any reason no longer listed on SIX Swiss Exchange, notices to Covered Bondholders shall be given to the Intermediary through the Principal Paying Agent to the Covered Bondholders, which notice will be deemed to be validly given on the date of the communication to the Intermediary. In the case of Covered Bonds that are not listed on SIX Swiss Exchange, notices to Covered Bondholders shall be given by the Issuer in the manner specified in the Applicable Final Terms. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. In addition any notice relating to a Meeting or the result of the voting on any Resolution shall be published by the Issuer in the Swiss Official Gazette of Commerce.

12. APPOINTMENT OF BONDHOLDERS' REPRESENTATIVE

- (a) The Issuer and each Covered Bondholder hereby appoint and authorise the Trustee to act as bondholders' representative in the sense of article 1158 et seq. CO (*rappresentante della comunione dei obbligazionisti*) for the purposes of the Conditions and the Guarantee (the **Bondholders' Representative**).

The Bondholders' Representative is hereby authorised in the sense of article 1159 CO by each Covered Bondholder to accept and execute as direct representative (*rappresentante diretto*) the Guarantee and to hold, administer and, if necessary, enforce any rights under the Guarantee on behalf of the Covered Bondholders.

If a new Bondholder Representative is appointed with respect to one or more Series of Covered Bonds pursuant to the Conditions, such new Bondholder Representative shall, with effect as of the appointment of the new Bondholders' Representative, act as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders of the relevant Series of Covered Bonds.

To the extent that the Bondholders' Representative is entitled to act as bondholders' representative pursuant to this Condition 12(a), no Covered Bondholder may independently exercise any rights under the Conditions and the Guarantee.

- (b) The Issuer and each Covered Bondholder acknowledge and agree that:
- (i) the Bondholders' Representative may seek directions from or resolutions of the Covered Bondholders in the form of an Extraordinary Resolution at any time pursuant to Condition 13 (*Meetings of Covered Bondholders*) and shall not be liable with respect to any action taken or omitted to be taken in accordance with such direction or resolution;
 - (ii) the Bondholders' Representative shall be protected and shall incur no Liability for or in respect of any action taken or not taken by it, except for Liabilities as a result of wilful misconduct, wilful default or gross negligence of the Bondholders' Representative; and
 - (iii) the Bondholders' Representative will not be responsible for (A) supervising the performance by the Issuer and its obligations under the Conditions and the Bondholders' Representative will be entitled to assume, until it has received written notice to the contrary, that the Issuer is properly performing its duties; (B) considering the basis on which approvals or consents are granted by the Issuer; or (C) monitoring the Cover Pool, including, without limitation, compliance with the Asset Coverage Test, the Interest Coverage Test or the Amortisation Test.

13. MEETINGS OF COVERED BONDHOLDERS

The Issuer may convene Meetings at any time and will be obliged to do so within 20 calendar days upon a request in writing from the Bondholders' Representative or by Covered Bondholders representing not

less than 5 per cent. of the Aggregate Principal Amount Outstanding of the relevant Series of Covered Bonds, subject to the Bondholder Provisions and applicable regulations referred to therein.

14. WAIVER, AUTHORISATION AND DETERMINATION

- (a) Subject to Condition 14(b) below, the Bondholders' Representative may, and each Covered Bondholder hereby authorises the Bondholders' Representative to, on behalf of the Covered Bondholders, without further consent of any Covered Bondholder of any Series and without prejudice to its rights in respect of any subsequent breach and/or Issuer Event of Default from time to time and at any time but only if and in so far as in its sole and absolute opinion the interests of the Covered Bondholders of any Series will not be materially prejudiced thereby, on such terms and subject to such conditions as it shall seem expedient, waive or authorise any breach or proposed breach by the Issuer, the Assignor or the Guarantor of any of the covenants or provisions contained in the Conditions and/or the Guarantee or determine that any Issuer Event of Default or Guarantor Event of Default shall not be treated as such. **Provided that** the Bondholders' Representative shall not exercise any powers conferred on it by this Condition 14 in contravention of any express direction given by Extraordinary Resolution or by a request under Condition 9 (*Events of Default and Enforcement*) but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made. Any such waiver or authorisation may be given or made on such terms and subject to such conditions (if any) as the Bondholders' Representative may determine and shall be notified by the Issuer or the Guarantor (as the case may be) to the Covered Bondholders in accordance with Condition 11 (*Notices*) and in any event to the Rating Agency, as soon as practicable thereafter.
- (b) The Bondholders' Representative shall not be bound to waive or authorise any breach or proposed breach, unless the Bondholders' Representative has, to the fullest extent permitted by law, been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities which it may thereby render itself liable for or which it may incur by so doing (either by reimbursement of costs, its ranking in the relevant Priority of Payments or in any other way it deems appropriate), except for liabilities as a result of wilful misconduct, wilful default or gross negligence of the Bondholders' Representative.
- (c) Pursuant to the Trust Agreement, the Trustee may and is authorized, without further consent of any Covered Bondholder of any Series, at any time and from time to time, to waive or authorise any breach or proposed breach of any of the covenants or provisions contained in the Transaction Documents (other than the Conditions and/or the Guarantee) under certain conditions as more fully described in "*Overview of Principal Transaction Documents–Trust Agreement*".
- (d) This Condition 14 shall be subject to mandatorily applicable provisions of Swiss law applicable at the relevant time.

15. MODIFICATION

- (a) The Bondholders' Representative may, and each Covered Bondholder hereby authorises the Bondholders' Representative, on behalf of the Covered Bondholders, without further consent of any Covered Bondholder of any Series, at any time and from time to time to concur with the Issuer, the Assignor, the Guarantor or any other person in any modification to the Conditions and/or the Guarantee, which in the opinion of the Bondholders' Representative may be proper to make, **provided that** the Bondholders' Representative is of the opinion (in its sole and absolute discretion) that such modification, (i) will not be materially prejudicial to the interests of the Covered Bondholders of any Series, or (ii) is of a formal, minor or technical nature or (iii) is necessary to correct a manifest error or an error which is, in the opinion of the Bondholders' Representative, not materially prejudicial to the interests of the Covered Bondholders; and further **provided that** the Bondholders' Representative shall not exercise any powers conferred on it by this Condition 15 (*Modification*) in contravention of any express direction given by Extraordinary Resolution or by a request under Condition 9 (*Events of Default and Enforcement*) but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made.
- (b) Each Covered Bondholder hereby authorises and instructs the Bondholders' Representative to, without further consent of any Covered Bondholder, agree on any modification of the Conditions and the Guarantee that the Issuer considers necessary:
 - (i) to comply with any requirements which apply to it under the FMIA, EMIR or any other applicable national or international legislation or regulation of a similar nature;

- (ii) for the purpose of entering into Swap Agreements;
- (iii) for the purpose of implementing a Ratings Modification;
- (iv) for the purpose of enabling the Covered Bonds or a Series to be (or to remain) listed on SIX Swiss Exchange;
- (v) for the purpose of enabling the Covered Bonds or a Series to be (or to remain) included in the Swiss Bond Index by SIX Swiss Exchange; and/or
- (vi) for the purpose of complying with any changes in any Applicable Law and/or requirement of law relating to Swiss tax law or in any requirement of any Tax Authority,

provided that:

- (x) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Bondholders' Representative;
 - (y) the Issuer certifies to the Bondholders' Representative that any such requested amendment is to be made solely for one or more of the purposes set out in paragraphs (i) to (iv) of this Condition 15 and has been drafted solely to that effect; and
 - (z) the proposed modification complies with Condition 15(a) above *mutatis mutandis*.
- (c) The Bondholders' Representative shall not be bound to concur in any modification pursuant to this Condition 15,
- (i) unless the Bondholders' Representative has, to the fullest extent permitted by law, been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities which it may thereby render itself liable for or which it may incur by so doing (either by reimbursement of costs, its ranking in the relevant Priority of Payments or in any other way it deems appropriate), except for liabilities as a result of wilful misconduct, wilful default or gross negligence of the Bondholders' Representative,
 - (ii) if such modification would have the effect of increasing the obligations or duties, or decreasing the protection of the Bondholders' Representative, as applicable, in the Conditions or the Guarantee or of otherwise prejudicing the interests of the Bondholders' Representative.
- (d) Pursuant to the Trust Agreement, the Trustee is authorized to agree to modifications of Transaction Documents other than the Conditions or the Guarantee without the consent of the Covered Bondholders, as more fully described in "*Overview of Principal Transaction Documents–Trust Agreement*".
- (e) This Condition 15 shall be subject to mandatorily applicable provisions of Swiss law applicable at the relevant time.
- (f) Unless the Bondholders' Representative agrees otherwise, the Issuer shall cause any modifications pursuant to this Condition 15 to be notified to the Covered Bondholders in accordance with the Conditions, as soon as practicable after any of them have been made.

16. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Covered Bondholders to create and issue further covered bonds having terms and conditions the same as the Covered Bonds or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Covered Bonds.

17. SEVERABILITY

If at any time any one or more of the provisions of the Conditions is or becomes unlawful, invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be in any way affected or impaired thereby.

18. GOVERNING LAW AND JURISDICTION

18.1 Governing Law

These Conditions and the Covered Bonds are governed by, and shall be construed in accordance with, the laws of Switzerland.

18.2 Jurisdiction

- (a) Any dispute that might arise based on these Conditions or the Covered Bonds shall fall within the exclusive jurisdiction of the courts of the City of Lugano, Switzerland.
- (b) The above-mentioned jurisdiction is also exclusively valid for the declaration of cancellation of the Covered Bonds.

19. DEFINITIONS

In these Conditions, the following expressions have the following meanings:

Account Bank means UBS Switzerland AG or any alternative or successor account bank appointed from time to time in accordance with the terms of the Master Bank Account Agreement.

Affiliates means, in relation to any person, a Subsidiary of that person or a holding company of that person or any other Subsidiary of that holding company.

Agency Agreement has the meaning given to it in the recitals of these Conditions.

Aggregate Principal Amount Outstanding means, at any time, the sum of the Principal Amount Outstanding of each Covered Bond.

Amortisation Test has the meaning given to it in section "*Credit Structure—Amortisation Test*" of the Base Prospectus.

Applicable Final Terms means the final terms document substantially in the form set out in section "*Applicable Final Terms*" of the Base Prospectus which will be completed at the time of the agreement to issue each Series or Tranche.

Applicable Law means, with respect to any Persons, all provisions of law, treaty, rule or regulation, or a final determination of a Governmental Authority applicable to such Person.

Appointee means any attorney, manager, agent, delegate, nominee or other person appointed by the Trustee under the Trust Agreement.

Asset Coverage Test has the meaning given to it in section "*Credit Structure—Asset Coverage Test*" of the Base Prospectus.

Asset Monitor means the Initial Asset Monitor or any successor asset monitor appointed from time to time.

Asset Monitor Agreement means the asset monitor agreement entered into on or about the Programme Closing Date between the Guarantor, the Issuer, the Asset Monitor and the Trustee as further described in section "*Overview of the Principal Transaction Documents—Asset Monitor Agreement*" of the Base Prospectus.

Assigned Mortgage Claims means any and all Mortgage Claims assigned by the Assignor to the Guarantor under the Security Assignment Agreement from time to time other than the Reassigned Mortgage Claims.

Assignee means Accent Ipoteche SA, c/o Cornèr Banca SA, Via Canova 16, CH-6900 Lugano, Switzerland.

Assignor means Cornèr Banca SA, Via Canova 16, CH-6900 Lugano, Switzerland.

Authorised Investments means:

- a. any CHF denominated securities rated 'AAA' or 'AAAsf' or its equivalent by at least one internationally recognised rating agency;
- b. CHF denominated securities, demand or time deposits, certificates of deposit and short term debt obligations (including commercial paper) which either (i) have a long-term rating of at least 'A' or its equivalent by at least one internationally recognised rating agency or (ii) have a short-term rating of at least 'F1' (or its equivalent by two internationally recognised rating agencies);
- c. investments in money market funds or other liquidity products similar to money market funds which have a money market fund rating of 'AAAmf' or its equivalent by at least one internationally recognised rating agency); or

- d. securities issued by the Pfandbriefbank Schweizerischer Hypothekarinstitute AG or the Pfandbriefzentrale der schweizerischen Kantonalbanken AG provided that such investments are rated at least 'Aaa' by Moody's,

provided that in each case, the Authorised Investments shall mature on or before the next following Guarantor Payment Date and be in the form of intermediated securities (*titoli contabili*) as defined in the FISA.

Available Funds has the meaning given to it in clause 6(a) of the Guarantee as set out in section "*The Guarantee*" of the Base Prospectus.

Base Prospectus means the base prospectus within the meaning of article 45 FinSA dated [24 April 2026] prepared in connection with the Programme by the Issuer and the Guarantor, as revised, amended and/or supplemented from time to time.

BIO-FINMA means the Swiss Federal Ordinance of the Swiss Financial Market Supervisory Authority on the Insolvency of Banks and Securities Dealers of 30 August 2012, as amended from time to time.

Bondholder Provisions means articles 1157 to 1186 CO, as amended from time to time.

Bondholders' Representative means the Trustee as appointed pursuant to Condition 12(a) (*Appointment of Bondholders' Representative*) or any successor Bondholders' Representative appointed pursuant to the Bondholder Provisions for any Series of Covered Bonds. If more than one Bondholders' Representative is appointed as successor Bondholders' Representative, "Bondholders' Representative" shall mean any Bondholders' Representative so appointed.

Broken Amount means the broken amount as specified in the Applicable Final Terms.

Business Day means a day, other than a Saturday or Sunday, on which banks are open for business in Zurich and Lugano.

Calculation Amount means the calculation amount as specified in the Applicable Final Terms.

Calculation Date means the fifth day of each calendar month and if such day is not a Business Day, the immediately following Business Day.

Cornèr Banca Restructuring Proceedings means Restructuring Proceedings with respect to the Issuer.

Cash Management Agreement means the cash management agreement entered into on or about the Programme Closing Date between the Guarantor, the Cash Manager, the Corporate Services Provider, the Assignor and the Trustee as further described in section "*Overview of the Principal Transaction Documents—Cash Management Agreement*" of the Base Prospectus.

Cash Manager means the Initial Cash Manager or any successor cash manager appointed from time to time.

CC means the Swiss Federal Civil Code (*Codice civile svizzero*) of 10 December 1907, as amended from time to time.

CHF or **Swiss Francs** means the lawful currency of Switzerland.

CHF Equivalent means in relation to an obligation which is denominated in (i) a currency other than CHF, the CHF equivalent of the relevant amount converted into CHF at the Spot Rate, as applicable, and (ii) CHF, the applicable amount in CHF.

CO means the Swiss Federal Code of Obligations (*Codice delle obbligazioni svizzero*) of 30 March 1911, as amended from time to time.

Collateral Holding Agent means the Initial Collateral Holding Agent or any successor collateral holding agent appointed from time to time under the Collateral Holding Agreement.

Collateral Holding Agreement means the collateral holding agreement entered into on the Programme Closing Date between, *inter alia*, the Guarantor, the Collateral Holding Agent and the Assignor as further described in section "*Overview of the Principal Transaction Documents—Collateral Holding Agreement*" of the Base Prospectus.

Corporate Services Agreement means the corporate services agreement entered into on or about the Programme Closing Date between the Guarantor and the Corporate Services Provider as further described in section "*Overview of the Principal Transaction Documents—Corporate Services Agreement*" of the Base Prospectus.

Corporate Services Provider means the Initial Corporate Services Provider or any successor corporate services provider appointed from time to time under the Corporate Services Agreement.

Cover Pool means the entire pool of Cover Pool Assets.

Cover Pool Assets means, from time to time, (i) the Mortgage Security and (ii) the Substitute Assets.

Cover Pool Bank Account means the cover pool bank account, denominated in CHF, established in the name of the Guarantor in accordance with the Master Bank Account Agreement.

Cover Pool Custody Account means the cover pool custody account, denominated in CHF, established in the name of the Guarantor in accordance with the Master Bank Account Agreement.

Cover Pool Swap means each interest rate swap transaction governed by a Swap Agreement where the notional amount references (or is otherwise related to) Cover Pool Assets.

Covered Bondholder has the meaning given to it in the recitals of these Conditions.

Covered Bonds has the meaning given to it in the recitals of these Conditions.

Covered Bond Swap means each interest rate swap transaction governed by a Swap Agreement where the notional amount references (or is otherwise related to) Covered Bonds.

Day Count Fraction has the meaning given to it in Condition 4.1(d) (*Rate of Interest*).

Dealers means the Initial Dealer and any New Dealer and excludes any entity whose appointment has been terminated pursuant to the Programme Agreement, and references to the **relevant Dealer** shall, in relation to any Covered Bond, be references to the Dealer or Dealers with whom the relevant Issuer has agreed the issue and purchase of such Covered Bond and **Dealer** means any one of them

Determination Date(s) means the determination date(s) as specified in the Applicable Final Terms.

Determination Period means each period from (and including) the Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after such date).

Due for Payment means the requirement by the Guarantor to pay any Guaranteed Amounts:

- a. prior to the occurrence of a Guarantor Event of Default and service of a Guarantor Acceleration Notice on the Guarantor:
 - i. on each Scheduled Payment Date for the payment of such Guaranteed Amounts, or, if later, the day which is two Business Days following the IED Guarantee Activation Date in respect of such Guaranteed Amounts or each Interest Payment Date that would have applied if the Final Maturity Date of such Series of Covered Bonds had been the Extended Due for Payment Date (the **Original Due for Payment Date**); and
 - ii. in relation to any Guaranteed Amounts representing the Final Redemption Amount payable on the Final Maturity Date for a Series of Covered Bonds, on the Extended Due for Payment Date, but only to the extent that the Guarantor, having received the Guarantee Activation Notice and Notice to Pay for the relevant Guaranteed Amount no later than the date falling one Business Day prior to the Extension Determination Date, does not pay the relevant Guaranteed Amount corresponding to the full amount of the Final Redemption Amount in respect of such Series of Covered Bonds by the Extension Determination Date, because the Guarantor has insufficient monies available under the Guarantee Priority of Payments to pay such Guaranteed Amount in full on the earlier of (1) the date which falls two Business Days after service of the Guarantee Activation Notice and Notice to Pay for the relevant Guaranteed Amount on the Guarantor or, if later, the Final Maturity Date (in each case after the expiry of the grace period set out in Condition 9.2 (*Events of Default and Enforcement – Events of Default relating to the Guarantor*)) and (2) the Extension Determination Date,

or, if, in either case, such day is not a Business Day, on the next following Business Day. For the avoidance of doubt, the term Due for Payment does not refer to any earlier date upon which payment of any Guaranteed Amounts may become due under the guaranteed obligations, by reason of prepayment, acceleration of maturity, mandatory or optional redemption or otherwise save as provided in paragraph b. below; or
- b. following the occurrence of a Guarantor Event of Default and service of a Guarantor Acceleration Notice on the Guarantor, on the date on which such Guarantor Acceleration Notice is served on the Issuer and the Guarantor.

Early Redemption Amount is the amount corresponding to 100% of the Principal Amount Outstanding of such Covered Bond (or such other Early Redemption Amount as may be specified in the Applicable Final Terms).

EMIR means Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.

Excluded Scheduled Interest Amounts means any additional amounts relating to premiums, default interest or interest upon interest payable in respect of the Covered Bonds in accordance with these Conditions following the occurrence of an Issuer Event of Default or, as applicable, a Guarantor Event of Default.

Excluded Scheduled Principal Amounts means any additional amounts relating to prepayments, early redemption, broken funding indemnities, penalties, premiums or default interest payable in respect of the Covered Bonds in accordance with the Conditions following the occurrence of an Issuer Event of Default or, as applicable, a Guarantor Event of Default.

Extended Due for Payment Date means, in relation to any Series of Covered Bonds, the date specified as such in the Applicable Final Terms to which the payment of all or (as applicable) part of the Final Redemption Amount payable on the Final Maturity Date will be deferred under certain circumstances in the event that the Final Redemption Amount is not paid in full by the Extension Determination Date.

Extension Determination Date means, in relation to a Series of Covered Bonds, the date falling two Business Days after the expiry of seven days from (and including) the Final Maturity Date of such Series of Covered Bonds.

Extraordinary Resolution means a resolution (or, where required as a matter of the Bondholder Provisions, separate resolutions by each Series of Covered Bonds) passed by the Requisite Percentage of the relevant Covered Bondholders at a Meeting duly convened and held in accordance with Condition 13 (*Meetings of Covered Bondholders*) and, if required under article 1176 CO, approved by the competent higher cantonal composition authority (*autorità cantonale superiore competente in materia di concordato*) in Switzerland.

FBA means the Swiss Federal Act on Banks and Savings Institutions (*legge federale sulle banche e le casse di risparmio*) of 8 November 1934, as amended from time to time.

Final Maturity Date means the Interest Payment Date on which each Series of Covered Bonds will be redeemed at their Principal Amount Outstanding in accordance with the Conditions as specified in the relevant Applicable Final Terms.

Final Redemption Amount means, in relation to any Series of Covered Bonds, the amount due on the Final Maturity Date of such Covered Bonds as set out in the Applicable Final Terms.

FINMA means the Swiss Financial Market Supervisory Authority FINMA or any successor thereof.

FinSA means the Swiss Federal Financial Services Act of 15 June 2018 (*Finanzdienstleistungsgesetz*).

FinSO means the Swiss Federal Ordinance on Financial Services of 6 November 2019 (*Finanzdienstleistungsverordnung*).

First Amended and Restated Master Bank Account Agreement means the Original Master Bank Account Agreement dated as of 7 September 2022, as amended and restated on 17 December 2024.

First Amended and Restated Master Definitions Schedule means the Original Master Definitions Schedule dated as of 7 September 2022, as amended and restated on 30 August 2023.

FISA means the Swiss Federal Intermediated Securities Act of 3 October 2008 (*legge federale sui titoli contabili*), as amended from time to time.

FMIA means the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading of 19 June 2015 (*legge federale sulle infrastrutture del mercato finanziario e il comportamento sul mercato nel commercio di valori mobiliari e derivati*) which entered into force on 1 January 2016 or any similar or successor law applicable to financial institutions such as the Collateral Holding Agent in Switzerland.

GED Guarantee Activation Date means, following a Guarantor Event of Default, the date on which a Guarantor Acceleration Notice is served on the Guarantor.

General Bank Account means the general bank account, denominated in CHF, established in the name of the Guarantor pursuant to the Master Bank Account Agreement.

General Conditions means the "general conditions" (*condizioni generali*) or any other general conditions governing the business relationship between the relevant Account Bank and its customers.

General Recourse and Indemnity Obligation means the obligation of the Issuer to reimburse and indemnify the Guarantor for any and all Increased Corporate Service Provider or Cash Manager Expenses paid by the Guarantor and all other expenses, costs, damages and losses paid or incurred by the Guarantor in accordance with the Guarantee Mandate Agreement as a result of non-compliance by the Issuer of any representations, warranties or undertakings as set out in the Guarantee Mandate Agreement or as a result of any payment default by the Issuer under the Covered Bonds as set out in the Guarantee Mandate Agreement (save to the extent the Guarantor has

already been compensated by the Issuer under any other Pre-funding Obligation or any other Recourse and Indemnity Obligation and certain increased costs or losses caused by the Guarantor's own gross negligence or wilful default in complying with its representations, warranties or obligations under the Transaction Documents).

General Recourse and Indemnity Pre-funding Obligation means the obligation of the Issuer to pre-fund any and all amounts covered by the General Recourse and Indemnity Obligation and payable by the Guarantor to a third party from time to time by payment to the General Bank Account of the relevant amount as specified by the Guarantor in writing in a notice (the "**General Indemnity Pre-funding Notice**"), in accordance with the Guarantee Mandate Agreement with value no later than (i) one Business Day after receipt of the General Indemnity Pre-funding Notice, or (ii) such other date as specified in the General Indemnity Pre-funding Notice, provided that the relevant amount shall not become due earlier than 30 Business Days prior to the due date of the relevant payment owed by the Guarantor to the respective third party.

Governmental Authority means any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

Guarantee has the meaning given to it in the recitals of these Conditions.

Guarantee Activation Date means the earlier of the IED Guarantee Activation Date or the GED Guarantee Activation Date.

Guarantee Activation Notice means a notice served on the Guarantor (with a copy to the Issuer, the Bondholders' Representative, the Principal Paying Agent and the Collateral Holding Agent) following the occurrence of an Issuer Event of Default and service by the Bondholders' Representative of an Issuer Default Notice on the Issuer in accordance with Clause 4 (b) (*Payments under the Guarantee*) in the form or substantially in the form set out in schedule 2 (*Form of the Guarantee Activation Notice*) of the Guarantee.

Guarantee Expenses means the Nominal Amount of any and all sums paid or payable by or on behalf of the Guarantor to (i) the Trustee, any Appointee, the Principal Paying Agent, the Account Bank or the Covered Bondholders (including the Guaranteed Amounts) under the Guarantee upon receipt of a Notice to Pay in accordance with the Guarantee or (ii) to third parties not party to the Intercreditor Agreement in relation to any and all liabilities, claims, costs and expenses (including reasonable attorney's fees) which the Guarantor may suffer, sustain or incur in connection with the Guarantee or the preservation and enforcement of the Guarantor's related rights under the Guarantee Mandate Agreement, including without limitation, legal proceedings relating to (x) any court order, injunction, or other process decree etc. re-straining or seeking to restrain the Guarantor from paying any amount under any Guarantee or (y) the enforcement of the Guarantee Pre-funding Obligation and the Guarantee Recourse and Indemnity Obligation.

Guarantee Fee means the fee paid by the Issuer to the Guarantor in accordance with the Guarantee Mandate Agreement as consideration for the issuance by the Guarantor of the Guarantee in respect of the Covered Bonds issued on the first Issue Date and each extension of the Guarantee in respect of each additional Series or Tranche of Covered Bonds.

Guarantee Mandate Agreement means the guarantee mandate agreement dated on or about the Programme Closing Date between the Issuer and the Guarantor as further described in section "*Overview of the Principal Transaction Documents—Guarantee Mandate Agreement*" of the Base Prospectus.

Guarantee Mandate Pre-funding Obligation means each of the Guarantee Pre-funding Obligation, the Swap Termination Payment Pre-funding Obligation and the General Recourse and Indemnity Pre-funding Obligation.

Guarantee Pre-Funding Notice means the notice served by the Trustee, on behalf of the Guarantor, on the Issuer for the relevant amount of Guarantee Expenses following the receipt of a Guarantee Activation Notice or Guarantor Acceleration Notice (as the case may be) and a Notice to Pay for the relevant amount by the Guarantor.

Guarantee Pre-Funding Obligation means the obligation of the Issuer to pre-fund (that is, pay) the relevant amount of Guarantee Expenses, as specified in a Guarantee Pre-funding Notice, in accordance with the Guarantee Mandate Agreement.

Guarantee Priority of Payments means the guarantee priority of payments set out in section "*Cash Flows—Allocation and distribution of amounts following the IED Guarantee Activation Date—Guarantee Priority of Payments*" of the Base Prospectus.

Guarantee Recourse and Indemnity Obligations means, save to the extent the Guarantor has already been compensated under the Guarantee Pre-funding Obligation, the obligation of the Issuer to reimburse and indemnify the Guarantor for any and all Guarantee Expenses which are paid by the Guarantor, in accordance with the Guarantee Mandate Agreement.

Guaranteed Amounts means, (a) prior to the GED Guarantee Activation Date, with respect to any Original Due for Payment Date, or, if applicable, any Extended Due for Payment Date, the sum of Scheduled Interest and Scheduled Principal, in each case, payable on such Original Due for Payment Date, or, if applicable, such Extended Due for Payment Date, and (b) following a GED Guarantee Activation Date, an amount equal to the relevant Early Redemption Amount as specified in the Conditions plus all accrued and unpaid interest and all other amounts due and payable in respect of the Covered Bonds, including all Excluded Scheduled Interest Amounts, all Excluded Scheduled Principal Amounts (whenever the same arose) and all other amounts payable by the Guarantor (under the Guarantee) with respect to a relevant Series of Covered Bonds.

Guarantor has the meaning given to it in the recitals of these Conditions.

Guarantor Acceleration Notice means a notice in writing given by the Bondholders' Representative to the Issuer and the Guarantor that: (a) each Covered Bond is, and that Covered Bond shall as against the Issuer (if not already due and repayable against it following the occurrence of an Issuer Event of Default) and as against the Guarantor thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest (subject to Condition 5 (*Payments*)); and (b) all Guaranteed Amounts corresponding to the Early Redemption Amount for each Covered Bond together with all accrued and unpaid interest and all amounts due and payable in respect of the Covered Bonds, including all Excluded Scheduled Interest Amounts, all Excluded Scheduled Principal Amounts (whenever they arose) and all other amounts payable by the Guarantor under the Guarantee with respect to the Covered Bonds become due and payable by the Guarantor in accordance with the Guarantee and as set out in Condition 9.2(a).

Guarantor Event of Default has the meaning given to it in Condition 9.2(a) (*Events of Default relating to the Guarantor*).

Guarantor Payment Date has the meaning given to it in Condition 3.2 (*Reliance on Pre-funding Obligations and Cover Pool*).

IED Guarantee Activation Date means, following an Issuer Event of Default and service of an Issuer Default Notice on the Issuer, the date on which a Guarantee Activation Notice is served on the Guarantor pursuant to the Guarantee.

Increased Corporate Service Provider Or Cash Manager Expenses means the Nominal Amount of any and all sums paid or payable by or on behalf of the Guarantor to any Replacement Corporate Services Provider or Replacement Cash Manager, as applicable, in relation to any and all liabilities, claims, costs and expenses which the Guarantor may suffer, sustain or incur as a consequence of the non-compliance by the Issuer with any of the Issuer Representations or Issuer Undertakings under the Guarantee Mandate Agreement. Increased Corporate Services Provider Or Cash Manager Expenses shall include, but not be limited to, any additional amounts which reflect increased expenses or costs to the Guarantor and which are due to a Replacement Corporate Services Provider or Replacement Cash Manager, as applicable, but exclude (x) any and all amounts which would have been due to the Initial Corporate Services Provider or the Cash Manager, as applicable, irrespective of the Issuer's non-compliance or default and (y) any increased costs or losses caused by the Guarantor's own gross negligence or wilful default in complying with its representations, warranties or obligations under the Transaction Documents, unless such gross negligence or wilful default concurrently constitutes non-compliance on the part of the Issuer with its representations, warranties or obligations under the Transaction Documents.

Increased Services Provider Expenses means the Nominal Amount of any and all sums paid or payable by or on behalf of the Assignee to (i) any Replacement Servicer and (ii) to any Replacement Third Party Services Provider (except for a Replacement Corporate Services Provider and a Replacement Cash Manager) in relation to any and all liabilities, claims, costs and expenses which the Assignee may suffer, sustain or incur as a consequence of the non-compliance by the Assignor with any of the Assignor's representations, warranties, undertakings or other obligations under the Security Assignment Agreement. Increased Services Provider Expenses in relation to any Replacement Third Party Services Provider (except for a Replacement Corporate Services Provider and a Replacement Cash Manager) shall include, but not be limited to, any additional amounts which reflect increased expenses or costs to the Assignee and which are due to a Third Party Services Provider (except for a Replacement Corporate Services Provider and a Replacement Cash Manager), but exclude (x) any and all amounts which would have been due to a Third Party Services Provider (except for a Replacement Corporate Services Provider and a Replacement Cash Manager) irrespective of the Assignor's non-compliance or default (including, for the avoidance of doubt, any and all fees payable to the Collateral Holding Agent pursuant to the Collateral Holding Agreement) and (y) any increased costs or losses caused by the Guarantor's own gross negligence or wilful default in complying with its representations, warranties or obligations under the Transaction Documents, unless such gross negligence or wilful default concurrently constitutes non-compliance on the part of the Assignor with its representations, warranties or obligations under the Transaction Documents.

Increased Services Provider Expenses Pre-funding Obligation means the obligation of the Assignor to pre-fund any and all Increased Services Provider Expenses arising from time to time, as specified by the Assignee in a notice for pre-funding (each an **Increased Services Provider Expenses Pre-funding Notice**), in accordance with the Security Assignment Agreement.

Initial Asset Monitor means Ernst & Young SA in its capacity as asset monitor under the Asset Monitor Agreement.

Initial Cash Manager means Cornèr Banca SA, Via Canova 16, CH-6900 Lugano, Switzerland in its capacity as cash manager under the Cash Management Agreement.

Initial Collateral Holding Agent means Cornèr Banca SA, Via Canova 16, CH-6900 Lugano, Switzerland.

Initial Corporate Services Provider means Cornèr Banca SA, Via Canova 16, CH-6900 Lugano, Switzerland in its capacity as corporate services provider under the Corporate Services Agreement.

Initial Dealer means UBS AG, Bahnhofstrasse 45, CH-8001 Zurich, Switzerland.

Initial Principal Paying Agent means UBS AG, Bahnhofstrasse 45, CH-8001 Zurich, Switzerland.

Initial Sole Arranger means UBS AG, Bahnhofstrasse 45, CH-8001 Zurich, Switzerland.

Initial Swap Provider means an initial swap provider under a Swap Agreement (if any) that may be entered into following the date hereof as may be appointed from time to time.

Initial Third Party Services Provider means any of the Initial Asset Monitor, Account Bank, Initial Cash Manager and the Initial Corporate Services Provider.

Insolvency Event means (i) the adjudication of bankruptcy (*dichiarazione di fallimento*) pursuant to article 171, 189 or 191 DEBA, (ii) an application by the relevant company for, or the granting of, a provisional or definitive stay of execution (*moratoria concordataria provvisoria o definitiva*) pursuant to article 293 et seq. DEBA, (iii) the ordering of restructuring proceedings (*procedura di risanamento*) pursuant to article 28 to 32 FBA, and/or (iv) the ordering of liquidation proceedings (*fallimento di una banca*) pursuant to article 33 to 37g FBA. It is understood and agreed that any relevant steps under (a) mere debt collection proceedings (*esecuzione*) pursuant to article 38 et seq. DEBA, (b) proceedings in connection with a freezing order (*procedura di sequestro*) pursuant to article 271 et seq. DEBA, (c) Protective Measures, (d) any declaration of a stay ordered in relation to the Issuer by FINMA pursuant to article 30a FBA or any successor or analogous Swiss law or regulation applicable to the Issuer, (e) the opening of Cornèr Banca Restructuring Proceedings, (f) the exercise of any Swiss Resolution Power with respect to the Issuer other than with respect to the Covered Bonds, and (g) any consequences resulting from any of the foregoing do not constitute an Insolvency Event.

Insolvency Proceedings means the (i) issuance of a bankruptcy warning (*comminatoria di fallimento*) in the meaning of article 159 DEBA, (ii) the filing of a request to open bankruptcy proceedings (*domanda di fallimento*) in the meaning of article 166, 188, 190 or 191 DEBA, (iii) the ordering of protective measures (*misure di protezione*) pursuant to article 26 lit. (f) to (h) FBA, (iv) the ordering of restructuring proceedings (*procedura di risanamento*) pursuant to articles 28 to 32 FBA, (v) the ordering of liquidation proceedings (*fallimento di una banca*) pursuant to articles 33 to 37g FBA, (vi) the adjudication of bankruptcy (*dichiarazione di fallimento*) pursuant to article 171, 189 or 191 DEBA, and (vii) an application for, or the granting of, a provisional or definitive stay of execution (*moratoria concordataria provvisoria o definitiva*) pursuant to articles 293 et seq. DEBA. It is understood and agreed that none of (a) any debt collection proceedings pursuant to articles 38 et seq. DEBA which have not resulted in any of the foregoing, (b) proceedings in connection with a freezing order (*procedura di sequestro*) pursuant to article 271 et seq. DEBA or (c) protective measures (*misure di protezione*) pursuant to article 26 (a) to (e) FBA, (d) any declaration of a stay ordered in relation to the Issuer by FINMA pursuant to article 30a FBA or any successor or analogous Swiss law or regulation applicable to the Issuer, (e) the opening of Cornèr Banca Restructuring Proceedings, (f) the exercise of any Swiss Resolution Power with respect to the Issuer other than with respect to the Covered Bonds, (g) the ordering of any Restructuring Protective Measures with respect to the Issuer other than with respect to the Covered Bonds and (h) any consequences resulting from any of the foregoing do itself constitute Insolvency Proceedings.

Instruction of the Extension of the Guarantee means a written notice from the Issuer addressed to the Guarantor (with a copy to the Trustee and the Bondholders' Representative of any other Series (if any)), requesting that the Guarantee shall extend to and cover all amounts due and payable under the new (initial or subsequent) Series or Tranche of Covered Bonds to be issued, in accordance with the Guarantee Mandate Agreement.

Intercreditor Agreement means the intercreditor agreement dated the Programme Closing Date between, *inter alia*, the Guarantor, the Issuer, the Principal Paying Agent and the Trustee as supplemented from time to time as further described in section "Overview of the Principal Transaction Documents—Intercreditor Agreement" of the Base Prospectus.

Interest Commencement Date means, in the case of interest-bearing Covered Bonds, the date specified in the Applicable Final Terms from (and including) which the relevant Covered Bonds start accruing interest.

Interest Coverage Test means an interest coverage test carried out as described in section "*Credit Structure—Interest Coverage Test*" of the Base Prospectus.

Interest Payment Date means, in relation to any Series of Covered Bonds, the specified interest payment date set out in the Applicable Final Terms or the meaning given to such term in the Applicable Final Terms as the case may be.

Intermediary has the meaning given to it in Condition 1(c) (*Amount, Denomination, Form and Transfers*).

Intermediated Securities has the meaning given to it in Condition 1(c) (*Amount, Denomination, Form and Transfers*).

Issue Date means each date on which the Issuer issues a Series or Tranche of Covered Bonds to Covered Bondholders as specified in the Applicable Final Terms prepared for such Series or Tranche.

Issue Price means the price, generally expressed as a percentage of the nominal amount of the Covered Bonds, at which the Covered Bonds will be issued.

Issuer means Cornèr Banca SA.

Issuer Default Notice has the meaning given to it in Condition 9.1(a) (*Events of Default relating to the Issuer*).

Issuer Event of Default has the meaning given to it in Condition 9.1(a) (*Events of Default relating to the Issuer*).

Liabilities means any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes) and including any irrecoverable VAT in respect thereof and legal fees and expenses on a full indemnity basis.

Master Bank Account Agreement means the master bank account agreement originally dated on or about the Programme Closing Date and as amended and restated on 17 December 2024 between the Guarantor, the Issuer as cash manager and the Account Bank as further described in section "*Overview of the Principal Transaction Documents—Master Bank Account Agreement*" of the Base Prospectus.

Master Definitions Schedule means the amended and restated master definitions schedule originally dated on or about the Programme Closing Date, and as amended and restated on 30 August 2023 and as further amended and restated on 17 December 2024 and on 24 April 2026 between, *inter alia*, the Guarantor, the Issuer, Assignor, Cash Manager, Account Bank and Corporate Services Provider, the Principal Paying Agent, the Trustee, the Bondholders' Representative and the Asset Monitor, as amended, supplemented and/or restated from time to time.

Meetings means meetings of the Covered Bondholders of one or more Series of Covered Bonds individually and/or meetings of all Covered Bondholders whether originally convened or resumed following an adjournment and in respect of which minutes have been taken in accordance with the Bondholder Provisions, if applicable, and each a **Meeting**.

Mortgage Assets means, from time to time, (i) any and all Assigned Mortgage Claims, (ii) any and all Transferred Mortgage Certificates, (iii) any and all Mortgage Payments (directly or indirectly) received by the Assignee and which it is entitled to retain according to the Security Assignment Agreement, and (iv) any and all indemnity payments received by the Assignee according to the Security Assignment Agreement, in each case including all interest and profits accrued thereon.

Mortgage Certificate Enforcement Proceeds means (i) any and all Mortgage Certificate Payments, (ii) any and all enforcement proceeds resulting from the enforcement of Transferred Mortgage Certificates pursuant to the Security Assignment Agreement, and (iii) any and all proceeds resulting from the enforcement of an interest in an Insurance Policy payable by an insurance provider in relation to a Property.

Mortgage Certificate Excess Enforcement Proceeds means the amount of the Mortgage Certificate Enforcement Proceeds remaining after having applied the Mortgage Certificate Enforcement Proceeds against the respective Assigned Mortgage Claim that has become due in accordance with the Security Assignment Agreement.

Mortgage Certificate Payments means any and all payments due or made by a Security Provider under or in connection with Transferred Mortgage Certificates, including, without limitation, redemption payments, amortisation payments, interest payments, indemnification payments and payments out of unjust enrichment, and all interest and profits accrued thereon.

Mortgage Claims means any and all existing claims of an Originator under one or more mortgage credit agreements secured by the same Related Mortgage Certificate(s) under the relevant security transfer agreement at

any given time, plus any and all related ancillary rights, but excluding (i) any and all non-related ancillary rights and (ii) any and all Priority Security Rights.

Mortgage Debtor means any and all borrowers of an Assigned Mortgage Claim. If a mortgage credit agreement is made between the Originator and two or more borrowers, each of these borrowers shall be a Mortgage Debtor.

Mortgage Payments means (i) any and all payments due or made by a Mortgage Debtor under or in connection with an Assigned Mortgage Claim, including, without limitation, redemption payments, amortisation payments, contractual interest payments, breakage costs, default interest payments, compensation for early redemption, reminder charges, indemnification payments and payments out of unjust enrichment, and all interest and profits accrued thereon and (ii) any Mortgage Certificate Enforcement Proceeds but excluding the respective Mortgage Certificate Excess Enforcement Proceeds.

Mortgage Security means, from time to time, (i) any and all Assigned Mortgage Claims, (ii) any and all Mortgage Payments (directly or indirectly) received by the Assignee to the exclusion of any Mortgage Certificate Excess Enforcement Proceeds and (iii) any and all Swap Payments received by the Assignee, in each case including all interest and profits accrued thereon.

New Dealer means any entity appointed as an additional Dealer in accordance with the Subscription Agreement, a form of which is attached as annex to the Programme Agreement.

Nominal Amount means the nominal amount of the relevant obligation, liability, cost, expense, damage or loss, without recourse or giving effect to any provisions in the Transaction Documents limiting the amount or recourse of a claim or creditor.

Non-Restructuring Protective Measures means any Protective Measures ordered by the Swiss Resolution Authority with respect to the Issuer that are ordered outside of and independently of any Cornèr Banca Restructuring Proceedings.

Notice to Pay means a notice served on the Guarantor (with a copy to the Issuer, the Bondholders' Representative, the Principal Paying Agent, the Collateral Holding Agent and the Corporate Services Provider) in accordance with Clause 4(c) (*Payments under the Guarantee*) of the Guarantee in the form or substantially in the form set out in a schedule to the Guarantee.

Optional Redemption Amount is the optional redemption amount as specified in the Applicable Final Terms.

Optional Redemption Date is the optional redemption date as specified in the Applicable Final Terms.

Original Due for Payment Date has the meaning given to it in paragraph (a)(i) of the definition Due for Payment.

Original Master Bank Account Agreement means the Master Bank Account Agreement dated as of 7 September 2022.

Original Master Definitions Schedule means the Master Definitions Schedule dated as of 7 September 2022.

Originator means Cornèr Banca SA.

Paperless Mortgage Certificate means a paperless mortgage certificate (*cartella ipotecaria registrata*) pursuant to articles 857 et seq. CC.

Paperless Security Assignment Mortgage Certificate means a Paperless Mortgage Certificate transferred by the Security Provider to the Assignor for security purposes pursuant to a Transfer of Title Type Security Transfer Agreement.

Paperless Pledged Mortgage Certificate means a Paperless Mortgage Certificate pledged by the Security Provider to the Assignor pursuant to a Pledge Type Security Transfer Agreement.

Payment Day has the meaning given to it in Condition 5.3 (*Payment Day*).

Person means a reference to any person, individual, corporation, bank, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organisation, governmental entity or other entity of similar nature (whether or not having separate legal personality).

Physical Bearer Mortgage Certificate means a Physical Mortgage Certificate represented by a bearer security (*cartella ipotecaria al portatore*).

Physical Bearer Security Assignment Mortgage Certificate means a Physical Bearer Mortgage Certificate transferred by the Security Provider to the Assignor for security purposes pursuant to a Transfer of Title Type Security Transfer Agreement.

Physical Bearer Pledged Mortgage Certificate means a Physical Bearer Mortgage Certificate pledged by the Security Provider to the Assignor pursuant to a Pledge Type Security Transfer Agreement.

Physical Mortgage Certificate means a Physical Bearer Mortgage Certificate or a Physical Registered Mortgage Certificate (*cartella ipotecaria documentale*) pursuant to articles 860 et seq. CC.

Physical Pledged Mortgage Certificate means a Physical Mortgage Certificate pledged by the Security Provider to the Assignor pursuant to a Pledge Type Security Transfer Agreement.

Physical Registered Mortgage Certificate means a Physical Mortgage Certificate represented by a registered security (*cartella ipotecaria nominativa*).

Physical Registered Security Assignment Mortgage Certificate means a Physical Registered Mortgage Certificate transferred by the Security Provider to the Assignor for security purposes pursuant to a Transfer of Title Type Security Transfer Agreement.

Physical Registered Pledged Mortgage Certificate means a Physical Registered Mortgage Certificate pledged by the Security Provider to the Assignor pursuant to a Pledge Type Security Transfer Agreement.

Physical Security Assignment Mortgage Certificate means a Physical Mortgage Certificate transferred by the Security Provider to the Assignor for security purposes pursuant to a Transfer of Title Type Security Transfer Agreement.

Pledge Type Security Transfer Agreement means the pledge type security transfer agreements in the form of the standard form "*costituzione in pegno*" with contract numbers 2018-2 and 2017-2 or any other standard pledge type security transfer agreement, the inclusion of which has been agreed by the Parties in writing. For the avoidance of doubt, claims against the Assignor in its capacity as Assignor shall mean claims against the Assignor in that role only (and not in any other role it may have under the Transaction Documents).

Post-Insolvency Priority of Payments means the post-insolvency priorities of payments set out in section "*Cash Flows—Allocation and distribution of amounts following the GED Guarantee Activation Date—Post-Insolvency Priority of Payments*" of the Base Prospectus.

Pre-Event Tests means the Asset Coverage Test and the Interest Coverage Test.

Pre-funding Obligations means each Guarantee Mandate Pre-funding Obligation and the Increased Services Provider Expenses Pre-funding Obligation.

Principal Amount Outstanding means in respect of a Covered Bond the principal amount of that Covered Bond on the relevant Issue Date thereof less principal amounts received by the relevant Covered Bondholder in respect thereof.

Principal Paying Agent means UBS AG as Initial Principal Paying Agent, and any successor principal paying agent appointed from time to time.

Priority of Payments means the priorities of payments set out in sections "*Cash Flows—Allocation and distribution of amounts prior to the Guarantee Activation Date*", "*Cash Flows—Allocation and distribution of amounts following the IED Guarantee Activation Date*" and "*Cash Flows—Allocation and distribution of amounts following the GED Guarantee Activation Date*" of the Base Prospectus including, for the avoidance of doubt, the Guarantee Priority of Payments and the Post-Insolvency Priority of Payments.

Priority Security Rights means any pledges, liens, encumbrances or similar rights with respect to a Transferred Mortgage Certificate and Mortgage Certificate Payments made thereunder, including but not limited to any pledge created according to the General Conditions of the Assignor.

Programme means the CHF 1 billion covered bond programme of Cornèr Banca established by, or otherwise contemplated in, the Programme Agreement and the Trust Agreement.

Programme Agreement means the programme agreement dated as of the Programme Closing Date between, *inter alia*, the Issuer, the Assignor, the Guarantor and the Initial Dealer concerning the issue and purchase of Covered Bonds, as amended, supplemented and/or restated from time to time.

Programme Closing Date means 7 September 2022.

Property means any real estate encumbered by a Related Mortgage Certificate.

Protective Measure means any protective measure that the Swiss Resolution Authority may order pursuant to any statutory power set forth in article 26 FBA, or in any successor or analogous Swiss law or regulation applicable to banks in Switzerland such as the Issuer, including, without limitation (a) giving instructions to the governing bodies of the respective entity, (b) appointing an investigator, (c) stripping governing bodies of their power to legally represent the respective entity or removing them from office, (d) removing the regulatory or company-law audit firm from office, (e) limiting the respective entity's business activities, (f) forbidding the respective entity from making or accepting payments or undertaking security trades, (g) closing down the respective entity, or (h)

except for mortgage-secured receivables of central mortgage bond institutions, ordering a moratorium or deferral of payments.

Rate(s) of Interest means the rate of interest payable from time to time in respect of the Covered Bonds as determined in the Applicable Final Terms.

Rating Agency means Fitch Ratings Limited or any other rating agency appointed by the Issuer to provide ratings in relation to the Covered Bonds provided that such rating agency will qualify for purposes of the inclusion of the Covered Bonds in the Swiss Bond Index (SBI) by SIX Swiss Exchange.

Rating Agency Modification subject to mandatorily applicable provisions of Swiss law applicable at the relevant time, the Issuer may, without the consent or sanction by any Covered Bondholder or any other Secured Creditor (i) remove a Rating Agency from rating of any Series of Covered Bonds, and/or (ii) appoint (or reappoint) a Rating Agency to rate a Series of Covered Bonds, provided that, in each case and at all times, such Series of Covered Bonds continues to be rated by at least one Rating Agency.

Ratings Modification means any modifications that the Issuer considers necessary following a Rating Agency Modification, to implement the removal of the relevant Rating Agency and all ratings criteria, rating tests, rating triggers and any and all requirements specified by and/or relating to such appointed Rating Agency.

Reassigned Mortgage Claims means any and all Mortgage Claims reassigned to the Originator in accordance with the Security Assignment Agreement from time to time.

Recourse and Indemnity Obligations means each of the Guarantee Recourse and Indemnity Obligation, the Swap Termination Payment Recourse and Indemnity Obligation, the General Recourse and Indemnity Obligation and the Increased Services Provider Expenses Recourse and Indemnity Obligation.

Regulatory Event has the meaning given to it in Condition 6.2(d) (*Redemption due to a Regulatory Event*).

Related Mortgage Certificates means any and all Related Paperless Mortgage Certificates and Related Physical Mortgage Certificates.

Related Paperless Mortgage Certificates means any and all Paperless Mortgage Certificates which provide security for an Assigned Mortgage Claim pursuant to a Security Transfer Agreement.

Related Paperless Pledged Mortgage Certificates means any and all Paperless Pledged Mortgage Certificates which provide security for an Assigned Mortgage Claim pursuant to a Security Transfer Agreement.

Related Paperless Security Assignment Mortgage Certificates means any and all Paperless Security Assignment Mortgage Certificates which provide security for an Assigned Mortgage Claim pursuant to a Security Transfer Agreement.

Related Physical Mortgage Certificates means any and all Physical Mortgage Certificates which provide security for an Assigned Mortgage Claim pursuant to a Security Transfer Agreement.

Related Physical Pledged Mortgage Certificates means any and all Physical Pledged Mortgage Certificates which provide security for an Assigned Mortgage Claim pursuant to a Security Transfer Agreement.

Related Physical Registered Pledged Mortgage Certificates means any and all Physical Registered Pledged Mortgage Certificates which provide security for an Assigned Mortgage Claim pursuant to a Security Transfer Agreement.

Related Physical Registered Security Assignment Mortgage Certificate means any and all Physical Registered Security Assignment Mortgage Certificates which provide security for an Assigned Mortgage Claim pursuant to a Security Transfer Agreement.

Related Physical Security Assignment Mortgage Certificates means any and all Physical Security Assignment Mortgage Certificates which provide security for an Assigned Mortgage Claim pursuant to a Security Transfer Agreement.

Related Security Transfer Agreement means any and all Security Transfer Agreements based on which Related Mortgage Certificates are transferred by a Security Provider to the Originator to secure an Assigned Mortgage Claim.

Replacement Account Bank means any party designated in accordance with the terms of the Master Bank Account Agreement.

Replacement Asset Monitor means any party designated in accordance with the terms of the Asset Monitor Agreement.

Replacement Cash Manager means any party designated in accordance with the terms of the Cash Management Agreement.

Replacement Collateral Holding Agent means any party designated in accordance with the terms of the Collateral Holding Agreement

Replacement Corporate Services Provider means any party designated in accordance with the terms of the Corporate Services Agreement.

Replacement Cover Pool Swap Provider means any replacement swap provider in respect of the Cover Pool Swaps (if any) appointed from time to time, which for the avoidance of doubt shall not be the Issuer.

Replacement Covered Bond Swap Provider means any replacement swap provider in respect of the Covered Bond Swaps (if any) appointed from time to time, which for the avoidance of doubt shall not be the Issuer.

Replacement Servicer means any party designated in accordance with the terms of the Security Assignment Agreement.

Replacement Swap Provider means any of the Replacement Cover Pool Swap Provider and the Replacement Covered Bond Swap Provider (if any).

Replacement Third Party Services Provider means any of the Asset Monitor (other than the Initial Asset Monitor), the Replacement Account Bank, the Replacement Cash Manager, the Replacement Corporate Services Provider and the Replacement Collateral Holding Agent.

Restructuring Proceedings means restructuring proceedings within the meaning of article 28 et seq. FBA and article 40 et seq. BIO-FINMA, or in any successor or analogous Swiss law or regulation applicable to banks in Switzerland such as the Issuer.

Restructuring Protective Measures means any Protective Measure ordered by the Swiss Resolution Authority with respect to the Issuer that are ordered or confirmed upon the opening of or during any Cornèr Banca Restructuring Proceedings.

Scheduled Interest means an amount equal to the amount in respect of interest which would have been due and payable under a relevant Series of Covered Bonds on each Interest Payment Date (but excluding any Excluded Scheduled Interest Amounts payable by the Issuer following the occurrence of an Issuer Event of Default):

- i. as if the IED Guarantee Activation Date had not occurred and the relevant Series of Covered Bonds had not immediately become due and repayable prior to their Final Maturity Date by the Issuer; and
- ii. as if the Final Maturity Date of the Covered Bonds had been the Extended Due for Payment Date (but taking into account any principal repaid in respect of such Covered Bonds or any Guaranteed Amounts paid in respect of such principal prior to the Extended Due for Payment Date); and
- iii. less any additional amounts the Issuer would be obliged to pay as a result of any gross-up in respect of any withholding or deduction made under the circumstances set out in Condition 7 (*Taxation*).

Scheduled Payment Date means, in relation to payments under the Guarantee, each Interest Payment Date or the Final Maturity Date or other date in respect of which any principal or interest is payable by the Issuer (other than pursuant to Condition 9 (*Events of Default and Enforcement*)) – as if an IED Guarantee Activation Date had not occurred and the relevant Series of Covered Bonds had not become immediately due and repayable prior to their Final Maturity Date by the Issuer.

Scheduled Principal means an amount equal to the amount in respect of principal which would have been due and repayable under a relevant Series of Covered Bonds on each Interest Payment Date or the Final Maturity Date or other date in respect of which any principal is payable by the Issuer (as the case may be) as specified in Condition 6.1 (*Redemption and Purchase - Redemption at maturity*) (but excluding any Excluded Scheduled Principal Amounts payable by the Issuer following the occurrence of an Issuer Event of Default):

- i. as if the IED Guarantee Activation Date had not occurred and the relevant Series of Covered Bonds had not become immediately due and repayable prior to their Final Maturity Date by the Issuer; and
- ii. as if the Final Maturity Date of the Covered Bonds had been the Extended Due for Payment Date (but taking into account any principal repaid in respect of such Covered Bonds or any Guaranteed Amounts paid in respect of such principal prior to the Extended Due for Payment Date).

Second Amended and Restated Master Definitions Schedule means the Original Master Definitions Schedule dated as of 7 September 2022, as amended and restated on 30 August 2023, and as further amended and restated on 17 December 2024.

Secured Obligations means all obligations of the Issuer, to pay, or procure the payment of (i) any and all Guarantee Fees, (ii) any and all Pre-funding Obligations, and (iii) any and all Recourse and Indemnity Obligations.

Security Assignment Agreement means the security assignment agreement dated on or about the Programme Closing Date between the Issuer as assignor and the Guarantor as assignee regarding the assignment of certain mortgage claims as further described in section "*Overview of the Principal Transaction Documents—Security Assignment Agreement*" of the Base Prospectus.

Security Provider means each security provider who has transferred to an Originator one or several Related Mortgage Certificates by way of security for an Assigned Mortgage Claim under a Security Transfer Agreement. If a security transfer agreement is made between the Originator and two or more security providers, each of these security providers shall be a Security Provider.

Security Transfer Agreement means (i) a transfer of title type Security Transfer Agreement for Physical Mortgage Certificates and a Security Transfer Agreement/or for Paperless Mortgage Certificates or (ii) a Pledge Type Security Transfer Agreement for Physical Mortgage Certificates and/or a Pledge Type Security Transfer Agreement for Paperless Mortgage Certificates, as applicable.

Series has the meaning given to it in the recitals of these Conditions.

SIX Swiss Exchange means SIX Swiss Exchange AG.

Specified Currency means Swiss Francs.

Specified Denomination(s) has the meaning given to such term in the Applicable Final Terms.

Spot Rate means, in relation to any sum under any obligation (other than a Covered Bond) which is not denominated in CHF the spot rate of exchange as calculated by the Cash Manager on the relevant Calculation Date in accordance with the Cash Management Agreement.

Subordinated Loan Agreement means the subordinated loan agreement between Cornèr Banca SA as subordinated loan provider and the Guarantor as borrower dated on or about the Programme Closing Date.

Subscription Agreement means an agreement supplemental to the Programme Agreement or substantially in the form set out in the Programme Agreement or in such other form as may be agreed between the Issuer, the Guarantor and the Lead Manager or one or more Dealers (as the case may be).

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 Assets means CHF, cash and Authorised Investments (other than CHF demand or time deposits, certificates of deposit) substituted for Mortgage Assets in the entire pool of Cover Pool Assets in accordance with the Security Assignment Agreement and booked in the Cover Pool Bank Account or the Cover Pool Custody Account as the case may be.

Sub-unit has the meaning given to it in paragraph (d) of Condition 4.1 (*Rate of Interest*).

Swap Agreement means any 1992 and/or 2002 ISDA Master Agreement (Multicurrency – Cross Border), along with the Schedule, Credit Support Annex and any other relevant annexes, addenda or supplements attached thereto, that may be entered into between the Guarantor, any Initial Swap Provider or Replacement Swap Provider and the Trustee following the date hereof as amended and supplemented from time to time by each of the confirmations evidencing the Cover Pool Swaps and or the Covered Bond Swaps (as the case may be) entered into thereunder.

Swap Payments means any and all payments the Guarantor or, if designated under the Transaction Documents, the Principal Paying Agent, receives under a Swap Agreement (if any) and all interest and profits accrued thereon.

Swap Termination Payment Pre-funding Obligation has the meaning given to it in section "*Overview of the Principal Transaction Documents—Guarantee Mandate Agreement—Swap Termination Payment Recourse and Indemnity and Swap Termination Payment Pre-funding Obligation (if any)*" of the Base Prospectus.

Swap Termination Payment Recourse and Indemnity Obligation has the meaning given to it in section "*Overview of the Principal Transaction Documents—Guarantee Mandate Agreement—Swap Termination Payment Recourse and Indemnity and Swap Termination Payment Pre-funding Obligation (if any)*" of the Base Prospectus.

Swiss Resolution Authority means FINMA or any other authority in Switzerland that is competent under Swiss law to exercise a Swiss Resolution Power or order Protective Measures at the relevant time.

Swiss Resolution Power means any statutory power of the Swiss Resolution Authority that it may exercise during Restructuring Proceedings as set forth in article 28 et seq. FBA and article 40 et seq. BIO-FINMA, or in any successor or analogous Swiss law or regulation applicable to banks in Switzerland, such as the Issuer, including, without limitation, the power to (a) transfer the assets of the entity subject to such Restructuring Proceedings, or portions thereof, together with such entity's debt and other liabilities, or portions thereof, and contracts, to another entity, (b) stay (for a maximum of two business days) the termination of, and the exercise of rights to terminate, netting rights, rights to enforce or dispose of certain types of collateral or rights to transfer claims, liabilities or certain collateral, in each case, under contracts to which the entity subject to such Restructuring Proceedings is a party, (c) convert the debt of the entity subject to such Restructuring Proceedings into equity of such entity, and/or (d) partially or fully write-down the obligations of the entity subject to such Restructuring Proceedings.

Swiss Review Body means a review body pursuant to article 52 FinSA.

Tax Authority means any Governmental Authority exercising functions in Taxes matters.

Taxes means all present and future taxes, levies, imposts, duties, fees, deductions, withholdings or charges of any nature whatsoever and wheresoever imposed, including, without limitation, income tax, corporation tax, VAT or other tax in respect of added value and any franchise, transfer, sales, gross receipts, use, business, occupation, excise, personal property, real property or other tax imposed by any national, local or supranational taxing or fiscal authority or agency together with any penalties, fines or interest thereon and **Tax** and **Taxation** shall be construed accordingly.

Test means each of the Amortisation Test, the Asset Coverage Test and the Interest Coverage Test.

Test Date means at least one monthly date on a Business Day on which a Test is performed.

Third Amended and Restated Master Definitions Schedule means the Second Amended and Restated Master Definitions Schedule, as further amended and restated on 24 April 2026.

Third Party Services Provider means any Initial Third Party Services Provider or Replacement Third Party Services Provider, as applicable.

Tranche has the meaning given to it in the recitals of these Conditions.

Transaction Documents means each of the Guarantee, the Guarantee Mandate Agreement, the Security Assignment Agreement, the Collateral Holding Agreement, the Intercreditor Agreement, the Cash Management Agreement, any Swap Agreement, the Master Bank Account Agreement, the Corporate Services Agreement, the Trust Agreement, the Agency Agreement, any supplemental agency agreement, the Programme Agreement, any Replacement Servicer Agreement, the Asset Monitor Agreement, the Subordinated Loan Agreement, these Conditions, each set of Applicable Final Terms (as applicable in the case of each issue of listed Covered Bonds subscribed pursuant to a subscription agreement), the Master Definitions Schedule, each Series and/or Tranche of Covered Bonds, each document, agreement or indenture ancillary or supplemental to any of the documents specified above any other agreement or document from time to time designated as such by the Issuer, the Guarantor and the Trustee.

Transfer of Title Type Security Transfer Agreement means the transfer of title type security transfer agreements in the form of the standard form Cornèr Banca – Security Assignment Agreement "*convenzione a scopo di garanzia*" with contract number 2022-2 or any other standard transfer of title type security transfer agreement, the inclusion of which has been agreed by the Parties in writing.

Transferred Mortgage Certificates means any and all Transferred Paperless Mortgage Certificates and any and all Transferred Physical Mortgage Certificates.

Transferred Paperless Mortgage Certificate means any and all Related Paperless Mortgage Certificates which have been transferred by the Assignor to the Guarantor under the Security Assignment Agreement, from time to time, but excluding Retransferred Mortgage Certificates.

Transferred Paperless Pledged Mortgage Certificates means any and all Paperless Pledged Mortgage Certificates specified to be transferred to the Guarantor by means of a Transfer Deed.

Transferred Paperless Security Assignment Mortgage Certificates means any and all Paperless Security Assignment Mortgage Certificates specified to be transferred to the Guarantor by means of a Transfer Deed.

Transferred Physical Mortgage Certificate means any and all Related Physical Mortgage Certificates transferred by the Assignor to the Guarantor under the Security Assignment Agreement, from time to time, but excluding Retransferred Mortgage Certificates.

Transferred Physical Pledged Mortgage Certificates means any and all Physical Pledged Mortgage Certificates physically transferred by the Originator to the Guarantor and stored in a separate Vault of the Guarantor at the premises of the Originator under and in accordance with the Security Assignment Agreement.

Transferred Physical Registered Pledged Mortgage Certificates means any and all Physical Registered Pledged Mortgage Certificates physically transferred by the Originator to the Guarantor and stored in a separate Vault of the Guarantor at the premises of the Originator under and in accordance with the Security Assignment Agreement, and duly endorsed in the name of the Guarantor.

Transferred Physical Security Assignment Mortgage Certificates means any and all Physical Security Assignment Mortgage Certificates physically transferred by the Originator to the Guarantor and stored in a separate Vault of the Guarantor at the premises of the Originator under and in accordance with the Security Assignment Agreement.

Trust Agreement means the trust agreement dated on or about the Programme Closing Date between the Issuer, the Assignor, the Guarantor and the Trustee under which the Trustee has agreed to act as trustee as further described in section "*Overview of the Principal Transaction Documents—Trust Agreement*" of the Base Prospectus.

Trustee means ProServices Trustees (Switzerland) AG in its capacity as trustee under the Trust Agreement, together with any successor trustee or additional trustees appointed from time to time.

Uncertificated Covered Bonds has the meaning given to it in Condition 1(c) (*Amount, Denomination, Form and Transfers*).

THE GUARANTEE

Set out below is an excerpt from the Guarantee made as of the date hereof between:

- (1) **Accent Ipoteche SA**, a company incorporated as a stock corporation (*società anonima*) under the laws of Switzerland with its registered office at c/o Cornè Banca SA, Via Canova 16, CH-6900 Lugano, Switzerland, registered in the commercial register of the Canton of Ticino under register number CHE-177.586.044 (hereinafter referred to as **Guarantor**); and
- (2) **ProServices Trustees (Switzerland) AG**, a company incorporated as a stock corporation (*società anonima*) under the laws of Switzerland with its registered office at Mühlebachstrasse 54, CH-8008 Zurich, Switzerland registered in the commercial register of the Canton of Zurich under register number CHE-454.193.899 (as **Bondholders' Representative**, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders in accordance with the Conditions, and as Trustee pursuant to the Trust Agreement)

RECITALS

- (a) On 5 September 2022, 17 August 2023, 18 October 2024 and 24 April 2026, Cornè Banca SA authorised the establishment of a Programme pursuant to which the Issuer may from time to time issue Tranches and Series of Covered Bonds.
- (b) Pursuant to the Guarantee Mandate Agreement, the Issuer has appointed and mandated the Guarantor to issue, in its own name but for the account of the Issuer, a guarantee to the Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders for the due and punctual performance by the Issuer of its obligations to pay Scheduled Interest and Scheduled Principal on the Covered Bonds in an amount equal to the Guaranteed Amounts (the **Guarantee**) and the Guarantor has agreed to issue the Guarantee.
- (c) In accordance with Condition 12 (*Appointment of the Bondholders' Representative*), each Covered Bondholder (i) has appointed and authorised the Trustee to act as bondholders' representative in the sense of article 1158 seq. CO (*rappresentante della comunione dei obbligazionisti*) for the purposes of the Conditions and this Agreement, and (ii) has authorised the Bondholders' Representative to accept and execute as direct representative (*rappresentante diretto*) the Guarantee and to hold, administer and, if necessary, enforce any rights under this Agreement on behalf of the Covered Bondholders.

IT IS AGREED as follows:

1. Definitions and Construction

1.1 Definitions

Unless otherwise defined herein and except to the extent that the context requires otherwise, capitalized terms used in this Agreement shall have the meaning ascribed to them in Condition 19 (*Definitions*) and Annex A.

1.2 Construction

- (a) Any reference made in this Agreement to any Transaction Document (including this Agreement) or to any other agreement or document relating to a Transaction Document shall be deemed to be references to such Transaction Document or such other agreement or document as the same may have been, or may from time to time be, amended, restated, extended or novated or as the Parties or persons may accede thereto or withdraw therefrom or as the principal amount of the outstanding Covered Bonds may be increased or decreased thereunder.
- (b) Any references made in this Agreement to any person include a reference to any natural or legal person, corporation or other body corporate, government, state or agency of a state or any joint venture, association or partnership (whether or not having separate legal personality), as well as to any of its successors, permitted assignees and permitted transferees.
- (c) Unless the context otherwise requires, any references made in this Agreement to the Bondholders' Representative shall be read as references to the Bondholders' Representative acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders and to any successor Bondholders' Representative(s) appointed pursuant to Clause 12.

2. Initial and Subsequent Covered Bonds

- (a) This Guarantee shall become effective on the date hereof and shall extend to all Series and Tranches listed in the Guarantee Extension Table (substantially in the form attached as Schedule 1 (*Guarantee Extension Table*)).
- (b) Pursuant to the Guarantee Mandate Agreement, the Issuer shall deliver to the Guarantor (with a copy to the Trustee and the Bondholders' Representative(s) of any other Series (if any)) three Business Days prior to the relevant Issue Date:
 - (i) an Instruction of the Extension of the Guarantee; and
 - (ii) the Guarantee Extension Table updated to reflect the initial or any subsequent Series and Tranches of Covered Bonds.

3. Guarantee

- (a) The Guarantor hereby irrevocably and, following the Guarantee Activation Date and subject to the service of a Notice to Pay by the Trustee on the Guarantor for the relevant Guaranteed Amounts and subject to the terms and conditions of this Agreement, unconditionally guarantees in accordance with article 111 CO, as a primary obligor and not merely as surety (*fideiussione*) to the Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders by way of a continuing guarantee, irrespective of the validity or enforceability of the Covered Bonds or any other document related thereto, and waiving all rights of objection or defense arising from the Covered Bonds or any other document related thereto, the due and punctual performance by the Issuer of its obligations to pay Scheduled Interest and Scheduled Principal on the Covered Bonds in an amount equal to the Guaranteed Amounts. Accordingly, the Guarantor agrees to:
 - (i) following the IED Guarantee Activation Date and subject to the service of a Notice to Pay on the Guarantor by the Trustee for the relevant Guaranteed Amounts becoming Due for Payment in accordance with Clause 4(c), and without requiring the Trustee or any Bondholders' Representative to take steps against the Issuer or any other person, pay or procure to be paid in the manner described in Clause 4 (*Payments under the Guarantee*) to the Principal Paying Agent for distribution to the Covered Bondholders pursuant to the Conditions and the Agency Agreement, on first demand an amount equal to those Guaranteed Amounts which shall have become Due for Payment (irrespective of any variation, release or discharge of the equivalent amounts that would have been payable by the Issuer in respect of the Covered Bonds), where the equivalent amount has not been paid by the Issuer to the relevant Covered Bondholders on the relevant date for payment; and
 - (ii) following the GED Guarantee Activation Date and subject to the service of a Notice to Pay by the Trustee on the Guarantor for all Guaranteed Amounts becoming Due for Payment in accordance with Clause 4(e), and without requiring the Trustee or any Bondholders' Representative to take steps against the Issuer or any other person, in respect of the Covered Bonds of each Series, on first demand pay or procure to be paid to the Principal Paying Agent for distribution to the Covered Bondholders pursuant to the Agency Agreement in the manner described in Clause 4 (*Payments under the Guarantee*) and in accordance with the Conditions, the relevant Guaranteed Amounts, provided, *however*, that any obligation of the Guarantor to pay Guaranteed Amounts hereunder shall be limited pursuant to Clause 6 (*Limited Recourse against the Guarantor*).
- (b) This Guarantee:
 - (i) is a continuing guarantee and shall not be discharged except by complete performance of the obligations under this Agreement and is additional to and independent of, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person (whether from the Guarantor or otherwise); and
 - (ii) shall remain in force until all monies payable under the Covered Bonds shall have been paid, regardless of any intermediate payment or discharge in whole or in part.
- (c) The Guarantor shall not in respect of any payment due to be made under this Guarantee be released from its obligations under or pursuant to this Agreement in any circumstances except upon the receipt by or for the account of the Principal Paying Agent of the full amount of such payment from the Issuer or the Guarantor in the currency, at the place and in the manner provided

for in this Guarantee, the Trust Agreement and the Conditions, provided that every payment of principal, premium or interest or any other amount in respect of the Covered Bonds made to the Principal Paying Agent in the manner provided in the Agency Agreement shall be in satisfaction *pro tanto* of the liability of the Guarantor under this Agreement.

- (d) If any discharge (whether in respect of the obligations of the Issuer or the Guarantor or otherwise) is made in whole or in part on the faith of any payment or other disposition received by the Principal Paying Agent or any Covered Bondholder which is avoided or must be set aside in whole or in part under any laws relating to the bankruptcy, sequestration, liquidation, insolvency, administration, corporate reorganisation or other such similar Insolvency Event of the Issuer, the liability of the Guarantor under this Agreement shall continue or be reinstated, as applicable, as if the discharge or arrangement had not occurred.
- (e) Without prejudice to the generality of the foregoing provisions of this Clause 3 (*Guarantee*), the Guarantor agrees that its obligations under this Agreement shall, notwithstanding any reference herein to the Covered Bonds and any other Transaction Document, constitute separate, independent, primary, unsecured, unsubordinated and non-accessory guarantee obligations of the Guarantor within the meaning of article 111 CO and not merely a surety (*fideiussione*) within the meaning of article 492 et seq. CO, be absolute and, following the Guarantee Activation Date and service of a Notice to Pay on the Guarantor for the relevant amount, unconditional, and irrespective of any invalidity, irregularity or unenforceability of all or any of the obligations of the Issuer under the Conditions or any other Transaction Document (other than this Agreement) and the Guarantor hereby waives all rights of objection and defense arising therefrom. For the avoidance of doubt, should the Trustee serve a Notice to Pay on the Guarantor after the date specified for such service in Clause 4(b) or 4(c), such late service will not invalidate the obligations of the Guarantor to make such payment under the Guarantee.
- (f) The liability of the Guarantor under this Agreement shall not be lessened, affected, impaired or discharged by:
 - (i) unless specifically provided for in the Conditions, any time, waiver or consent granted to the Issuer by the Bondholders' Representative or any of the Covered Bondholders;
 - (ii) any dealings or transactions between the Issuer and the Trustee and any of the Covered Bondholders whether or not the Guarantor shall be a party to or cognisant of the same;
 - (iii) the dissolution of the Issuer or any change in the status, functions, control or ownership of the Issuer or any consolidation, merger, conveyance or transfer by the Issuer;
 - (iv) any composition or arrangement between the Issuer and its creditors or the release or variation of the obligations of the Issuer pursuant to such composition or arrangement;
 - (v) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Issuer or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - (vi) any incapacity or lack of power, authority or legal personality of the Issuer or any other person (other than the Guarantor);
 - (vii) any amendment, novation, supplement, variation (however fundamental and whether or not more onerous) or replacement of the Trust Agreement or the Covered Bonds, provided always that the Guarantor has been notified of any such amendment, novation, supplement, variation or replacement and the Guarantor has consented to such variation or replacement;
 - (viii) any other guarantee or security now or subsequently held by any Relevant Creditor, and the Guarantee is in addition to any such guarantee or security; or
 - (ix) any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of the Issuer under any Transaction Document resulting from any insolvency, liquidation or dissolution proceedings or from any law, regulation or order so that each such obligation shall for the purposes of the Guarantor's obligations under this Agreement be construed as if there were no such circumstance.

- (g) Subject to the occurrence of the Guarantee Activation Date and following the service of a Notice to Pay for the relevant amount on the Guarantor, the Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders, may take action to enforce the Guarantor's obligations under this Agreement in accordance with and subject to the provisions set forth herein, without first making any demand or taking any proceedings against the Issuer or any other person.
- (h) Until all amounts which may be or become payable by the Issuer under the Covered Bonds have been irrevocably paid in full, the Guarantor hereby waives irrevocably and unconditionally:
 - (i) all rights of subrogation, indemnity, contribution or otherwise (arising under the Transaction Documents, law, regulation or otherwise whatsoever) which it might otherwise have against the Issuer by virtue of any payment made or amount payable by the Guarantor pursuant to this Agreement;
 - (ii) all rights to take any steps or institute any Insolvency Proceedings or any similar procedure in respect of the Issuer, and in particular, it will not initiate or support any Insolvency Proceedings against the Issuer before payment in full of all amounts payable by the Issuer under the Covered Bonds shall have been made to the Covered Bondholders; and
 - (iii) all rights to claim, rank, prove or vote as creditor of the solvent Issuer or, upon the Issuer's bankruptcy or other insolvency, to file its claim with the Issuer's estate in competition with the Trustee, the Bondholders' Representative and/or the Covered Bondholders or to receive or have the benefit of any payment, distribution or security from or on account of the Issuer or to claim or exercise a right of set-off against the Issuer, provided that this paragraph (h)(iii) shall not apply to any claims, payments or distribution of assets from or on the account of the Issuer to which the Guarantor is entitled pursuant to the Transaction Documents,

subject always to the rights of the Guarantor (i) to set off amounts due and payable by the Issuer to the Guarantor in respect of amounts paid by the Guarantor under the Guarantee against any amounts repayable by the Guarantor to the Issuer under the terms of the Guarantee Mandate Agreement or the Security Assignment Agreement, and without prejudice to the standard netting arrangements under the Swap Agreements (if any), (ii) to claim and enforce (including filing any of its claims in the insolvency of the Issuer) amounts owing by the Issuer to the Guarantor in respect of the Issuer's Pre-funding Obligations and/or Recourse and Indemnity Obligations in accordance with the terms of the Guarantee Mandate Agreement or the Security Assignment Agreement and (iv) to enforce and/or liquidate a part of the Cover Pool Assets sufficient to discharge the relevant Secured Obligations upon and after the occurrence of an Enforcement Event or an Issuer Event of Default in accordance with the terms of the Security Assignment Agreement and subject to the terms of clause 9 (*Sale of Assigned Mortgage Claims*) of the Trust Agreement, which in each case shall remain unaffected.

- (i) If, notwithstanding the foregoing, upon the occurrence of an Insolvency Event in relation to the Issuer, any payment or distribution of assets of the Issuer of any kind or character, whether in cash, property or securities, shall be received by the Guarantor (other than to any claims, payments or distribution of assets from or on the account of the Issuer to which the Guarantor is entitled pursuant to the Transaction Documents) or if the Guarantor is able to exercise any set-off rights against the Issuer (other than as set forth above) before payment in full of all amounts payable shall have been made to the Covered Bondholders, such payment and/or an amount equal to the amount so set-off shall be held by the Guarantor on behalf of the Relevant Creditor and credited to the General Bank Account to be applied in accordance with the applicable Priority of Payments.

4. Payments under the Guarantee

- (a) In accordance with the provisions of the Guarantee Mandate Agreement, prior to the Guarantee Activation Date, the Issuer will notify the Trustee in writing (copied to the Guarantor and the Bondholders' Representative) not later than close of business on the fifth Business Day before each Interest Payment Date or such other date in respect of which any principal or interest in relation to the Covered Bonds is due and payable by the Issuer (other than pursuant to Condition 9.1 (*Events of Default relating to the Issuer*)) (the **Payment Due Date**) of the amount of interest and/or principal in relation to the Covered Bonds which is due and payable by the Issuer on such Payment Due Date and will confirm whether or not it will have sufficient funds to make such

payments of such interest and/or principal on such Payment Due Date. If the amount available for payment by the Issuer in respect of such interest and/or principal on such Payment Due Date will be insufficient to meet the amount of such interest and/or principal due and payable on such Payment Due Date (the difference being the **Shortfall**), then not later than close of business on the fifth Business Day before such Payment Due Date, the Issuer will inform the Trustee in writing (copied to the Guarantor and the Bondholders' Representative of any other Series (if any)) of the amount of the Shortfall.

- (b) Following the occurrence of an Issuer Event of Default and service by the Bondholders' Representative of an Issuer Default Notice on the Issuer pursuant to Condition 9.1 (*Events of Default relating to the Issuer*), with a copy to the Guarantor, the Trustee and the Bondholders' Representative of any other Series (if any), the Trustee shall promptly deliver a Guarantee Activation Notice (substantially in the form attached as Schedule 2 (*Form of Guarantee Activation Notice*) to the Guarantor (with a copy to the Issuer, the Bondholders' Representative, the Principal Paying Agent and the Collateral Holding Agent) requiring the Guarantor to pay the Guaranteed Amounts when the same shall become Due for Payment in accordance with the terms of this Agreement.
- (c) On the IED Guarantee Activation Date (but prior to the GED Guarantee Activation Date), the Trustee shall prepare, sign and serve a notice to pay on the Guarantor (with a copy to the Issuer, Bondholders' Representative, the Principal Paying Agent, the Collateral Holding Agent and the Corporate Services Provider) substantially in the form set out in Schedule 3 (*Form of Notice to Pay*) hereto (a **Notice to Pay**),
 - (i) for the Guaranteed Amounts (A) then due and payable on the Covered Bonds as at such date, and (B) falling due and payable in the sixty-five Business Day period commencing on such date; and
 - (ii) thereafter, the Trustee shall, upon the direction of the Corporate Services Provider, in writing not later than 67 Business Days prior to each Scheduled Payment Date (provided that, notwithstanding the failure by the Corporate Services Provider to direct the Trustee to serve a Notice to Pay, the Trustee may still deliver such Notice to Pay), not earlier than sixty-five Business Days and to the extent practical, not later than sixty-three Business Days prior to each Scheduled Payment Date in respect of each Series of Covered Bonds, prepare, sign and serve a Notice to Pay on the Guarantor for the Guaranteed Amounts falling Due for Payment on each such Scheduled Payment Date.
- (d) Following receipt of each Notice to Pay, the Trustee, on behalf of the Guarantor, shall serve without delay a Guarantee Pre-funding Notice on the Issuer in accordance with clause 7.1 (*Guarantee Pre-funding Obligation*) of the Guarantee Mandate Agreement, and the Guarantor shall pay the Guaranteed Amounts to the Principal Paying Agent pursuant to the terms of this Agreement and the Guarantee Priority of Payments by 10.00 a.m. Swiss time on the date on which the relevant Guaranteed Amount is Due for Payment. Where the Guarantor is required to make a payment of a Guaranteed Amount, to the extent that the Guarantor has insufficient monies available after payment of higher ranking amounts and taking into account amounts ranking *pari passu* therewith in the Guarantee Priority of Payments to pay such Guaranteed Amounts, it shall make partial payment of such Guaranteed Amounts in accordance with the Guarantee Priority of Payments.
- (e) Following the GED Guarantee Activation Date, all Guaranteed Amounts will become immediately due and payable by the Guarantor and (i) the Trustee shall immediately serve a Notice to Pay for all Guaranteed Amounts on the Guarantor, upon receipt of which the Trustee, on behalf of the Guarantor, shall serve without delay a corresponding Guarantee Pre-funding Notice on the Issuer in accordance with clause 7.1 (*Guarantee Pre-funding Obligation*) of the Guarantee Mandate Agreement, and (ii) subject to Applicable Law, the Guarantor shall pay the Guaranteed Amounts Due for Payment pursuant to the terms of this Agreement and the Post-Insolvency Priority of Payments by 10.00 a.m. Swiss time on the date directed by the Trustee.
- (f) If the Trustee – following the occurrence of an Insolvency Event with respect to the Trustee – automatically ceases to be a Party to this Agreement in accordance with Clause 12(a) (*Successor Trustee and Bondholders' Representative*), or if the Trustee fails to deliver a Guarantee Activation Notice and/or a Notice to Pay in accordance with Clauses 4(b) and 4(c), respectively, and Condition 9.1(c) within a reasonable time period and such failure is continuing, the Bondholders' Representative, as direct representative (*rappresentante diretto*) in the name and

for the account of the Covered Bondholders, shall be entitled to deliver such Guarantee Activation Notice and/or Notice to Pay.

- (g) The Parties acknowledge and agree that:
- (i) the Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders, herewith instructs the Guarantor to pay (or to procure the payment of) all sums payable under this Guarantee, subject always to Clause 5 (*Extended Due for Payment Date*) and the applicable Priority of Payments, solely and exclusively to the Principal Paying Agent for distribution to the relevant Covered Bondholders in accordance with the Conditions and the Agency Agreement (*nomina*). No payments under this Guarantee shall be made to or to the order of the Bondholders' Representative;
 - (ii) the Guarantor for the benefit of the Covered Bondholders herewith expressly and irrevocably agrees to pay (or to procure the payment of) all sums payable under this Guarantee, subject always to Clause 5 (*Extended Due for Payment Date*) and the applicable Priority of Payments, solely and exclusively to the Principal Paying Agent for distribution to the relevant Covered Bondholders in accordance with the Conditions and the Agency Agreement (*accettazione della nomina*);
 - (iii) pursuant to the Agency Agreement, the Principal Paying Agent has agreed to receive and distribute payments pursuant to Clause 4(g); and
 - (iv) the obligation of the Guarantor to make any payments hereunder solely and exclusively to the Principal Paying Agent for distribution to the Covered Bondholders in accordance with this Clause 4 (*Payments under the Guarantee*), shall be irrevocable in all circumstances, including, without limitation, the occurrence of an Insolvency Event with respect to the Guarantor.
- (h) At least two Business Days before the date on which the Guarantor is obliged to make a payment under this Guarantee, it shall notify or procure the notification of the Principal Paying Agent of the irrevocable instructions to the Account Bank through which payment to the Principal Paying Agent is to be made.
- (i) If the Trustee:
- (i) delivers a Notice to Pay as directed by the Corporate Services Provider; or
 - (ii) fails to deliver a Notice to Pay where the Corporate Services Provider has failed to direct the Trustee to deliver such Notice to Pay in writing not later than 67 Business Days prior to each Scheduled Payment Date as required by Clause 4(c)(ii),
- then the Trustee shall not be liable to any person.
- (j) The Covered Bondholders acknowledge and agree that the Cash Manager shall apply the applicable Priority of Payments and that Covered Bondholders shall have no claim against the Cash Manager, each other Relevant Creditor or any insolvency official as a result of the application thereof.

5. Extended Due for Payment Date

- (a) If:
- (i) the Issuer has failed to pay the Final Redemption Amount on the Final Maturity Date specified in the Applicable Final Terms (after expiry of the applicable grace period set out in Condition 9.1(a) (Events of Default relating to the Issuer) (the **Grace Period**) with respect to a Series of Covered Bonds; and
 - (ii) prior to the occurrence of a Guarantor Event of Default and service of a Guarantor Acceleration Notice on the Guarantor in relation to any Guaranteed Amounts representing the Final Redemption Amount payable on the Final Maturity Date for a Series of Covered Bonds, the Guarantor, having received the Guarantee Activation Notice and Notice to Pay for the relevant Guaranteed Amount no later than the date falling one Business Day prior to the Extension Determination Date pursuant to Clause 4(c), does not pay the relevant Guaranteed Amount corresponding to the full amount of the Final Redemption Amount in respect of such Series of Covered Bonds by the Extension Determination Date, because the Guarantor has insufficient monies available

under the Guarantee Priority of Payments to pay such Guaranteed Amount in full on the earlier of:

(A) the date which falls two Business Days after service of a Guarantee Activation Notice and Notice to Pay for the relevant amount on the Guarantor or, if later, the Final Maturity Date (in each case after the expiry of the Grace Period); and

(B) the Extension Determination Date,

(b) Then:

(i) the Guarantor shall notify the relevant Covered Bondholders (in accordance with Condition 11 (*Notices*)), the Rating Agency, the Trustee and the Principal Paying Agent as soon as reasonably practicable and in any event at least one Business Day prior to the date specified in Clause 5(a)(ii)(A) and Clause 5(a)(ii)(B) (as appropriate) of any inability of the Guarantor to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of a Series of Covered Bonds pursuant to this Agreement on such date;

(ii) the Guarantor shall apply the funds available for distribution under the Guarantee Priority of Payments (if any) (after paying or providing for payment of higher ranking or pari passu amounts in accordance with the Guarantee Priority of Payments) on the earlier of the date pursuant to Clause 5(a)(ii)(A) and Clause 5(a)(ii)(B) for pro rata in part payment of the Guaranteed Amount equal to the Final Redemption Amount of each Covered Bond of the relevant Series of Covered Bonds; and

(iii) payment of the unpaid portion of the Final Redemption Amount by the Guarantor under the Guarantee shall be deferred until the Extended Due for Payment Date, provided that any amount representing the Final Redemption Amount due and remaining unpaid following application of the funds pursuant to Clause 5(b)(ii) will be paid by the Guarantor to the extent it has sufficient funds available for distribution under the Guarantee Priority of Payments on any Interest Payment Date applicable to that Series of Covered Bonds thereafter up to (and including) the relevant Extended Due for Payment Date.

6. Limited Recourse Against the Guarantor

(a) Any payment obligation of the Guarantor under or in connection with this Agreement will become due only (i) until the occurrence of an GED Guarantee Activation Date, on any Guarantor Payment Date, or (ii) thereafter, on any date on which amounts are paid or payable in accordance with the Post-Insolvency Priority of Payments (each such date a **Relevant Payment Date**), in each case subject to the other provisions set out in this Agreement, and is limited to the amount ("x") corresponding to the *pro rata* share of such obligation in the Available Funds from time to time, which amount shall not be less than zero or greater than the nominal amount of the relevant obligation and shall be calculated in accordance with the following formula:

$$x = NA \times \frac{(\text{Available Funds} - \text{Higher Ranking Creditors} - \text{Pro Rata Share Other Creditors})}{\text{Total Liabilities to Relevant Creditor and Pari Passu Creditors}}$$

where:

NA means the CHF Equivalent of the Nominal Amount of Accrued Obligations due by the Guarantor to the Bondholders' Representative (acting as direct representative (*rappresentante diretto*) in the name and for the account of the relevant Covered Bondholders) under this Agreement as at the Relevant Payment Date.

Available Funds means on any Guarantor Payment Date or other Relevant Payment Date (as applicable):

(i) prior to the occurrence of a Guarantor Liquidation Event, all cash standing to the credit of the General Bank Account managed in accordance with the terms of the Intercreditor Agreement (including funds recorded on the Guarantor Profit Amount Ledger on the General Bank Account); and

- (ii) after the occurrence of a Guarantor Liquidation Event, the aggregate of (A) all cash standing to the credit of the General Bank Account managed in accordance with the terms of the Intercreeitor Agreement (including funds recorded on the Guarantor Profit Amount Ledger on the General Bank Account) and (B) all cash standing to the credit of the Cover Pool Bank Account up to the amount of all Secured Obligations not covered pursuant to sub-paragraph (A) of this paragraph (ii).

Higher Ranking Creditors means, as of the Relevant Payment Date, the aggregate Nominal Amount of all Accrued Obligations due by the Guarantor to creditors ranking ahead of the Bondholders' Representative (acting as direct representative (*rappresentante diretto*) in the name and for the account of the relevant Covered Bondholders) under the applicable Priority of Payments (excluding amounts owed to creditors not bound by the Priority of Payments) (in each case, where not denominated in CHF, converted into CHF, at either the CHF Equivalent Rate or the Spot Rate, as applicable).

Pro Rata Share Other Creditors means, as of the Relevant Payment Date, the aggregate Nominal Amount of all Accrued Obligations due by the Guarantor to creditors not bound by the Priority of Payments (in each case, where not denominated in CHF, converted into CHF at the Spot Rate), multiplied by the Available Funds, divided by the aggregate Nominal Amount of the Accrued Obligations due by the Guarantor under the Transaction Documents and due to creditors not bound by the Priority of Payments (in each case converted into CHF, at either the CHF Equivalent Rate or the Spot Rate, as applicable).

Total Liabilities to Relevant Creditor and Pari Passu Creditors means, as of the Relevant Payment Date, the aggregate Nominal Amount of all Accrued Obligations due by the Guarantor to the Bondholders' Representative (acting as direct representative (*rappresentante diretto*) in the name and for the account of the relevant Covered Bondholders) under this Agreement plus the aggregate Nominal Amount of all Accrued Obligations due by the Guarantor to creditors (other than creditors not bound by the Priority of Payments) ranking *pari passu* with the Bondholders' Representative (acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders) under the applicable Priority of Payments (in each case where not denominated in CHF, converted into CHF, at either the CHF Equivalent Rate or the Spot Rate, as applicable).

- (b) Upon the Cash Manager giving written notice to the Bondholders' Representative (acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders) that:
 - (i) it has determined in its sole opinion that there is no reasonable likelihood of there being any further realisations in respect of the Available Funds or future realisations from the Cover Pool Assets which would be available to pay amounts owing to the Bondholders' Representative (acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders); and
 - (ii) all amounts available to be applied to pay amounts owing to the Bondholders' Representative (acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders) have been so applied in accordance with the Transaction Documents,

the Guarantor shall have no further obligations in respect of any amounts owed under this Agreement which remain unpaid and such unpaid amounts shall be deemed to be discharged in full as against the Guarantor.

- (c) The limitations set forth in this Clause 6 shall also apply after the initiation of bankruptcy proceedings against the Guarantor, provided that it is understood that the competent liquidator, administrator or similar official appointed in respect of the Guarantor shall be competent to calculate the relevant amounts set forth in this Clause 6 and the Guarantor shall have no further obligations in respect of any amounts owed under this Agreement which remain unpaid and such unpaid amounts shall be deemed to be discharged in full as against the Guarantor after all Available Funds have been realised in full by the competent liquidator, administrator or similar official appointed in respect of the Guarantor or otherwise and all amounts available to be applied to pay amounts owing to the Bondholders' Representative (acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders) have been so applied.

7. Guarantee Fee

The Guarantor's obligations under this Agreement shall not be deemed to have been discharged and remain in full force and effect, if the Issuer fails to pay the Guarantee Fee to the Guarantor in accordance with the terms of the Guarantee Mandate Agreement for any reason.

8. Taxation

Should any payments made by the Guarantor under the Guarantee be made subject to any withholding or deduction for or on account of Taxes of whatever nature imposed or levied by any tax jurisdiction or any political subdivision or any authority thereof or therein having power to tax, the Guarantor will not be obliged to pay any additional amounts to the Trustee or any Covered Bondholder or any other person in respect thereof. If any such withholding or deduction is required by law, the Guarantor shall pay any amount net of such withholding or deduction and shall account to the appropriate tax authority for the amount required to be withheld or deducted.

9. Representations and Warranties of the Guarantor

The Guarantor hereby represents and warrants to the Trustee and the Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders, as at the date hereof and each Issue Date (if different) as follows:

- (a) the Guarantor has been duly incorporated and is validly existing under Swiss law and has all corporate power and authority to carry on its business;
- (b) the Guarantor has the necessary corporate power to enter into, execute and deliver this Agreement and the other Transaction Documents to which it is a party and to perform its obligations under this Agreement and the other Transaction Documents to which it is a party and the transactions contemplated thereby and the Guarantor has taken all corporate consents, approvals and authorizations required to authorize its entry into, execution, delivery and performance of this Agreement and the other Transaction Documents to which it is a party and the transactions contemplated hereby;
- (c) subject to the Reservations, upon due execution, issue and delivery, this Agreement and the other Transaction Documents to which it is a party shall constitute legal, valid and binding obligations of the Guarantor, enforceable against it in accordance with their respective terms;
- (d) the execution and delivery by the Guarantor of this Agreement and the other Transaction Documents to which it is a party and the performance of its obligations arising hereunder and thereunder:
 - (i) do not conflict with and do not breach any of the provisions of its constitutional documents; and
 - (ii) will not infringe or constitute a default of any of its obligations under any instrument or agreement to which it is a party;
- (e) all material consents, licenses, approvals, authorisations, orders, registrations or qualifications of or filings with any court or governmental or regulatory authority required on the part of the Guarantor and all other actions or things (including, without limitation, the payment of any ad valorem stamp or other similar tax or duty) required, fulfilled or done by it for or in connection with the execution and delivery of, and compliance with the terms of this Agreement and the other Transaction Documents to which it is a party have been obtained and done, respectively, and are in full force and effect;
- (f) no event has occurred which would constitute a Guarantor Event of Default;
- (g) the Guarantor is in compliance with, and has fulfilled its obligations under, each of the Transaction Documents to which it is a party in all material respects;
- (h) no Insolvency Proceedings are pending against the Guarantor, nor have any actions or measures been approved against it under such Insolvency Proceedings;
- (i) no litigation or arbitration proceeding has been initiated or threatened in writing against the Guarantor with a view to prevent the Guarantor from consummating the transactions contemplated in this Agreement or any of the other Transaction Documents to which it is a party or which would be reasonably likely to have a material adverse effect on the Guarantor's ability to perform and observe any of its obligations under this Agreement or any other Transaction Document to which it is a party;

- (j) the Guarantor has not engaged in any material activities since its incorporation except as contemplated or permitted pursuant to the Transaction Documents;
- (k) except as contemplated or permitted pursuant to the Transaction Documents, there exists no mortgage, pledge, lien, encumbrance, charge or other Security Interest whatsoever over the whole or any part of the Guarantor's assets (including, but not limited to, the Cover Pool Assets), except for Security Interests created by operation of mandatory law, and it has not entered into any trust agreement other than the Trust Agreement;
- (l) the Guarantor has no subsidiaries or branches and no employees; and
- (m) this Agreement has been duly executed and delivered by the Guarantor.

10. Undertakings of the Guarantor

- (a) Save (i) as provided in or envisaged by this Agreement or the other Transaction Documents to which the Guarantor is a party, or (ii) to the extent reasonably required in connection with the Guarantor's entry into Transaction Documents to which the Guarantor is a party or the proper performance of the Guarantor's obligations thereunder, the Guarantor shall not:
 - (i) create or permit to subsist any mortgage, standard security, assignation, pledge, lien, charge or other Security Interest whatsoever (unless arising by operation of mandatory law), over the whole or any part of its assets (including, but not limited to, the Cover Pool Assets) or its undertakings, present or future;
 - (ii) transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets (including, but not limited to, the Cover Pool Assets) or undertakings or any interest, estate, right, title or benefit therein or thereto or agree or attempt or purport to do so;
 - (iii) have an interest in any bank account;
 - (iv) incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any such indebtedness;
 - (v) have any employees or branches or subsidiaries;
 - (vi) acquire or hold any assets;
 - (vii) engage in any activities or conduct any business or to hold itself out to that effect or hold itself out as the Issuer or any of its affiliates or as having the financial support of the Issuer or any of its affiliates;
 - (viii) enter into any contracts, agreements or other undertakings other than the Transaction Documents and agreements about the transfer of data between Cornèr Banca Group companies;
 - (ix) agree to any amendments or modifications to the terms of the Transaction Documents to which the Guarantor is a party without the prior written consent of the Trustee;
 - (x) compromise, compound or release any debt due to it;
 - (xi) acquire or hold any real estate, intellectual property rights or participations;
 - (xii) have any establishment other than in Switzerland; or
 - (xiii) commence, settle or compromise any litigation or other claims relating to it or any of its assets.
- (b) The Guarantor shall:
 - (i) notify the Trustee of any changes made or initiated to the Persons acting as any Third Party Services Provider or Swap Provider; and
 - (ii) notify the Trustee of termination of any of the Transaction Documents with any Third Party Services Provider or any Swap Provider,

but any failure to so notify will not affect in any way the Guarantor's obligations under this Agreement.

11. Non-Petition

The Trustee, the Bondholders' Representative, acting for itself and as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders and each Covered Bondholder agrees that for so long as any Covered Bonds are outstanding and until the expiry of a period ending 366 days after the date on which all potential liabilities guaranteed by the Guarantee have been discharged or satisfied in full:

- (a) it will not take any legal steps nor institute any legal proceedings against the Guarantor or its assets or corporate bodies for the purpose of asserting or enforcing any of its rights or claims against the Guarantor; in particular, it will not:
 - (i) file a request for payment (*domanda di esecuzione*) under the DEBA or otherwise initiate any debt collection, attachment or enforcement proceedings against the Guarantor or support any such proceedings; or
 - (ii) initiate any arbitration, court, administrative or other proceedings against the Guarantor, its assets or executive bodies, or support any such proceedings, except for any such action (x) solely seeking declaratory relief without requesting the adjudication of damages, or (y) solely seeking specific performance of the Guarantor's obligations under the Transaction Documents to serve Pre-funding Notices and/or Recourse Notices; or
 - (iii) without prejudice to the netting provisions expressly provided for in any Swap Agreement, exercise any right of set-off;
- (b) it will not take any steps nor institute any proceedings to procure or initiate the bankruptcy, winding up, liquidation, restructuring, administration or any similar procedure in respect of the Guarantor, and, in particular, it will not initiate or support any Insolvency Proceedings against the Guarantor; and
- (c) other than by virtue of filing any of its claims in an insolvency of the Guarantor, it will not claim, rank, prove or vote as creditor of the Guarantor 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 relevant Priority of Payments have been paid in full,

provided, however, that paragraphs (a)(i) and (ii) as well as paragraph (b) of this Clause 11 shall become inapplicable if the Guarantor is adjudicated bankrupt by a competent Swiss court. In such case, each of the Trustee, the Bondholders' Representative, acting for itself and as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders and each Covered Bondholder shall submit its claims against the Guarantor with the bankruptcy administrator of the Guarantor and clarify that the claims are subject to rights of higher ranking creditors pursuant to the Post-Insolvency Priority of Payments.

12. Successor Trustee and Bondholders' Representative

- (a) Upon the occurrence of an Insolvency Event with respect to the Trustee, the Trustee shall automatically cease to be a Party to this Agreement without any further notice or action being required.
- (b) If a successor trustee is appointed in accordance with clause 18 (*New Trustee and Bondholders' Representative*) of the Trust Agreement, with effect as of the appointment of the successor trustee, (i) all rights and obligations of the Trustee under this Agreement shall be automatically transferred to such successor trustee and (ii) the Trustee shall cease to be a Party to this Agreement. All Parties hereby agree in advance to such assumption of contract (*assunzione di contratto*) by the successor trustee.
- (c) Pursuant to Condition 12(a) (*Appointment of Bondholders' Representative*), each Covered Bondholder has appointed and authorized the Trustee to act as Bondholders' Representative and has authorized the Bondholders' Representative to accept and execute as direct representative (*rappresentante diretto*) this Agreement and to hold, administer and, if necessary, enforce any rights under this Agreement on behalf of the Covered Bondholders. To the extent of this delegation, no Covered Bondholder may independently exercise any rights under the Conditions and this Agreement and the Guarantee.
- (d) If a new Bondholders' Representative is appointed with respect to one or more Series of Covered Bonds pursuant to the Conditions, such new Bondholders' Representative shall, with effect as of the appointment of the new Bondholders' Representative, act as direct representative

(*rappresentante diretto*) in the name and for the account of the Covered Bondholders of the relevant Series of Covered Bonds.

13. Miscellaneous

Any settlement or discharge in respect of the obligations of the Issuer or any security for the obligations of the Issuer or otherwise in whole or in part or any arrangement made on the faith of any payment, security or other disposition shall be conditional upon no payment to a Covered Bondholder being avoided or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation or similar laws of general application and, in the event of any such payment being so avoided or reduced, the Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders of the relevant Series shall be entitled to recover from the Guarantor the amount by which such payment is so avoided or reduced as if such settlement or discharge had not occurred. The Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders of the relevant Series, acting in good faith, shall be entitled to concede or compromise any claim that any settlement of discharge is liable to avoidance or reduction.

14. Notices

- (a) Unless otherwise specifically provided for herein, any notice required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or transmitted by registered mail (airmail, if international) or by internationally recognized courier service, or transmitted by telefax (always to be followed by registered mail) to the Parties as follows (as elected by the Party giving such notice):

if to the Guarantor:

Accent Ipoteche SA
Attention: Board of Directors
c/o Cornèr Banca SA
Via Canova 16
CH-6900 Lugano
Switzerland

with a copy to:

Cornèr Banca SA
Attention: Corporate Center
Via Canova 16
CH-6900 Lugano
Switzerland
Email: info@corner.ch

If to the Bondholders' Representative /
Trustee:

ProServices Trustees (Switzerland) AG
Attention: Giorgio Incognito
Mühlebachstrasse 54
CH-8008 Zurich
Switzerland
Fax: +4144 252 0881
Tel: +41 44 252 0880
Email: zurich@amicorp.com
g.incognito@amicorp.com
d.pesciatini@amicorp.com

or any substitute address or fax number as a Party may notify to the others in accordance with the above by not less than five Business Days' notice.

- (b) The Parties agree that whenever this Agreement requires that a document, communication or notice be delivered or made in writing, such document, communication or notice shall conform to such requirement when conforming to article 13 et seq. CO and the Parties agree the other Party may use electronic signatures as provided for in article 14 para. 2bis CO instead of signing by hand.
- (c) Except as otherwise specified herein, all notices and other communications shall be deemed to have been duly given on (i) the date of receipt if delivered personally or by courier or transmitted by mail, or (ii) the date of transmission with confirmed answerback if transmitted by telex or telefax, whichever shall first occur.

15. Governing Law and Jurisdiction

- (a) This Agreement shall in all respects be governed by, and construed in accordance with, the substantive laws of Switzerland.
- (b) Any dispute, controversy or claim arising under, out of or in connection with this Agreement, including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the courts of the City of Lugano, Switzerland

SIGNATURES

ACCENT IPOTECHE SA

as Guarantor

Name:
Title:

Name:
Title:

PROSERVICES TRUSTEES (SWITZERLAND) AG

as Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders, and as Trustee

Name:
Title:

Name:
Title:

ANNEX A DEFINITIONS

In this Agreement:

Accrued Obligations means those specified obligations or liabilities of the Guarantor to be recognised as liabilities on the Guarantor's balance sheet in accordance with Swiss GAAP as at the Relevant Payment Date.

Agreement means this guarantee agreement including all its Annexes and Schedules.

Annex means an annex to this Agreement.

Bondholders' Representative has the meaning given to such term on the front page of this Agreement or any successor Bondholders' Representative appointed pursuant to the Bondholders' Provisions for any Series of Covered Bonds. If more than one Bondholders' Representative is appointed as successor Bondholders' Representative, "Bondholders' Representative" shall mean any Bondholders' Representative so appointed.

Cash Management Fee means the fee agreed in a separate side letter to be paid by the Guarantor to Cornèr Banca as cash manager (or any successor cash manager appointed from time to time) per calendar year in arrears on the Guarantor Payment Date falling in December of each calendar year for the cash manager's services under the Cash Management Agreement.

Clause means a clause of this Agreement.

Collateral Differential has the meaning given to it in section "*Overview of the Principal Transaction Documents—Guarantee Mandate Agreement—Fees and Collateral Differential*" of the Base Prospectus.

Conditions means the terms and conditions of the Covered Bonds as set out in section "*Terms and Conditions of the Covered Bonds*" of the Base Prospectus, each being a **Condition**.

Cornèr Banca Group or **Cornèr Group** means Cornèr Banca SA together with its Subsidiaries.

DEBA means the Swiss Federal Debt Collection and Bankruptcy Act (*legge federale sulla esecuzione e sul fallimento*) dated 11 April 1889, as amended and restated from time to time.

Enforcement Event means the earliest of (i) any failure by the Issuer to pay an amount specified in a Pre-funding Notice or a Recourse Notice on the date specified or indicated in such Pre-funding Notice or Recourse Notice in

accordance with the terms of the Guarantee Mandate Agreement or the Security Assignment Agreement, as the case may be, irrespective of any decree of a stay of enforcement and/or a postponement of maturity in accordance with article 26 para. 1 lit. h FBA or another protective measure by FINMA, or (ii) any failure by the Issuer and the Originator to pay any other Secured Obligation (x) when the same becomes due, or (y) when the occurrence of the due date of such Secured Obligation is impeded as a consequence of any decree of a stay of enforcement and/or a postponement of maturity in accordance with art. 26 para. 1 lit. h FBA or another protective measure by FINMA on the original due date, or (iii) in case of a bankruptcy in relation to the Issuer or an equivalent event under the FBA, completion of the relevant Insolvency Proceedings.

General Indemnity Recourse Notice has the meaning given to it in section "*Overview of the Principal Transaction Documents—Guarantee Mandate Agreement—General Recourse and Indemnity Obligations and General Recourse and Indemnity Pre-funding Obligations*" of the Base Prospectus.

Grace Period has the meaning given to such term in paragraph (a)(i) of Clause 5 (*Extended Due for Payment Date*).

Guarantee has the meaning given to such term in Recital (B).

Guarantee Extension Table means the table substantially in the form of Schedule 1 (*Form of Guarantee Extensions Table*) delivered pursuant to Clause 2 (*Initial and Subsequent Covered Bonds*).

Guarantee Priority of Payments means the guarantee priorities of payments set out in section "*Cash Flows—Allocation and distribution of amounts following the IED Guarantee Activation Date—Guarantee Priority of Payments*" of the Base Prospectus which shall be incorporated by reference in the Agreement.

Guarantee Recourse Notice has the meaning given to it in section "*Overview of the Principal Transaction Documents—Guarantee Mandate Agreement—Guarantee Pre-funding Obligation and Guarantee Recourse and Indemnity Obligation*" of the Base Prospectus.

Guarantor has the meaning given to such term on the front page of this Agreement.

Guarantor Liquidation Event means the occurrence of each of the events set out in paragraphs (iv) to (vi) of Condition 9.2 (*Events of Default relating to the Guarantor*) in relation to the Guarantor.

Guarantor Profit Amount Ledger means the ledger where the amount of the Guarantor's aggregate distributable profits from time to time, standing to the credit of the General Bank Account, will be recorded.

Higher Ranking Creditors has the meaning given to it in paragraph (a) of Clause 6 (*Limited Recourse against the Guarantor*).

including means including without limitation, not delimiting the term(s) to which the word relates to the example(s) thereafter mentioned.

Increased Services Provider Expenses Recourse Notice has the meaning given to it in section "*Overview of the Principal Transaction Documents—Security Assignment Agreement—Increased Services Provider Expenses Pre-funding Obligation and Increased Services Provider Expenses Recourse and Indemnity Obligation*" of the Base Prospectus.

NA has the meaning given to it in paragraph (a) of Clause 6 (*Limited Recourse against the Guarantor*).

Parties means the parties to this Agreement, each being a "**Party**".

Payment Due Date has the meaning ascribed to it in paragraph (a) of Clause 4 (*Payment under the Guarantee*).

Pre-funding Notice means each Guarantee Pre-funding Notice, Swap Termination Payment Pre-funding Notice, General Indemnity Pre-funding Notice and Increased Services Provider Expenses Pre-funding Notice.

Priority of Payments means the priorities of payments set out in sections "*Cash Flows—Allocation and distribution of amounts prior to the Guarantee Activation Date*", "*Cash Flows—Allocation and distribution of amounts following the IED Guarantee Activation Date*" and "*Cash Flows—Allocation and distribution of amounts following the GED Guarantee Activation Date*" of the Base Prospectus, including, for the avoidance of doubt, the Pre-Guarantee Priority of Payments, the Guarantee Priority of Payments and the Post-Insolvency Priority of Payments, which shall be incorporated by reference in the Agreement.

Pro Rata Share Other Creditors has the meaning given to it in paragraph (a) of Clause 6 (*Limited Recourse against the Guarantor*).

Recourse Notice means each of the Guarantee Recourse Notice, Swap Termination Payment Recourse Notice, General Indemnity Recourse Notice and the Increased Services Provider Expenses Recourse Notice.

Relevant Creditor means each of the Issuer, the Initial Swap Provider (if any), the Assignor, the Cash Manager,

the Account Bank, the Corporate Services Provider, the Trustee, the Paying Agents, the Asset Monitor and the Covered Bondholders and any new Relevant Creditor acceding to the Intercreditor Agreement.

Relevant Payment Date has the meaning ascribed to it in paragraph (a) of Clause 6 (*Limited Recourse against the Guarantor*).

Replacement Servicer Fee means any fee payable to a Replacement Servicer under a Replacement Servicer Agreement.

Reservations means the limitation of enforcement by laws relating to insolvency or reorganisation and other laws generally affecting the rights of creditors and similar principles or limitations under the laws of any applicable jurisdiction as well as any other matters which are set out as qualifications or reservations as to matters of law of general application in the legal opinions to be delivered in connection with the issue of Covered Bonds.

Schedule means a schedule to this Agreement.

Security Interests means any and all existing or future pledges, liens, encumbrances, or other interests of any nature, statutory and contractual retention rights (*diritti di ritenzione contrattuale*), rights to set-off (*diritti di compensazione*), rights to retain (*diritti di conservazione*), rights to refuse performance (*diritti di rifiutare le prestazioni*) and similar rights, whether obligatory rights or rights in rem.

Shortfall has the meaning ascribed to it in paragraph (a) of Clause 4 (*Payments under the Guarantee*).

Swap Provider (if any) means (i) a cover pool swap provider to the Guarantor under any Swap Agreement or (ii) a swap provider providing services under a covered bond swap in its capacity as covered bond swap provider to the Guarantor under any Swap Agreement, in each case as may be appointed by the Guarantor following the date of this Agreement.

Swap Termination Payment Pre-funding Notice has the meaning given to it in section "*Overview of the Principal Transaction Documents—Guarantee Mandate Agreement—Swap Termination Payment Recourse and Indemnity and Swap Termination Payment Pre-funding Obligation (if any)*" of the Base Prospectus.

Swap Termination Payment Recourse Notice has the meaning given to it in section "*Overview of the Principal Transaction Documents—Guarantee Mandate Agreement—Swap Termination Payment Recourse and Indemnity and Swap Termination Payment Pre-funding Obligation (if any)*" of the Base Prospectus.

Swiss Corporate Income Tax means Swiss Federal, Ticino cantonal and communal corporate income tax and Ticino cantonal and communal corporate capital tax.

Total Liabilities to Relevant Creditor and Pari Passu Creditors has the meaning ascribed to it in paragraph (a) of Clause 6 (*Limited Recourse against the Guarantor*)."

USE OF PROCEEDS

The net proceeds of the issue of each Series or Tranche of Covered Bonds will be used by the Issuer for its general business purposes.

DESCRIPTION OF THE CORNÈR GROUP

General Corporate Information

Cornèr Banca, a Swiss bank incorporated as a stock corporation (*società anonima*) on 3 July 1952 under the laws of Switzerland for an unlimited duration with registered office and headquarters at Via Canova 16, CH-6900 Lugano in Switzerland (is the leading entity of the Cornèr Group (the "Cornèr Group")). It is registered with the commercial register of the Canton of Ticino under the company registration number CHE-105.962.409 since 14 July 1952. The Legal Entity Identifier (LEI) is 8B4SQYKBT0013V7EP290.

The Cornèr Banca provides a full range of banking services through branches in Chiasso, Locarno, Geneva and Zurich and four agencies (in Ascona, Cassarate, Paradiso and Pregassona), with private banking and securities trading as its core activities. Such activities are also carried out by its foreign affiliate in Nassau, Bahamas and Cornèr Banca's Guernsey Branch. The Issuer also manages its own investment funds and acts as custodian for a number of other funds.

Cornèr Banca offers its private, institutional and corporate customers a very wide range of credit facilities and loans, mainly through the parent company and its branches in Switzerland. Historically, Cornèr Banca operates in the shipping loan sector. An important field of activity for the Cornèr Group has been the issue and management of Visa, Mastercard and Diners Club cards, where it has been active for over 50 years; since 2011 through its subsidiary BonusCard.ch which merged into Cornèr Banca in 2021 and since 2019 through its subsidiary Cornèr Europe AG in Vaduz.

As of 31 December 2025, the Cornèr Group employed 1,143 full-time employees, 997 in Ticino, 118 in the rest of Switzerland and 28 abroad.

Purpose, Articles of Association

Cornèr Banca's articles of association are dated 12 December 2017.

The principal purpose of the Issuer, as set out in article 2 (*Scopo*) of the Articles of Association (the **Articles**), is to operate as a bank and to engage in all businesses that are typically conducted by a bank, namely, the provision of transactional, financial, consulting and other commercial banking activities both in Switzerland as well as abroad, to Swiss and non-Swiss private and institutional clients. It may also acquire, mortgage and sell real estate properties in Switzerland and abroad, as well as set up branches, subsidiaries and representative offices in Switzerland as well as outside Switzerland and can create and manage banks, financial institutions and other companies, and can invest in the same.

Group structure

The Covered Bonds and the Guarantee will be obligations solely of the Issuer and the Guarantor, respectively, and will not be guaranteed by or the responsibility of the Cornèr Group, any of the Cornèr Group Shareholders or any other entity referred to in this Base Prospectus.

The majority shareholders of Cornèr Banca (with voting rights) as of 31 December 2025 are set out below:

	Nominal	Participation
Corpendius AG, Zug – Cornaro Family 100%	6,012	50.1%
Cornaro Family	3,603	30.0%
Piotrkowski-Dollfus family	2,357	19.6%
Other Shareholders	28	0.3%
TOTAL	12,000	100.0%

Cornèr Banca holds 98% of the share capital of the Guarantor, see "*Description of the Guarantor*".

Corporate Governance

Cornèr Banca's corporate governance framework reflects requirements of Swiss corporate law, the standards of FINMA Circular 2017/1, "Corporate governance – banks", the banking licence decree from FINMA dated 14 October 2016 and additional requirements of the Cornèr Group.

The main governing body of Cornèr Banca is the Board of Directors (*Consiglio di Amministrazione*) which is responsible for the overall strategic direction, supervision and control of Cornèr Banca, see "*— Executive Board of Cornèr Banca*". The Board of Directors appoints the members of the Audit and Risk Committee (*Comitato di Audit e Rischi*) and the Executive Board (*Direzione Generale*).

The Executive Board is responsible for the day-to-day operational management of Cornèr Banca's business and for developing and implementing the strategy and business plan agreed by the Board of Directors. It also sets up a compliance function that puts into place appropriate systems, processes and internal committees to maintain compliance with all internal rules and regulations of Cornèr Banca. For further information on the members of the Executive Board, see "*— Executive Board of Cornèr Banca*".

Board of Directors of Cornèr Banca

The Board of Directors of Cornèr Banca (the **Board of Directors**) consists of at least seven members. Members of the Board of Directors are elected individually by the shareholders for a period of one year, without a limit on the number of terms they may be elected.

As of the date of this Base Prospectus, the Board of Directors consists of the following members:

	Board member since	Role
Paolo Cornaro	2016	Chairman
Carlo Donati.....	2008	Vice Chairman (independent)
Alessandro Bizzozero	2014	Director (independent)
Pierpaolo Caldelari	2019	Director
Francesca Folonari.....	2018	Director
Alberto Petruzzella	2017	Director (independent)
Claudia Viscardi Galli	2022	Director
Luca Allidi	2023	Director (independent)
Gabriele Zanzi.....	2026	Director (independent)

The business address for each of the members of the Board of Directors is at the Bank's registered office at Via Canova 16, 6901 Lugano, Switzerland.

The Board of Directors has a Board Committee, and an Audit and Risk Committee as described below.

Board Committee of the Board of Directors

The Board Committee (*Comitato del Consiglio*) of Cornèr Banca consists of the Chairman, the Vice Chairman and Pierpaolo Caldelari. The Board Committee's specific powers and competencies include: taking accounting decisions regarding investments, legal issues, write-downs and losses, according to certain limits assigned pursuant to the organisational regulations of Cornèr Banca; taking credit decisions within certain limits set out in the organizational regulations, setting salaries and bonuses of the executive board and preparing directives for the remuneration of the personnel based on the decisions of the Board of Directors, appointing representatives of Cornèr Banca to organisations or associations in which the bank participates and to monitor the interests involved in these undertakings, to appoint and dismiss persons authorised to manage and represent the bank, from its authorised attorneys to management and to approve the transfer of registered shares, consequently recording these transfers in the shareholders' register. The Board Committee meets whenever business requirements dictate - but at least every three months, unless the board of directors has met in the meantime - by invitation of the chairman or on request of a member or the executive board. The Board Committee regularly informs the Board of Directors of the decisions it has taken.

Audit and Risk Committee of the Board of Directors

The Audit and Risk Committee (*Comitato di Audit e Rischi*) consists of three members, all satisfying the independence requirements defined by FINMA Circular 2017/1, ("Corporate governance – banks"). As of the date of this Base Prospectus, the members are Alessandro Bizzozero, Alberto Petruzzella and Luca Allidi. The Audit and Risk Committee must review and evaluate the enterprise risk management framework (the **Risk Policy**) on an annual basis and submit necessary adjustments for approval to the Board of Directors. It also monitors compliance with the Risk Policy and periodically obtains information on second level control activities and internal audit. The

Audit and Risk Committee is not an executive committee; rather, it reports and summarises its conclusions and recommendations to the Board of Directors.

Executive Board of Cornèr Banca

The Executive Board (*Direzione Generale*) is the most senior management body of Cornèr Banca. The Executive Board consists of at least three members appointed by the Board of Directors.

As of the date of this Base Prospectus, the Executive Board currently consists of five members, including the Chief Executive Officer. The individual members of the Executive Board are listed in the table below.

	Executive Board member since	Role
Vittorio Cornaro.....	2008	Chief Executive Officer
Alessandro Seralvo	2008	Executive Vice President
Christian Torriani.....	2013	Chief Financial Officer
Ivan Curcio	2022	Executive Vice President
Riccardo Dericci	2022	Executive Vice President

The business address for each of the members of the Board of Directors is at the Bank's registered office at Via Canova 16, 6901 Lugano, Switzerland.

The Executive Board sets up the risk management and compliance functions and establishes various sub-committees to which it can delegate part of his powers pursuant to specific regulations.

The Executive Board has a Credit Risk Committee, ALM Committee, Compliance & Operational Risk Committee, and Trading Committee as described below.

Credit Risk Committee

The Credit Risk Committee (*Comitato Rischio di Credito*) is the body in charge of supervising credit and counterparty risks towards customers, counterparties and financial institutions. The committee has also as objectives the identification, assessment, management and control of country risk, settlement risk and concentration risk. Single-counterparty decisions for granting limits are assigned through a grid-system based on thresholds, and limits that exceed the maximum thresholds are a direct competence of the Board of Directors. Reports are submitted to the respective bodies which authorised the limits and summary reports on the status of the credit portfolio, the relative authorisation limits and exceptions to policy are submitted to the Credit Risk Committee on a regular basis. The Chairman of the Credit Risk Committee is the Chief Executive Officer, and the other members are the other members of the Executive Board, Head of Credit division, Head of Markets division, Head of Private Banking division, Head of Operations division, Head of Corporate Center division, Head of Cornèrcard division, Head of Compliance & Risk Management and Head of Cornèrcard Financial and Account.

ALM Committee

The ALM Committee (Comitato ALM) is responsible for market risk, interest rate risk, liquidity risk and exchange rate risk in the banking book, liquidity risk and the monitoring of the bank's capital adequacy. The ALM Committee plays mainly a strategic role focused on the medium to long term view of on-and off-balance sheet positions both in terms of interest rate risk (including hedging strategies) and liquidity risk. The Chairman of the ALM Committee is the Chief Executive Officer and the other members are the other members of Executive Board, Head of Credit division, Head of Markets division, Head of Private Banking division, Head of Operations division, Head of Corporate Center division, Head of Cornèrcard division, Head of Compliance & Risk Management, Head of Cornèrcard Financial and Account and Head of Front Office Markets.

Compliance & Operational Risk Committee

The Compliance and Operational Risk Committee (*Comitato Compliance e Rischio Operativo*) is responsible for compliance risk, legal risk and operational risk and is responsible for ensuring that the activities of the Bank are in line with legal and regulatory requirements, internal standards and compliance rules. The Compliance and Operational Risk Committee defines the policies for compliance and operational risks, including with respect to Anti Money Laundering, sanctions, cross-border rules and cyber risk. Chairman of the Compliance

and Operational Risk Committee is the Chief Executive Officer and the other members are the other members of the Executive Board, Head of Credit division, Head of Markets division, Head of Private Banking division, Head of IT division, Head of Operations division, Head of Corporate Center division, Head of Cornèrcard Operations (GILC Shared Services) division, Head of Cornèrcard division, Head of Legal, Head of Compliance & Risk Management and Head of Corporate Security.

Trading Committee

The Trading Committee (*Comitato Trading*) is responsible for the management of market risk in the trading book (interest rate risk, exchange rate risk, equity risk, commodity and precious metals risk). The Chairman of the Trading Committee is the Chief Executive Officer and the other members are the other members of the Executive Board, Head of Credit division, Head of Markets division, Head of Private Banking division, Head of Operations division, Head of Corporate Center division, Head of Cornèrcard division, Head of Compliance & Risk Management and Head of Front Office Markets.

Auditors

External audit forms an integral part of Cornè Banca's corporate governance framework and plays a key role by providing an independent assessment of its operations and internal controls. The shareholders' Annual General Meeting elects the external auditors annually for a term of one year.

Ernst & Young SA, Lausanne branch, Avenue de la Gare 39a, CH-1002 Lausanne, Switzerland, registered in the commercial register of the Canton of Vaud under register number CHE-294.400.879, as a branch of Ernst & Young SA, Aeschengraben 27, CH-4051 Basel, Switzerland, acts as statutory auditor of the Bank for this year's mandate, as well as for the last five years. Ernst & Young SA is registered with the EXPERTsuisse-Swiss Expert Association for Audit, Tax and Fiduciary. Ernst & Young SA is also registered with the Swiss Federal Audit Oversight Authority, which is responsible for the licensing and supervision of audit firms and individuals that provide audit services in Switzerland and its register number currently is 500646.

Financial Information

Cornè Banca's financial year ends on 31 December of each calendar year.

Cornè Banca's financial statements have been prepared in accordance with accounting rules of the Swiss Federal Banking Act (**BA**), the corresponding Implementing Ordinance (Swiss Federal Banking Ordinance), the FINMA Accounting Ordinance and FINMA Circular 2020/1, "Accounting – banks", as applicable for the preparation of reliable assessment statutory single-entity financial statements..

Capital Structure

Issued share capital

As of the date of this Base Prospectus, Cornè Banca's share capital amounts to CHF 12'000'000 and is divided into 120'000 registered shares with a par value of CHF 100 each. The share capital is fully paid-in.

Conditional and authorized share capital, conversion capital and reserve capital

As of the date of this Base Prospectus, Cornè Banca has no conditional or authorized share capital, nor conversion capital or reserve capital.

Own shares

As of the date of this Base Prospectus, Cornè Banca does not hold any of its own shares.

Bonds, convertible bonds and options

Except as set out below, Cornè Banca had no bonds, convertible bonds or option rights on shares outstanding as at the date of this Base Prospectus.

Under a SIX Swiss Exchange registered Issuance and Offering Programme (the **Structured Products Programme**), Cornè Banca issues structured products and guarantees structured products issued by Cornè Bank

(Overseas) Limited (except for FinSA Exempt Products), a Bahamas based subsidiary of Cornèr Banca. Certain activities relating to the issuance, maintenance and redemption of the structured products under the Structured Products Programme are outsourced to Leonteq Securities AG. As of 31 December 2025, the aggregate outstanding principal amount of structured products outstanding under the Structured Products Programme was approximately CHF 612.7 million.

As at the date of this Base Prospectus, Cornèr Banca had the following Covered Bonds outstanding under the Base Prospectus initially dated 7 September 2022, as supplemented and amended from time to time, and listed on SIX Swiss Exchange outstanding:

Issue Year	Series / Tranche	ISIN	Final Maturity Date	Extended Due for Payment Date	Aggregate Principal Amount in CHF million
2022	Series 2022-1 2.250 per cent.	CH1214797164	11 October 2027	11 October 2028	100
2023	Series 2023-1 2.050 per cent. - Tranche 1	CH1271007937	26 September 2028	26 September 2029	100
2024	Series 2023-1 2.050 per cent. - Tranche 2	CH1271007937	26 September 2028	26 September 2029	50

As at the date of this Base Prospectus, Cornèr Banca had the following senior unsecured bonds listed on SIX Swiss Exchange outstanding:

Issue Year	Series / Tranche	ISIN	Final Maturity Date	Extended Due for Payment Date	Aggregate Principal Amount in CHF million
2025	Senior unsecured 1% bond	CH1494626356	19 November 2029	NA	150

In December 2025, Cornèr Banca issued, by wave of private placement, CHF 10 million senior unsecured bonds with a maturity date on 30 December 2026 and a coupon of 0.6125% with Luzerner Kantonalbank as a sole lead manager. These bonds were not listed on the SIX Swiss Exchange.

Form and transfer of Shares

The Shares are fully paid-up registered shares (*azioni nominative*) with a nominal value of CHF 100 each. Pursuant to article 4 of the Articles (*Limitazione della trasferibilità delle azioni*) any transfer of Shares is subject to approval by the Board of Directors and the Board of Directors may prohibit a transfer of Shares at their sole discretion without giving a reason.

Each Share carries one vote. Voting rights and rights related thereto may be exercised only after a shareholder has been registered in the Bank's share register as a shareholder with voting rights. Such registration needs the approval of the Board of Directors of the Bank. A shareholders' meeting can validly pass a resolution only if at least one-third of the Shares are represented at the Shareholders' meeting.

The Shares rank *pari passu* in all respects with each other, including in respect of voting rights, entitlement to dividends, share of the liquidation proceeds in the case of a liquidation of Cornèr Banca, and pre-emptive subscription rights. Cornèr Banca does not issue any shares carrying preferential rights.

Business Activities

Cornèr Group offers a full range of services and products catering for the requirements of private and institutional clients, based on the development of long-term relationships based on trust. Although most of the Issuer's clients are based in the Canton of Ticino, Cornèr Banca's home territory, it has clients based across Switzerland. The main businesses provided are (i) day-to-day banking services such as current and saving accounts, debit and credit cards and FX services; (ii) wealth management services and investment solutions for

private clients; (iii) corporate loans for the financing of local companies; and (iv) mortgage loans for the financing of main and secondary residences in Switzerland.

Business Strategy

The Cornèr Group's strategy is centred on a diversified and integrated business model, combining traditional banking services with payment card operations, online trading and wealth management. In an operating environment marked by considerable uncertainty, the Cornèr Group demonstrated solidity and capacity for growth across all areas of activity. The acquisition of Finpromotion SA, a long-established asset management company based in Lugano, was completed in January 2026 and the company is now fully integrated within the Cornèr Group, further strengthening the Group's wealth management offering. Investments were also made in technology during the financial year 2025, including the launch of a multi-year IT programme focusing on the progressive transfer of data management systems to cloud technology based on infrastructure located in Switzerland, in order to upgrade security, operational efficiency and flexibility in developing new digital solutions for clients. In terms of logistics, the Cornèr Group opened new administrative offices in Chiasso and continued progress on the construction of a new building in Pregassona, designed to the most advanced standards and scheduled for completion in 2027.

Patents, licenses or financing contracts

The regular conduct of business of Cornèr Banca, including, in particular, but not limited to the provision of conventional banking services, the issuing of payment cards and the online trading platform services, is generally also based and dependent on a number of software and hardware solutions, IP rights/licenses, as well as contractual agreements with third party providers and/or business partners. In addition, Cornèr Banca depends on licenses issued by its supervisory authority, FINMA.

Legal Proceedings

Cornèr Group is, from time to time, involved in legal proceedings concerning matters arising in connection with the conduct of its business. Generally, the outcome of such proceedings cannot be determined in advance. Where required, appropriate provisions are made in accordance with the applicable accounting principles. It is the assumption of Cornèr Banca that the currently pending proceedings will not have significant adverse effects on the financial soundness of Cornèr Banca. Nevertheless, in light of the inherent uncertainties of legal proceedings, certain risks exist that this assessment is proved to be inaccurate and therefore that such proceedings could have a material adverse effect on Cornèr Banca's business, operating results and financial condition.

Save as disclosed in this Document, the Issuer is not or has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.

Recent developments and Main Business Prospects on a group-wide, consolidated basis

This section contains forward-looking statements based on the current plans, estimates and projects of the Issuer which are uncertain.

The Cornèr Group delivered positive results in 2025, underpinned by its client base and the consistency of its business model. The trust placed in the Group translated into further growth in deposits, which reached CHF 5,454.4 million (+ 5.4%), and an expansion of lending activities, particularly in the mortgage segment. The 74th financial year (2025) closed with a balance sheet total close to CHF 9 billion (+ 3.1%), liquidity of CHF 904 million, largely held with the Swiss National Bank, and capital resources amounting to CHF 1,255.8 million (+ 2.7%). Revenues amounted to CHF 470.8 million, while net profit amounted to CHF 50.8 million, in line with the budget forecast.

Against an economic backdrop marked by volatile financial markets, ongoing geopolitical uncertainty and particularly low interest rates, the Cornèr Group once again demonstrated its solidity and the strength of its diversified operating model. The Group's main areas of activity all performed well overall. This is reflected in a solid net interest income of CHF 141.9 million, with commission and service operations of CHF 200.9 million and a contribution of CHF 110.9 million from trading activities. Growth was particularly robust in the loans segment,

with a further increase in mortgage activity exceeding the threshold of CHF 3 billion, supported by the acquisition of new clients outside Ticino, from the Zurich and Geneva markets in particular.

Private Banking also delivered positive results, as did online trading through Cornèrtrader, which benefited from investments made on its new platform. The payment card sector likewise generated satisfactory volumes, with Cornèrcard maintaining a leading position in the Swiss market. Positive results were also recorded for consumer loans, the portfolio for which now stands in excess of CHF 400 million. The acquisition of Finpromotion SA, a long-established asset management company based in Lugano, was completed in January 2026, further supporting the Group's wealth management offering. The Cornèr Group continued to make strategic investments throughout the year to support future development and the ongoing improvement of its processes, including the launch of a multi-year IT programme for the progressive migration of data management systems to cloud technology based on infrastructure located in Switzerland.

Looking ahead, the Cornèr Group intends to continue pursuing its diversified business strategy across its main areas of activity, including lending, payment card services, wealth management, online trading and consumer finance. The Cornèr Group expects to benefit from the ongoing diversification of its revenue streams, which has historically provided resilience across varying market conditions. Strategic investments made during 2025, including the launch of a multi-year IT programme for the progressive migration of data management systems to cloud-based technology and the expansion of physical infrastructure — with a new building in Pregassona scheduled for completion in 2027 — are expected to support the Cornèr Group's operational efficiency and capacity for future growth. The full integration of Finpromotion SA, completed in January 2026, is expected to further strengthen the Cornèr Group's wealth management offering. The Cornèr Group believes that its capital base and strong liquidity position provide a solid foundation for the continued pursuit of these objectives. The Cornèr Group's business prospects remain subject to the broader macroeconomic and geopolitical environment, including developments in monetary policy, trade dynamics and financial market conditions, as more fully described under "*Risk Factors*". Notwithstanding these inherent uncertainties, the Issuer believes that the Cornèr Group's diversified business model, sound capital position and ongoing strategic investments position it to pursue balanced and sustainable growth.

See also "*Risk Factors—Risks relating to Cornèr Banca—Risks relating to global economic and financial market conditions and systemic risk in the financial services industry*." Trend information contains forward-looking statements. By their very nature, forward-looking statements involve a number of inherent risks and uncertainties that could cause results to differ materially from the plans, targets, goals, expectations, estimates and intentions expressed in such forward-looking statements as more fully described in "*Forward-Looking Statements*".

No material adverse change

Since the publication of Cornèr Banca's annual financial statements as of 31 December 2025 and except as disclosed herein, there has been no material adverse change in the assets and liabilities, financial position and profits and losses of Cornèr Banca and its subsidiaries.

DESCRIPTION OF THE GUARANTOR

General Information

The Guarantor was incorporated under Swiss law as a stock corporation (*società anonima*) under the name Accent Ipoteche SA with unlimited duration, on 25 July 2022 (date of entry in the register) and was registered in the Commercial Register of the Canton of Ticino under the number CHE-177.586.044. The Guarantor is a subsidiary of Cornèr Banca. The Guarantor's registered head office is located at c/o Cornèr Banca SA, Via Canova 16, 6900, Lugano, Switzerland (telephone number: +41 91 800 5111). The Guarantor was established by Cornèr Banca as its founder.

Principal Activities

The Guarantor is an SPE domiciled in Switzerland. Under its constitutional documents, the purpose for which the Guarantor is established includes, among other things, the issuance of guarantees for the benefit of holders of covered bonds issued by Cornèr Banca or its affiliates, the acquisition, holding, administration, management and realization of mortgage claims and any collateral and claims related to such mortgage claims transferred to it as security for the claims acquired by it in connection therewith, as well as activities and transactions ancillary thereto. Since the date of its incorporation, the Guarantor has not engaged in any activity other than those permitted under its constitutional documents, nor has it traded or paid any dividends.

The Guarantor has no subsidiaries or employees.

It is not expected that the Guarantor will carry on any business other than providing the Guarantee in respect of any and all Series of Covered Bonds issued by the Issuer, the acquisition, holding, administration, management and liquidation of the Security Interests in the Cover Pool, as well as activities and transactions ancillary thereto.

The Guarantor was incorporated as a wholly-owned subsidiary of Cornèr Banca. Two per cent. of the shares were subsequently transferred to two persons not affiliated with Cornèr Banca in any way (the **Independent Shareholders**), each Independent Shareholder holding one percent of the shares of the Guarantor (see "*Ownership of Guarantor*"). The Articles of Incorporation provide that certain key resolutions of the Shareholders can only be passed with the consent of at least one Independent Shareholder. There are four members of the Board of Directors of the Guarantor, two of whom are Independent Directors. As a matter of Swiss law, the directors of the Guarantor have to ensure that the Guarantor complies with its business purpose. Resolutions of the Board of Directors of the Guarantor can only be passed with the consent of an Independent Director, and representatives of Cornèr Banca on the Board of Directors of the Guarantor have signing authority for the Guarantor only together with an Independent Director (see "*Board of Directors*"). Following the occurrence of an Issuer Event of Default, the representatives of Cornèr Banca on the Board of Directors of the Guarantor are required to resign, their signing authority shall be removed and, subject to applicable law, Cornèr Banca will exercise its voting rights at shareholders' meetings in accordance with the proposals of the Board of Directors of the Guarantor. The Corporate Services Provider will be appointed to monitor compliance by the Guarantor with its obligations generally.

Business Purpose

Article 2 (*Scopo*) of the articles of incorporation of the Guarantor (the **Articles of Incorporation**) states:

The purpose of the Guarantor is (a) to grant, with or without adequate consideration, guarantees for the benefit of holders of bonds issued by its majority shareholder or any of its affiliates pursuant to guarantee mandate agreements with the respective issuer of bonds; (b) to enter, with or without adequate consideration, into other financing, collateralisation or other intercession transactions for the benefit of its majority shareholder or any of its affiliates; (c) to acquire, hold, manage, realise and sell mortgage claims (including mortgage certificates and other collateral granted in relation to such mortgage claims as well as ancillary claims to such mortgage claims and other related claims) which are transferred to the Guarantor as security for claims of the Guarantor in connection with the guarantee mandate agreements and other transaction documents, as well as to hold, manage and apply the corresponding proceeds; (d) to participate in a system and to enter into contracts (including, but not limited to, participant agreements and custody agreements) in order to participate in a system which allows the fiduciary transfer of paperless mortgage certificates to an administrative trustee and/or the holding and transfer of fiduciary entitlements in paperless mortgage certificates among system participants; (e) to fulfil obligations resulting from contracts with its majority shareholder, any of its affiliates or third parties entered into in connection with such transactions pursuant to (a) to (d) and to enter into such contracts with or without adequate consideration;

and (f) to provide liquidity for meeting the obligations *vis-à-vis* the holders of bonds issued by its majority shareholder or affiliates of its majority shareholder, or *vis-à-vis* third parties in connection with agreements entered into pursuant to (a) to (e) by entering into repurchase transactions with its majority shareholder, affiliates of its majority shareholder or third parties.

The Guarantor shall not engage in any transactions which are not apt to favour directly or indirectly the purpose of the Guarantor. In particular, the Guarantor shall not acquire, hold, use or sell real estate or intellectual property rights in Switzerland or abroad. The Guarantor shall not open branch offices or subsidiaries. It shall not acquire participations in other companies, grant guarantees or other personal securities to third parties except in relation to bonds issued by its majority shareholder or any of its affiliates. It shall not have any employees or premises.

Board of Directors

The Articles of Incorporation provide that the Board of Directors shall consist of not more than four members. Two of the Directors must be independent from any majority shareholder (currently Cornèr Banca) within the meaning of the Swiss Code of Best Practice for Corporate Governance. The members of the Board of Directors are elected by a general meeting of the Guarantor's shareholders (the **General Meeting of Shareholders**) for a term of three years. If a Director is replaced during his term, his successor shall continue in office until the end of his predecessor's term. Re-election is allowed without limitation.

The Board of Directors is authorised to pass resolutions concerning all matters which are not reserved or assigned for decision to another corporate body by law, the Articles of Incorporation or by the organisational regulations (*regolamento organizzativo*) of the Board of Directors (the **Board Regulations**). The Board of Director's non-delegable and inalienable duties include the ultimate direction of the business of the Guarantor and the issuance of the necessary instructions; the determination of the organisation of the Guarantor; the administration of accounting, the financial control, and, to the extent necessary for the management of the Guarantor, the financial planning; the appointment and removal of the persons entrusted with the management and representation of the Guarantor; the ultimate supervision of the persons entrusted with the management of the Guarantor, namely in view of their compliance with the law, the Articles of Incorporation, regulations and instructions; the preparation of the business report and the General Meetings of Shareholders and the execution of the resolutions adopted by the General Meeting of Shareholders; the notification of the court if liabilities exceed assets; and other duties and powers, which are reserved to the authority of the Board of Directors by law or by the Articles of Incorporation.

The Board of Directors determines its own organisation in the Board Regulations. However, certain rules are set forth in the Articles of Incorporation and cannot be altered in the Board Regulations including the following: (i) the Board of Directors appoints a chairman and a vice-chairman, each of whom must be independent from the majority shareholder; (ii) meetings of the Board of Directors shall be called by its chairman or, should the chairman be prevented, by its vice-chairman or any other member of the Board of Directors whenever the need arises. The chairman shall also call a meeting upon the written request of one Director; such a request shall set forth the reasons for the meeting; (iii) subject to the exemptions set forth in the Board Regulations and explained in the next paragraph, the adoption of resolutions by the Board of Directors requires a majority of votes cast including, in any event, the consent of either the chairman or the vice-chairman. In the event of tie votes, the chairman has no casting vote; (iv) the Board of Directors shall be quorate if the majority of the members of the Board of Directors is present. No such presence quorum is required for formal resolutions of the Board of Directors in connection with a capital increase that require a public deed; (v) minutes of meetings recapitulating the deliberations and containing the resolutions adopted shall be kept. The minutes shall be signed by the chairman and the secretary; (vi) resolutions may also be passed by written consent to a proposal, unless a member of the Board of Directors requests oral deliberation; (vii) all members of the Board of Directors have joint signatory power by two. Each member other than the chairman or vice-chairman, of the Board of Directors shall have joint signatory power together with either the chairman or the vice-chairman, as the case may be.

The Board Regulations were enacted by the Board of Directors on 7 September 2022. Pursuant to these Board Regulations, the following resolutions require the approval of at least three members of the Board of Directors: (i) the conclusion and amendment of contracts; (ii) the delegation of any power of the Board of Directors, including in connection with the exercise and performance of the rights and obligations of the Guarantor under agreements entered into by the Guarantor, to any third party and the granting of powers of attorney; and (iii) the granting or increasing of guarantees and other securities for the benefit and on the account of Cornèr Banca or any of its affiliates. The following resolutions can only be adopted unanimously (provided, however, that the members of the Board of Directors shall abstain from exercising their voting rights in matters involving their personal interests or the interests of individuals or entities related to them): (i) Establishment of guidelines

regarding the liquidation and sale of Mortgage Assets and other securities (other than the Servicing Standards and other rules relating to the servicing, liquidation and/or sale of Mortgage Assets pursuant the Transaction Documents); (ii) determination of the signatory power (other than in relation to the granting of a power of attorney); (iii) all resolutions to be taken by the Board pursuant to the Merger Act; (iv) all proposals to the meeting of shareholders relating to an amendment of the Articles of Incorporation and resolutions pursuant to the Merger Act; (v) the notification of the court if liabilities exceed assets and the filing of a request for provisional or definitive stay of execution (*moratoria concordataria provvisoria o definitiva*); and (vi) any amendment to these Board Regulations. The resolution to waive the occurrence of a Registration Event upon receipt of a notice from the Collateral Holding Agent that an event pursuant to the Collateral Holding Agreement has occurred requires the approval of a majority of the votes cast, subject to the consent of both the Chairman and the Vice-Chairman.

In accordance with article 15 of the Articles of Incorporation, the Guarantor currently has four Directors, two Cornèr Banca's employees and two Independent Directors as set out in the table below.

<u>Name</u>	<u>Position held</u>
Giorgio Incognito (independent)	Chairman
Diego Pesciatini (independent)	Vice-Chairman
Daniele Gianora	Member
Alesa Corti	Member

The business address of each Director is c/o Cornèr Banca SA, Via Canova 16, 6900 Lugano, Switzerland. There are no conflicts of interest between the private interests or other duties of the Directors listed above and their duties to the Guarantor. Giorgio Incognito and Diego Pesciatini as the chairman and vice-chairman, respectively, who were elected to the Board of Directors on 21 July 2022, are not affiliated with Cornèr Banca as the majority shareholder and independent in accordance with the Swiss code of best practice for corporate governance by *economiesuisse*, pursuant to article 16 of the Articles of Incorporation.

The Independent Directors have been proposed by Amicorp Switzerland AG. Amicorp Switzerland AG has agreed to propose directors and provide certain other services in consideration for the payment by the Guarantor of an annual fee to Amicorp Switzerland AG.

Dispositions by the Guarantor on the Cover Pool Assets

The following precautions have been taken to safeguard that the Cover Pool Assets are only disposed of with the consent of at least one Independent Director: (i) joint signatory power is given to the Directors only together with the chairman or the vice-chairman who both are, as set forth in the Articles of Incorporation, Independent Directors; (ii) all the resolutions of the Board of Directors require either the consent of the chairman or vice-chairman.

General Meeting of Shareholders

The **General Meeting of Shareholders** is the supreme body of the Guarantor. It has the following non delegable powers: to adopt and amend the Articles of Incorporation; to elect and remove the members of the Board of Directors and the Auditors; to approve the management report; to approve the annual financial statements and, if any, the consolidated financial statements and to determine the allocation of profits as shown on the balance sheet, in particular with regard to dividends and profit sharing (*quote di utili*) to members of the Board of Directors; to discharge the members of the Board of Directors; and to pass resolutions concerning all matters which are reserved to the authority of the General Meeting of Shareholders by law or by the Articles of Incorporation.

The **Ordinary General Meeting of Shareholders** shall be held within six months after the close of the fiscal year. Extraordinary General Meetings of Shareholders shall be called whenever the Board of Directors or the Auditors deem it necessary, or if a General Meeting of Shareholders decides so. Pursuant to the Articles of Incorporation, the Board of Directors shall also call a General Meeting of Shareholders if one or more shareholders demand it in writing and specify the items and the proposals, in the case of elections the names of the proposed candidates, to be submitted to the meeting. The General Meeting of Shareholders shall be called by the Board of Directors or, if necessary, the Auditors, not less than 20 days before the date of the meeting. To call a General Meeting of Shareholders, written notices shall be sent to the addresses of the shareholders and usufructuaries registered in the share register. The notice of a meeting shall state the items and the proposals of the Board of Directors and the shareholders who have requested that the General Meeting of Shareholders be called or that items be included in the agenda, and, in the case of elections, the names of the proposed candidates. Pursuant to

the Articles of Incorporation, every Shareholder may request that an item be included in the agenda. Shareholders or their proxies representing all shares issued may hold a General Meeting of Shareholders without observing the formalities required for calling a meeting, unless objection is raised (*assemblea universale*). At such a meeting, discussions may be held and resolutions passed on all matters within the scope of the powers of a General Meeting of Shareholders for so long as the shareholders or proxies representing all shares issued are present.

Each share entitles a shareholder to one vote. A resolution of the General Meeting of Shareholders passed by at least 99% of all shares of the Guarantor and the absolute majority of the par value of shares of the Guarantor shall be required for the following matters: (i) the change of the Guarantor purpose; (ii) the creation of shares with privileged voting rights; (iii) the restriction of the transferability of registered shares and the abrogation of such a restriction; (iv) any increase of capital; (v) the limitation or withdrawal of pre-emptive rights; (vi) the change of the domicile of the Guarantor; (vii) the dissolution of the Guarantor; (viii) the amendment of the Articles of Incorporation; (ix) the disposition of all or a substantive part of the assets of the Guarantor, if such disposition entails a factual liquidation of the Guarantor; (x) all resolutions for which the General Meeting of Shareholders is the competent body pursuant to the Merger Act; (xi) the payment of a dividend; (xii) the removal of Directors or the Auditors; and (xiii) the granting of discharge to directors. For the rest, the quorums set forth by law (absolute majority of the votes represented at a General Meeting of Shareholders) shall apply.

Dividends

The Guarantor was incorporated on 25 July 2022. As of the date of this Base Prospectus, no dividends have been paid.

Auditors

Ernst & Young SA, Lausanne branch, Avenue de la Gare 39a, CH-1002 Lausanne, Switzerland, registered in the commercial register of the Canton of Vaud under register number CHE-294.400.879, as a branch of Ernst & Young SA, Aeschengraben 9, CH-4051 Basel, Switzerland. Ernst & Young SA is registered with the EXPERTsuisse-Swiss Expert Association for Audit, Tax and Fiduciary. Ernst & Young SA is also registered with the Swiss Federal Audit Oversight Authority, which is responsible for the licensing and supervision of audit firms and individuals that provide audit services in Switzerland.

Financial Year

The financial year for the Guarantor runs from 1 January through 31 December.

Share Capital

As of the date of this Base Prospectus, the Guarantor's share capital amounts to CHF 100,000 and is comprised of 100 registered shares with a nominal value of CHF 1,000 per share, fully paid in. The Guarantor has no authorised share capital and no conditional share capital.

Ownership of Guarantor

Cornèr Banca holds 98% of the shares of the Guarantor. Each Independent Shareholder holds one share corresponding to 2% of the Guarantor's share capital in the aggregate.

In view of Cornèr Banca's majority ownership of the Guarantor, certain provisions of the Articles of Incorporation and the Shareholders' Agreement seek to ensure that such control is not abused, including:

- (a) there are two independent shareholders of the Guarantor, each holding 1% of the issued share capital (2% in total). The Articles of Incorporation of the Guarantor provide that certain key resolutions of the shareholders meeting can only be passed with the consent of at least one independent shareholder;
- (b) there are four members of the Board of Directors of the Guarantor, two of whom are Independent Directors. Resolutions of the Board of Directors can only be passed with the consent of an Independent Director, and representatives of Cornèr Banca on the Board of Directors of the Guarantor have signing authority for the Guarantor only together with an Independent Director; and

- (c) following the occurrence of an Issuer Event of Default, Cornèr Banca directors of the Guarantor are required to resign and their signing authority is removed and Cornèr Banca shall exercise its voting rights at shareholders' meetings in accordance with the proposals of the Board of Directors.

Shareholders Agreement

Cornèr Banca and the two independent shareholders are parties to a shareholders agreement (the **Shareholders Agreement**). This Shareholders Agreement sets forth, *inter alia*, that (i) the parties are obliged to vote at the General Meeting of Shareholders as follows: The independent shareholders shall act and vote independently from Cornèr Banca. In case of an Issuer Event of Default, the independent shareholders and Cornèr Banca shall exercise their voting rights in the shareholders' meeting in accordance with the proposals of the Board of Directors. Until an Issuer Event of Default, Cornèr Banca is obliged not to vote for any resolution in the shareholders' meeting relating to the amendment of the Articles of Incorporation; the disposition of all or a substantive part of the assets of the Guarantor, if such a disposition entails a factual liquidation of the Guarantor; resolutions for which the shareholders' meeting is the competent body pursuant to the Merger Act; and the removal of the auditors and directors, in each case, unless at least one independent shareholder votes in favour of the relevant resolution; (ii) Cornèr Banca procures that Cornèr Banca directors immediately resign upon an Issuer Event of Default and that their signatory authority is withdrawn; and (iii) that after the resignation of Cornèr Banca directors in case of an Issuer Event of Default the independent shareholders shall elect without delay an additional member of the Board of Directors who shall be independent from Cornèr Banca.

Legal Proceedings

The Guarantor is not, nor has it been since its incorporation, involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Guarantor is aware) during the 12 months before the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Guarantor.

Additional Information

The Guarantor prepares its accounts in accordance with Swiss law.

Publications

Communications from the Guarantor to the shareholders are sent by mail to each shareholder's address according to the Guarantor's shares register. Unless otherwise required by law, the Board of Directors may also publish such communications in the Swiss Official Gazette of Commerce (*Foglio ufficiale svizzero di commercio*).

Articles of Incorporation and Board Regulations

The Articles of Incorporation and the Board Regulations of the Guarantor shall be maintained in print format, for free distribution, at the registered offices of the Issuer and the Guarantor for a period of twelve months after the publication of this Base Prospectus. As of the date of this Base Prospectus, the Articles of Incorporation of the Guarantor are dated 21 July 2022 and the Board Regulations are dated 7 September 2022.

DESCRIPTION OF THE TRUSTEE

Overview

ProServices Trustees (Switzerland) AG is a stock corporation (*società anonima*), with its registered office located at Mühlebachstrasse 54, CH-8008, Zurich, Switzerland and registered with the commercial register of the Canton of Zurich under company number CHE-454.193.899.

ProServices Trustees (Switzerland) AG is regulated in Switzerland by the VQF, a self-regulatory body recognised by the Swiss Federal State according to Article 24 of the Swiss Federal Act on Combating Money Laundering and Terrorist Financing in the Financial Sector.

History and Ownership

ProServices Trustees (Switzerland) AG provides establishment and management of trusts, foundations, companies, and partnerships, as well as fiduciary services of all kinds in Switzerland and abroad. ProServices Trustees (Switzerland) AG is wholly-owned by Amicorp Switzerland AG.

OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS

The following is a brief description of the principal Transaction Documents and an overview of the principal provisions of each. These overviews do not purport to be complete, and are qualified in their entirety by reference to the relevant document.

Trust Agreement

Role of the Bondholders' Representative pursuant to the Conditions and the Bondholder Provisions

Pursuant to Condition 12(a) (*Appointment of Bondholders' Representative*), the Issuer and each Covered Bondholder will appoint and authorise the Trustee to act as bondholders' representative in the sense of the Bondholder Provisions (*rappresentante della comunione dei obbligazionisti*) (the **Bondholders' Representative**) for purposes of the Conditions and the Guarantee. Pursuant to Condition 3.5 (*Role of the Trustee*), each Covered Bondholder will acknowledge and agree that ProServices Trustees (Switzerland) AG has been appointed as Trustee under the Trust Agreement and that the role of the Trustee is separate and different from the role of Bondholders' Representative.

Overview

The Trust Agreement contains provisions relating to, but not limited to:

- (a) the Trustee Obligations of the Issuer or the Guarantor;
- (b) the method of sale of Assigned Mortgage Claims by the Guarantor;
- (c) the enforcement procedures relating to the Covered Bonds and the Guarantee; and
- (d) the appointment, powers and responsibilities of the Trustee and the circumstances in which the Trustee may resign or retire or be removed.

Covenants

Each of the Guarantor and the Issuer grants a claim to the Trustee that entitles the Trustee to demand compliance with any obligations, covenants, warranties or representations made or undertaken by, as applicable, the Issuer or the Guarantor in any Transaction Document to which the Trustee is either a party or where the relevant obligation, covenant, warranty or representation is expressed to be made or given in favour of the Trustee or for its benefit or for the benefit of the Covered Bondholders (the **Trustee Obligations**). In particular, the Guarantor undertakes, *inter alia*, to:

- (a) following the occurrence of an IED Guarantee Activation Date and the service of a Notice to Pay by the Trustee in accordance with Condition 9.1 (*Events of Default relating to the Issuer*), procure that the Trustee on its behalf, serves on the Issuer without delay a Guarantee Pre-funding Notice for the amount specified in the Notice to Pay within one Business Day in accordance with the terms of the Guarantee Mandate Agreement;
- (b) immediately upon the occurrence of an Enforcement Event, take appropriate action to enforce a corresponding part of the Cover Pool Assets in accordance with the Security Assignment Agreement and the Trust Agreement with a view to ensure timely performance of its payment obligations;
- (c) not waive any condition precedent set out in the Guarantee Mandate Agreement without the prior written consent of the Trustee; and
- (d) not give any directions or exercise any discretion in a way that would likely be adverse to the interests of the Covered Bondholders, except as otherwise provided for in the Transaction Documents or Applicable Law.

The Guarantor further covenants that it will not, *inter alia*:

- (a) create or permit to subsist any mortgage, standard security, assignation, pledge, lien, charge or other Security Interest whatsoever (unless arising by operation of mandatory law), upon the whole or any part of its assets (including but not limited to the Cover Pool Assets) or its undertakings, present or future;
- (b) transfer, sell, lend, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of its assets (including the Cover Pool Assets) or undertakings or any interest, estate, right, title or benefit therein or thereto or agree or attempt or purport to do so;
- (c) incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any such indebtedness;

- (d) enter into any contracts, agreements or other undertakings other than the Transaction Documents; and
- (e) agree to any amendments to the terms of the Transaction Documents to which the Guarantor is a party without the prior written consent of the Trustee.

Sale of Assigned Mortgage Claims and Substitute Assets

Circumstances when the Guarantor shall sell Assigned Mortgage Claims in order to meet its obligations

The Trust Agreement also sets out the circumstances when the Guarantor shall sell Assigned Mortgage Claims in order to meet its obligations. In summary, Assigned Mortgage Claims shall be sold by the Guarantor in the following circumstances:

- (a) *Service of a Notice to Pay relating to the Guaranteed Amounts:* Following the occurrence of the IED Guarantee Activation Date, and the service of (as applicable):
 - (i) the initial Notice to Pay on the Guarantor by the Trustee for the Guaranteed Amount(s) (i) then due and payable on the Covered Bonds as at such date, and (ii) falling due and payable in the 65 Business Day period commencing on such date; and
 - (ii) any subsequent Notices to Pay served by the Trustee in accordance with clause 4 (*Payments under the Guarantee*) of the Guarantee,

the Trustee, on behalf of the Guarantor, shall be required to serve without delay a Guarantee Pre-funding Notice for the relevant amount of Guarantee Expenses on the Issuer within the timeframe set out in the Guarantee Mandate Agreement (see "*Guarantee Mandate Agreement—Guarantee Pre-funding Obligation and Guarantee Recourse and Indemnity Obligation*"). If the Issuer fails to pay the amounts specified in the Guarantee Pre-funding Notice (or, as applicable, the Guarantee Recourse Notice) within the requisite timeframe, then an Enforcement Event will occur, and the Guarantor or, failing which, the Trustee on behalf of the Guarantor, shall sell Assigned Mortgage Claims in the amount which is required to achieve a net sale price (after costs) which is as close as possible to the Adjusted Required Sale Amount (as defined below).

- (b) *Service of other Pre-funding Notices:* If the Guarantor has incurred or will incur costs which are covered by the Swap Termination Payment Pre-funding Obligation (if any), the General Recourse and Indemnity Pre-funding Obligation or the Increased Services Provider Expenses Pre-funding Obligation (or, in each case, the corresponding Recourse and Indemnity Obligation), then if following the service of the relevant Pre-funding Notice or Recourse Notice on the Issuer or the Assignor for the amount due, an Enforcement Event occurs, the Guarantor shall sell Assigned Mortgage Claims in the amount which is required to achieve a net sale price (after costs) which is as close as possible to the amount which is specified as due and payable in the relevant Pre-funding Notice or Recourse Notice.
- (c) *Payments to Covered Bond Swap Providers (if any):* If the Guarantor enters into Swap Agreements following the date hereof, the Guarantor shall, upon the occurrence of an Issuer Event of Default, for liquidity purposes, sell Assigned Mortgaged Claims in an amount that is required to achieve a net sale price (after costs), which is as close as possible to the Adjusted Swap Required Amount (as defined below).
- (d) *Failure to pay the Guarantee Fee:* If the Issuer fails to pay the Guarantee Fee when due, then an Enforcement Event will occur and the Guarantor shall sell Assigned Mortgage Claims in the amount which is required to achieve a net sale price (after costs) which is as close as possible to the unpaid Guarantee Fee amount.

Aggregate sale price to be achieved when Assigned Mortgage Claims are sold

The Trust Agreement sets out in detail the required aggregate sale price to be achieved when Assigned Mortgage Claims are sold. In the circumstances described in paragraphs (a) and (c) above the required aggregate sale price to be achieved shall be calculated as set out below.

In respect of the Assigned Mortgage Claims being sold following the service of a Guarantee Pre-funding Notice or a Guarantee Recourse Notice on the Issuer and the occurrence of a corresponding Enforcement Event as described in paragraph (a) above, the net proceeds of the sale of such Assigned Mortgage Claims shall be in an amount equal to (or approximately equal to) the Required Sale Amount less (where applicable) the sum of any cash amounts standing to the credit of the Cover Pool Bank Account (excluding any amounts standing to the credit of the Interest Accumulation Ledger) and the principal amount of any Authorised Investments (excluding all amounts to be applied from the Cover Pool Bank Account to pay or provide for higher ranking amounts in the Guarantee Priority of Payments and those amounts that are required to pay amounts due to each Covered Bond

Swap Provider (if any) in respect of any Series of Covered Bonds, in each case which matures or which is due and payable prior to or on the same date as the relevant Series of Covered Bonds) (the **Adjusted Required Sale Amount**), where:

Required Sale Amount means, in respect of a Series of Covered Bonds:

the Guaranteed Amounts falling due on a relevant Series of Covered Bonds within one year of the relevant Liquidation Date x 1+ Negative Carry Factor x (days to the Guarantor Payment Date specified in the relevant Notice to Pay/365)

In respect of the Assigned Mortgage Claims being sold upon the occurrence of an Issuer Event of Default where the sale is to be effected in order to provide for liquidity for amounts due to the Covered Bond Swap Providers (if any) in accordance with the Security Assignment Agreement, the net proceeds of the sale of such Assigned Mortgage Claims shall be in an amount equal to (or approximately equal to) the Adjusted Swap Required Amount as at the date which is one Business Day prior to the date that the Assigned Mortgage Claims would be sold (the **Liquidation Date**). For these purposes:

- (a) **Swap Required Amount** means, in relation to all Series of Covered Bonds which are subject to a Covered Bond Swap (if any), an amount equal to
 - (i) all scheduled payments in relation to principal or interest to be made by the Guarantor under such Covered Bond Swaps (if any) becoming due within one year of the relevant Liquidation Date; *minus*
 - (ii) as at the Liquidation Date, the sum of all monies standing to the credit of the Cover Pool Bank Account and the current balance of all other Substitute Assets.
- (b) **Adjusted Swap Required Amount** means:

the Swap Required Amount x 1 + Negative Carry Factor x (days to the date on which payments fall due on the relevant Covered Bond Swap/365)

The Guarantor shall determine the Adjusted Required Sale Amount and the Adjusted Swap Required Amount with the assistance of the Cash Manager. The Guarantor may begin to solicit offers for the sale of Assigned Mortgage Claims from Eligible Investors at any time and enter into conditional sale and purchase arrangements with such Eligible Investors provided, however, that in the case of Assigned Mortgage Claims that are sold in the circumstances set forth in subparagraphs (a), (c) and (d) above no sale may be completed until such Enforcement Event has occurred, whereupon the sale may be completed on the terms set out in the Trust Agreement. In particular, the sale agreement will require the purchase price to be paid by the Eligible Investor in cash and will not include any representations and warranties from the Guarantor or the Originator in respect of the Assigned Mortgage Claims (unless expressly agreed by the Trustee or otherwise agreed with the Guarantor and the Originator).

Method of the sale of Assigned Mortgage Claims

The Trust Agreement sets out the method by which the Guarantor shall sell Assigned Mortgage Claims. In summary, it is required to ensure that (i) the Assigned Mortgage Claims have been selected from the Cover Pool on a random basis and (ii) any sale of Assigned Mortgage Claims is made in accordance with the applicable provisions of the Security Assignment Agreement and the Guarantee Mandate Agreement, and with a view to obtaining the best price reasonably available in light of prevailing market conditions. The Guarantor shall be required to appoint a portfolio manager through a tender process (which, prior to the occurrence of the Guarantee Activation Date, may be the Assignor) to advise it in relation to the sale of Assigned Mortgage Claims. Any independent portfolio manager so appointed will be entitled to the payment of fees in an amount to be agreed at the time of its appointment. Following an Enforcement Event, the Guarantor shall instruct the portfolio manager to sell Assigned Mortgage Claims as quickly as reasonably possible.

Modification

Condition 15 (*Modification*) sets out the basis on which each Covered Bondholder authorises the Bondholders' Representative, on behalf of the Covered Bondholders, without the consent of any Covered Bondholder of any Series, at any time and from time to time to agree with the Issuer, the Assignor, the Guarantor or any other person to any modifications to the Conditions and/or the Guarantee.

The Trust Agreement sets out the basis on which the Trustee can effect or agree to modifications to the Transaction Documents other than the Conditions and the Guarantee to which it is a party, in each case subject to mandatorily applicable provisions of Swiss law at the relevant time. In particular, the Trustee may, without the

consent of the Covered Bondholders, at any time agree with the Issuer, the Guarantor or any other person to modifications, which in its opinion are proper to make, provided that such modifications are, in the sole and absolute opinion of the Trustee, (i) not materially prejudicial to the interests of the Covered Bondholders of any Series, (ii) of a formal, minor or technical nature, or (iii) to correct a manifest error or an error which is, in the opinion of the Trustee, proven. In addition, the Trustee shall, without the consent of the Covered Bondholders or any other person, agree to modifications of any Transaction Document (other than the Conditions and the Guarantee) that are requested by the Issuer:

- (a) to comply with any requirements which apply to it under the FMIA, EMIR or any other applicable national or international legislation or regulation of a similar nature;
- (b) for the purpose of entering into Swap Agreements (see "*—Guarantee Mandate Agreement—Appointment of Swap Providers and entering into Swap Agreements by the Guarantor*");
- (c) for the purpose of implementing a Ratings Modification;
- (d) for the purpose of enabling the Covered Bonds or a Series to be (or remain) listed on SIX Swiss Exchange;
- (e) for the purpose of appointing SIX SIS AG or another Eligible Nominee System Provider as Collateral Holding Agent and transferring the Transferred Mortgage Certificates to SIX SIS AG or such other Eligible Nominee System Provider (see "*—Collateral Holding Agreement—Transfer of Mortgage Certificates to SIX SIS AG or another Eligible Nominee System Provider (outsourcing)*"); and/or
- (f) for the purpose of complying with any changes in any Applicable Law and/or Requirement of Law relating to Swiss tax law or in any requirement of any Tax Authority,

provided in each case that (i) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Trustee, (ii) the Issuer certifies to the Trustee that the requested amendments are to be made solely for one or more of the purposes set out in sub-clauses (a) to (f) above and has been drafted solely to that effect, (iii) the Trustee shall only effect or agree to any such modifications which in its opinion may be proper to make, provided that the Trustee is of the opinion (in its sole and absolute opinion) that such modification will (x) not be materially prejudicial to the interests of Covered Bondholders of any Series or (y) is of a formal, minor or technical nature or (z) is made to correct a manifest error or an error which is, in the opinion of the Trustee, proven.

Any such modification may be made on such terms and subject to such conditions (if any) as the Trustee may determine and shall require notice to be given by the Issuer or the Guarantor (as the case may be) to the Rating Agency and, unless the Trustee otherwise agrees, to the Covered Bondholders as soon as practicable thereafter. The Trustee shall not be obliged to agree to any such modification which, in the sole opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction, (ii) increasing the obligations or duties, or decreasing the protections of the Trustee, as applicable, under the Transaction Documents and/or the Conditions, or (iii) otherwise prejudicing the interests of the Trustee.

Furthermore, the parties to the Trust Agreement shall use reasonable efforts to negotiate and agree, and give effect to, (i) Repo Transactions or Securitisation Transactions, which may be entered into by the Assignee in accordance with the Security Assignment Agreement and (ii) the appointment of and modifications required for the proper servicing of the Mortgage Assets by a Replacement Servicer. See "*—Security Assignment Agreement*".

Proceedings, Action and Indemnification

Subject to the relevant provisions set forth in the Intercreditor Agreement (see "*—Intercreditor Agreement*") and, where the Trustee acts as Bondholders' Representative, the Bondholder Provisions, the Trustee may at any time, at its discretion and without notice, take such proceedings and/or other steps or action as it may think fit against, or in relation to the Issuer and/or the Guarantor, including but not limited to, enforcement of the Trustee Obligations, pursuant to the provisions of the Trust Agreement or any other Transaction Document.

The Trustee shall not be bound to take any proceedings, steps or actions in relation to the Trust Agreement, the Covered Bonds or any other Transaction Document, unless it shall have been, to the fullest extent permitted by law, indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so acting (either by reimbursement of costs, its ranking in the relevant Priority of Payments or in any other way it deems appropriate), except for Liabilities as a result of wilful misconduct, wilful default or gross negligence of the Trustee.

Only the Trustee may enforce the provisions of the Trust Agreement. No Covered Bondholders shall have any rights against any party to the Trust Agreement.

Termination of Appointment and appointment of Successor Trustee

The Trust Agreement shall remain in full force and effect until expiry of a period ending 366 days after the date on which all potential liabilities guaranteed by the Guarantee have been discharged or satisfied in full.

Subject to the appointment of a Successor Trustee, the Trustee may retire at any time on giving not less than three months' prior written notice to the Issuer and the Guarantor. The Trust Agreement provides that any termination by the Trustee prior to the appointment of a Successor Trustee shall be deemed to be effected at an improper time and that Trustee shall become liable to the Guarantor for any damage caused thereby.

Pursuant to the Trust Agreement, the power to appoint a Successor Trustee shall be vested solely in the Issuer and the Guarantor jointly. Because the roles of Trustee and Bondholders' Representative with respect to each Series of Covered Bonds should, to the extent possible, at all times be held by the same person, the Trust Agreement further provides that:

- (a) if a new Bondholders' Representative is appointed with respect to one or more Series of Covered Bonds with an Aggregate Principal Amount Outstanding of more than 50 per cent. of the Aggregate Principal Amount Outstanding of all Series of Covered Bonds, such Bondholders' Representative shall be appointed as Successor Trustee pursuant to the Trust Agreement, provided that the Issuer and the Guarantor shall have the right to jointly appoint any other Person as Trustee in case it is not feasible in the view of the Guarantor and the Issuer, acting reasonably, for such new Bondholders' Representative to be appointed as Trustee, in each case subject to any provisions of Swiss law mandatorily applicable at the relevant time; and
- (b) if a new Bondholders' Representative is appointed with respect to one or more Series with an Aggregate Principal Amount Outstanding of 50 per cent. or less of the Aggregate Principal Amount Outstanding of all Series of Covered Bonds, such new Bondholders' Representative (i) shall not be appointed as Trustee under the Trust Agreement and (ii) its role shall be limited strictly to its authorisation as Bondholders' Representative pursuant to Condition 12(a) (*Appointment of Bondholders' Representative*).

Remuneration of Trustee

The Issuer or, failing the Issuer, the Guarantor shall pay to the Trustee such remuneration as may from time to time be agreed between the Issuer and the Trustee or the Guarantor and the Trustee (as the case may be).

Governing law and Jurisdiction

The Trust Agreement shall in all respects be governed by, and construed in accordance with, the substantive laws of Switzerland. Any dispute, controversy or claim arising under, out of or in connection therewith, including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the ordinary courts of the City of Lugano, Switzerland.

Guarantee Mandate Agreement

Guarantee

Pursuant to the terms of the Guarantee Mandate Agreement, the Issuer appoints and mandates the Guarantor to issue, and the Guarantor accepts the mandate to issue, in its own name but for the account of the Issuer, the Guarantee to the Bondholders' Representative (acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders)(see "*The Guarantee*").

The Guarantor is obliged to issue the Guarantee no later than one Business Day prior to the First Issue Date of Covered Bonds issued under the Programme.

Conditions Precedent

Pursuant to the terms of the Guarantee Mandate Agreement, the Issuer undertakes not to issue any Series or Tranche of Covered Bonds unless certain conditions precedent are fulfilled or otherwise waived by the Guarantor, and the Guarantor is not obliged to agree to an extension of the Guarantee to any proposed Series or Tranche of Covered Bonds if any of the conditions precedent is not fulfilled. The conditions precedent include, *inter alia*, that:

- (a) as of the relevant Issue Date, the relevant representations and warranties made by the Issuer in the Guarantee Mandate Agreement (i) shall be true and correct, and (ii) will not be breached as a result of the issue of the proposed Series or Tranche of Covered Bonds;

- (b) the Issuer shall have duly and timely performed all of its obligations under the Guarantee Mandate Agreement to be performed on or by the relevant Issue Date;
- (c) as of three Business Days prior to the relevant Issue Date, (i) based on the most recent Cover Pool Report as adjusted for any additional Cover Pool Assets to be transferred to the Assignee under the Security Assignment Agreement prior to the relevant Issue Date, neither the Asset Coverage Test nor the Interest Coverage Test has been breached nor will be breached as a result of the issue of the proposed Series or Tranche of Covered Bonds and (ii) no Breach of Test Notice is outstanding;
- (d) as of 00:01 a.m. CET on the relevant Issue Date, (i) no Issuer Event of Default or Guarantor Event of Default has occurred which is continuing and (ii) no Issuer Event of Default or Guarantor Event of Default will occur as a result of the issue of the proposed Series or Tranche of Covered Bonds; and
- (e) the Guarantor shall have received from the Issuer an Instruction of the Extension of the Guarantee, legal opinions if and to the extent required under the Programme Agreement and corporate documents in form and substance reasonably acceptable to it.

It is understood and agreed by the Issuer and the Guarantor that once the Guarantee has been issued and, in relation to the issuance of the relevant Series or Tranche of Covered Bonds, been extended, all conditions precedent shall be deemed to have been fulfilled or waived as of the relevant Issue Date, and the Guarantee shall not be open to rescission or challenge by the Guarantor for non-fulfilment of any condition precedent, provided, however, that the Guarantor shall be at liberty to seek indemnification in accordance with the Guarantee Mandate Agreement.

Guarantee Pre-funding Obligation and Guarantee Recourse and Indemnity Obligation

The Issuer is obliged to pre-fund the Guarantee Expenses arising from time to time by payment to the General Bank Account of the amount specified by the Guarantor in a Guarantee Pre-funding Notice with value no later than (i) in relation to Guarantee Expenses already due, within one Business Day (ii) in relation to Guarantee Expenses falling Due for Payment in the 60 Business Day period from and including the date of the Guarantee Pre-funding Notice, within five Business Days and (iii) in relation to all other Guarantee Expenses properly quantified in the Guarantee Pre-funding Notice, 60 Business Days prior to the date when the relevant Guaranteed Amount or other amount shall become Due for Payment, or if this is not practicable such other date within such 60 Business Day period as specified in the Guarantee Pre-funding Notice (the **Guarantee Pre-funding Obligation**). Each Pre-funding Claim under the Guarantee Pre-funding Obligation constitutes a conditional cash coverage claim for release of liabilities incurred which is subject to the conditions precedent (*condizioni sospensive*) that (x) a Guarantee Activation Notice or Guarantor Acceleration Notice has been served upon the Guarantor, and (y) a Notice to Pay has been served upon the Guarantor for the relevant amount in accordance with the terms of the Guarantee and the Trust Agreement. Each Pre-funding Claim under the Guarantee Pre-funding Obligation shall become due and payable (*esigibile*) as set out in the relevant Guarantee Pre-funding Notice as described above.

The Issuer shall reimburse and indemnify the Guarantor for any and all Guarantee Expenses which are paid by the Guarantor, to the extent the Guarantor has not already been compensated under the Guarantee Pre-funding Obligation (the **Guarantee Recourse and Indemnity Obligation**). Each Recourse Claim under the Guarantee Recourse and Indemnity Obligation constitutes a conditional recourse claim which is subject to the conditions precedent that (x) a Guarantee Activation Notice or Guarantor Acceleration Notice has been served upon the Guarantor in accordance with the terms of the Guarantee and the Trust Agreement, and (y) payment of the relevant Guaranteed Amount under the Guarantee has been made. Each Recourse Claim under the Guarantee Recourse and Indemnity Obligation shall become due and payable (*esigibile*) upon service of a relevant notice (each a **Guarantee Recourse Notice**).

If the Issuer fails to pay all or part of any amount owed under the Guarantee Pre-funding Obligation or the Guarantee Recourse and Indemnity Obligation on the date specified or indicated in the Guarantee Pre-funding Notice or the Guarantee Recourse Notice, respectively, the Guarantor, or, failing which, the Trustee on behalf of the Guarantor, may enforce a corresponding part of the Cover Pool Assets (including by way of sale of Assigned Mortgage Claims under the terms of the Trust Agreement together with the pertaining Related Mortgage Certificates to an Eligible Investor in accordance with the Security Assignment Agreement) and satisfy the relevant claims of the Covered Bondholders under the Guarantee with (i) the proceeds from Cover Pool Assets and (ii) certain other cash or cash equivalents held by the Guarantor subject to and in accordance with the applicable Priority of Payments.

Appointment of Swap Providers and entering into Swap Agreements by the Guarantor

As at the date hereof no Swap Providers have been appointed and no Swap Agreements were entered into by the Guarantor. See *"Risk Factors—certain risks related to Swap Agreements— As at the date of this Base Prospectus, the Guarantor has not appointed an Initial Swap Provider and has not entered into any Swap*

Agreements. If an Initial Swap Provider is appointed and the Guarantor enters into Swap Agreements following the date of this Base Prospectus, Covered Bondholders will be exposed to additional risks with respect to the reliance on Swap Providers and the Swap Agreements."

Pursuant to the Guarantee Mandate Agreement, the Issuer may at any time appoint Swap Providers. Upon the appointment of Swap Providers, the Issuer may instruct the Guarantor to enter into Swap Agreements at any time whereupon the Guarantor shall enter into the relevant Swap Agreement(s) in accordance with the Trust Agreement. Pursuant to the Trust Agreement, the parties thereto shall use reasonable endeavours to negotiate and agree (in case of the Trustee at the cost of the Issuer) in good faith any amendments to the Transaction Documents that may be required in order to enable the execution and operation of the necessary Swap Agreement(s) subject to the conditions for modifications pursuant to the Trust Agreement "*—Trust Agreement—Modification*" and Condition 15 (*Modification*), as applicable.

Swap Termination Payment Recourse and Indemnity and Swap Termination Payment Pre-funding Obligation (if any)

Upon the appointment of Swap Providers and the conclusion of Swap Agreements by the Guarantor, the following shall apply: The Issuer is obliged to pre-fund any and all Swap Termination Payments (including any Excluded Swap Termination Amounts) payable by the Guarantor to any Replacement Swap Provider arising from time to time by payment to the General Bank Account of the amount specified by the Guarantor (or the Trustee on behalf of the Guarantor) in a relevant notice (the **Swap Termination Payment Pre-funding Notice**) with value no later than (i) one Business Day after receipt of any Swap Termination Payment Pre-funding Notice or (ii) such other date as specified in any Swap Termination Payment Pre-funding Notice, provided that the relevant amount shall not become due earlier than 30 Business Days prior to the due date of the relevant payment owed by the Guarantor to any respective Replacement Swap Provider (the **Swap Termination Payment Pre-funding Obligation**). Each Pre-funding Claim under any Swap Termination Payment Pre-funding Obligation constitutes a conditional claim which is subject to the conditions precedent that (x) any Swap Ratings Downgrade Event or any Swap Early Termination Event has occurred in relation to any relevant Swap Provider and (y) the relevant amount has come into existence and has been ascertained in accordance with the terms of any relevant Swap Agreement. Each Pre-funding Claim under any Swap Termination Payment Pre-funding Obligation shall become due and payable (*esigibile*) upon service of any relevant Swap Termination Payment Pre-funding Notice.

Save to the extent the Guarantor has already been compensated by the Issuer under the Swap Termination Payment Pre-funding Obligation, if any, the Issuer shall reimburse and indemnify the Guarantor for any and all Swap Termination Payments (including any Excluded Swap Termination Amounts), net of any net termination payments or premium payments which the Guarantor receives as a result of the termination of the relevant Swap Agreement, if any, or the entry into a replacement Swap Agreement, if any (the **Swap Termination Payment Recourse and Indemnity Obligation**) due and payable by the Guarantor. Each Recourse Claim under the Swap Termination Payment Recourse and Indemnity Obligation, if any, constitutes a conditional recourse claim which is subject to the conditions precedent that (x) any Swap Ratings Downgrade Event or any Swap Early Termination Event has occurred in relation to any relevant Swap Provider, and (y) payment of the relevant amount to any Replacement Swap Provider has been made. Each Recourse Claim under any Swap Termination Payment Recourse and Indemnity Obligation shall become due and payable (*esigibile*) upon service of any relevant notice (each a **Swap Termination Payment Recourse Notice**).

If the Issuer fails to pay all or part of any amount owed under the Swap Termination Payment Recourse and Indemnity Obligation or the Swap Termination Payment Pre-funding Obligation, if any, on the date specified or indicated in any Swap Termination Payment Pre-funding Notice or any Swap Termination Payment Recourse Notice, respectively, the Guarantor, or, failing which, the Trustee on behalf of the Guarantor, may enforce a corresponding part of the Cover Pool Assets (including by way of sale of Assigned Mortgage Claims under the terms of the Trust Agreement together with the related Transferred Mortgage Certificates to an Eligible Investor in accordance with the Security Assignment Agreement) and (as described below), satisfy any Swap Termination Payment or the claims of any relevant Replacement Swap Provider from (i) the proceeds from the enforcement of the relevant part of the Cover Pool Assets and (ii) certain other cash or cash equivalent held by the Guarantor subject to and in accordance with the applicable Priority of Payments.

General Recourse and Indemnity Obligations and General Recourse and Indemnity Pre-funding Obligations

The Issuer is obliged to pre-fund any and all amounts covered by the General Recourse and Indemnity Obligation and payable by the Guarantor to a third party from time to time by payment to the General Bank Account of the amount specified by the Guarantor (or the Trustee on behalf of the Guarantor) in writing in a notice in accordance with the Guarantee Mandate Agreement (the **General Indemnity Pre-funding Notice**) with value no later than (i) one Business Day after receipt of the General Indemnity Pre-funding Notice or (ii) such other date as specified in the General Indemnity Pre-funding Notice, provided that the relevant amount shall not become due earlier than 30 Business Days prior to the due date of the relevant payment owed by the Guarantor to the respective third party (the **General Recourse and Indemnity Pre-funding Obligation**). Any payment under the General

Recourse and Indemnity Pre-funding Obligation shall not prejudice the Issuer's right to ask for full or partial reimbursement of the relevant payment upon presentation of conclusive evidence that the Guarantor did not pay, in good faith, the corresponding amount to a third party. The relevant reimbursement claim shall come into existence and become due and payable 366 days after the due date of the amount pre-funded pursuant to the relevant General Indemnity Pre-funding Notice.

Each Pre-funding Claim under the General Recourse and Indemnity Pre-funding Obligation constitutes a conditional claim which is subject to the conditions precedent that (x) a Notification Event has occurred and (y) the relevant amount has become due and payable. Each Pre-funding Claim under the General Recourse and Indemnity Pre-funding Obligation shall become due and payable upon service of the relevant General Indemnity Pre-funding Notice as described above.

Save to the extent the Guarantor has already been compensated by the Issuer under any other Pre-funding Obligation or any other Recourse and Indemnity Obligation, the Issuer shall reimburse and indemnify the Guarantor for any and all Increased Corporate Service Provider or Cash Manager Expenses paid by the Guarantor and any and all expenses, costs, damages and losses paid or incurred by the Guarantor as a result of non-compliance by the Issuer of its representations, warranties or undertakings as set out in the Guarantee Mandate Agreement or as a result of any payment default by the Issuer as set out in the Guarantee Mandate Agreement (the **General Recourse and Indemnity Obligation**).

Each Recourse Claim under the General Recourse and Indemnity Obligation shall be due and payable upon service of a relevant notice (the **General Indemnity Recourse Notice**).

In case of a bankruptcy of the Issuer pursuant to article 33 et seq. FBA, no Pre-funding Notices or Recourse Notices are required to be served after the communication by the liquidator to the creditors of the Issuer that the upcoming final bankruptcy distribution pursuant to article 36 BIO-FINMA will be paid out to the creditors.

Claims Separate and Independent

Except as specifically provided in the Guarantee Mandate Agreement, the Recourse and Indemnity Obligations and the Pre-funding Obligations are separate and independent obligations.

Fees and Collateral Differential

As consideration for the issuance of the Guarantee, the Issuer shall pay to the Guarantor the Guarantee Fee at a rate per annum set by mutual agreement of the Issuer and the Guarantor at arm's length terms, as determined on the basis of market rates, in relation to each relevant Series or Tranche of Covered Bonds as of the Issue Date of the relevant Series or Tranche. The determination of the Guarantee Fee, which will remain applicable and unchanged for the entire duration of the relevant Tranche of Covered Bonds, shall be based on the funding advantage of the corresponding Covered Bonds to the Issuer as a result of the issuance of the Guarantee by the Guarantor, and shall be calculated as the difference between the interest rate the Issuer, in its reasonable belief, would have to pay on senior unsecured bonds of the same amount, currency and maturity and the interest rate the Issuer will have to pay for the relevant Tranche of Covered Bonds, taking into account any premium or discount of the Issue Price of the Covered Bonds. The rate of the Guarantee Fee will be applied to the nominal amount of the corresponding Tranche of Covered Bonds in the currency of such Covered Bonds and the resulting Guarantee Fee shall be payable in such currency. The Guarantee Fee is calculated on the basis of the weighted average amount of the relevant Tranche of Covered Bonds outstanding on the first Business Day in the relevant month and the actual number of days lapsed in the relevant period, divided by 360 and is due and payable by the Issuer monthly in arrears on the fifth calendar day of each month or, if such day is not a Business Day, on the next following Business Day.

As consideration for providing to the Guarantor the Cover Pool Assets under the Security Assignment Agreement as security, the Guarantor shall pay over to the Originator, and the Originator shall be entitled to receive from the Guarantor, out of any Guarantee Fee received by the Guarantor, an amount corresponding to the difference between the Guarantee Fee received and the Guarantor Spread Amount (the **Collateral Differential**). The Collateral Differential shall be due and payable to the Originator on the Guarantor Payment Date following the receipt of any Guarantee Fee, free and clear of any taxes, duties or charges.

Upon (i) the service of a Breach of Test Notice, or (ii) the occurrence of an Issuer Event of Default, no Collateral Differential shall become due and any obligation of the Guarantor to pay any Collateral Differential to the Originator shall be deferred for as long as a Breach of Test Notice or an Issuer Event of Default is outstanding. Thereafter, any payment of any deferred amount of Collateral Differential to the Originator shall be made in accordance with the applicable Priority of Payments.

In addition, the Issuer shall pay to the Guarantor a signing fee to cover expenses upon the initial issuance of the Guarantee and each extension as agreed in a separate fee letter between the Issuer and the Guarantor.

Termination

The Guarantee Mandate Agreement shall remain in full force and effect until expiry of a period ending 366 days after the date on which all potential liabilities guaranteed by the Guarantee have been discharged or satisfied in full. The parties to the Guarantee Mandate Agreement shall agree that, subject to Applicable Law, the Guarantee Mandate Agreement may not be terminated for any default, reason or circumstance prior to that date.

Governing Law and Jurisdiction

The Guarantee Mandate Agreement will be governed by and construed in accordance with the substantive laws of Switzerland, and any dispute, controversy or claim arising under, out of or in connection with the Guarantee Mandate Agreement, including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the ordinary courts of the City of Lugano, Switzerland.

Security Assignment Agreement

Pursuant to the terms of the Security Assignment Agreement, the Assignor shall secure the Secured Obligations under the Guarantee Mandate Agreement and the Security Assignment Agreement by assigning and transferring the Mortgage Assets (in particular Assigned Mortgage Claims and Collected Mortgage Payments) and Substitute Assets to the Assignee (being the Guarantor).

Transfer of Mortgage Assets and Substitute Assets

Pursuant to the Security Assignment Agreement the Assignor undertakes to:

- (a) assign, for security purposes from time to time, Eligible Mortgage Claims and transfer, for security purposes from time to time, Entitlements to the Related Mortgage Certificates to the Assignee; and
- (b) transfer for security purposes from time to time the Substitute Assets to the Assignee, in amount and composition sufficient to ensure that each Pre-Event Test is met as of any Cut-Off Date prior to the occurrence of an Issuer Event of Default and service of the Guarantee Activation Notice, and the Assignee undertakes to accept such assignment and transfer.

In the event of the issuance of a Series or Tranche of Covered Bonds, the Assignor undertakes to (i) assign for security purposes Eligible Mortgage Claims and transfer Entitlements to the Related Mortgage Certificates to the Assignee and (ii) transfer for security purposes Substitute Assets to the Assignee in amount and composition sufficient that, based on the most recent Cover Pool Report as adjusted for the additional Cover Pool Assets to be transferred, each Pre-Event Test would have been met on a pro forma basis after giving effect to the issuance of that Series or Tranche of Covered Bonds, as the case may be.

If, as of any Pre-Event Test Date prior to the occurrence of an Issuer Event of Default and service of the Guarantee Activation Notice, either the Asset Coverage Test or the Interest Coverage Test is not met, the Assignor agrees, subject to Applicable Law, before the next Cut-off Date after the relevant Pre-Event Test Date, to (i) assign for security purposes to the Assignee additional Eligible Mortgage Claims and (ii) transfer to the Assignee Entitlements to the Related Mortgage Certificates or transfer for security purposes Substitute Assets in an amount and composition sufficient to ensure that the Pre-Event Tests are met as of the following Cut-Off Date (**the Undertaking to Provide Additional Cover**).

However, following the occurrence of an Issuer Event of Default and service of the Guarantee Activation Notice on the Assignee or the occurrence of an Insolvency Event with regard to the Assignor, the Assignor shall no longer be subject to the Undertaking to Provide Additional Cover, which shall cease to apply.

Unless specifically provided otherwise in the Security Assignment Agreement, any and all Mortgage Claims secured by the same Related Mortgage Certificate at the time of the assignment of the relevant Mortgage Claim must be assigned to the Assignee and Entitlements to all Related Mortgage Certificates securing the same Mortgage Claim at the time of the assignment of the relevant Mortgage Claim must be transferred to the Assignee.

Eligibility Criteria

The Assignor undertakes to assign Mortgage Claims which meet certain eligibility criteria (**the Eligibility Criteria**):

- (a) each Mortgage Debtor is a private person resident in Switzerland or legal entity incorporated in Switzerland;
- (b) each Mortgage Debtor is also a Security Provider with respect to a Mortgage Claim and each Security Provider with respect to a Mortgage Claim is also a Mortgage Debtor;
- (c) each Mortgage Loan was originated by Corner Banca;

- (d) each Mortgage Loan is denominated in Swiss Francs;
- (e) the aggregate current principal balance of any Mortgage Loan does not exceed CHF 6,000,000;
- (f) at the time of the transfer, the aggregate of all Mortgage Loans relating to one or more Properties has a maximum loan-to-value ratio as per the latest valuation equal to or lower than 100% (on a Property basis);
- (g) no Mortgage Loan is past due as of the Cut-off Date prior to its assignment to the Assignee;
- (h) each Mortgage Loan is secured by one or more Mortgage Certificate(s) encumbering one or more properties located in Switzerland;
- (i) no Mortgage Loan relates to a Construction Loan;
- (j) no Mortgage Loan permits any further advances or redrawing of any repaid portion of the principal amount of the Mortgage Loan at the sole discretion of the Mortgage Debtor; and
- (k) as per the respective Cut-off Date, the respective Mortgage Debtor is not in payment default for more than 90 days.

Security Assignment of Mortgage Claims

The assignment for security purposes of the Mortgage Claims shall be effected by way of a written deed of assignment (each a **Transfer Deed**) on each Transfer Date. Together with the Transfer Deed, the Assignor will provide to the Assignee a list of all Assigned Mortgage Claims and all Related Mortgage Certificates (the **List of Transferred Mortgage Assets**). The sole purpose of the assignment of the Mortgage Claims is to provide security for the Secured Obligations.

Transfer of Related Mortgage Certificates

Concurrently with the assignment of a particular Mortgage Claim, the Assignor will transfer Entitlement to any Related Mortgage Certificate serving as security for that particular Mortgage Claim to the Assignee as a continuing security for that particular Mortgage Claim and any other assigned Mortgage Claims secured thereby prior to the transfer.

Transfer of Entitlement to Related Physical Mortgage Certificates and Related Paperless Pledged Mortgage Certificates to the Guarantor shall be effected by way of signing a Transfer Deed pursuant to which:

- (a) In case of Related Physical Bearer Security Assignment Mortgage Certificates, the Assignor will, *inter alia*, assign and transfer any and all rights and claims pursuant to and possession in and title to the Related Physical Bearer Security Assignment Mortgage Certificates set out in the Transfer Deed to the Assignee. In addition, the Assignor physically places the relevant Related Physical Bearer Security Assignment Mortgage Certificates into the Vault of the Assignee. The same applies with respect to Related Registered Security Assignment Mortgage Certificates, in addition, any Related Registered Security Assignment Mortgage Certificates will also be validly endorsed by the Assignor in the name of the Assignee prior to such transfer into the Vault; and
- (b) in case of Related Physical Pledged Mortgage Certificates and Related Paperless Pledged Mortgage Certificates, the Assignor and the Assignee have acknowledged and agreed in the Security Assignment Agreement and will acknowledge and agree in the relevant Transfer Deed that the pledge right (*diritto di pegno*) over such pledged Mortgage Certificates will be assigned and transferred to the Assignee as an ancillary right together with the relevant assigned Mortgage Claims pursuant to article 170 CO. In addition, Related Physical Pledged Mortgage Certificates will be transferred into the Vault of the Assignee and Related Physical Registered Pledged Mortgage Certificates validly endorsed by the Assignor in the name of the Assignee prior to such transfer into the Vault.

As from the relevant Transfer Date, the Assignor will, based on the Collateral Holding Agreement, maintain in its premises a separate Vault for the Assignee in which to store the relevant Transferred Physical Mortgage Certificates under and in accordance with the Collateral Holding Agreement. Cornèr Banca will grant sole access to such Vault to the Assignee.

Transfer of Fiduciary Entitlement to Related Paperless Security Assignment Mortgage Certificates to the Guarantor shall be effected by way of signing a Transfer Deed, pursuant to which the Assignor transfers and assigns any and all rights, claims and obligations under the Related Paperless Security Assignment Mortgage Certificates specified therein to the Assignee as per the Transfer Date and agrees, as from the relevant Transfer Date, to (x) continue to hold the Transferred Paperless Security Assignment Mortgage Certificates as fiduciary

(*gestore fiduciario della cartella*) for the account and exclusive order of the Assignee, grant the Assignee Fiduciary Entitlements thereunder, (y) book such Related Paperless Security Assignment Mortgage Certificates to the Assignee Paperless MC Custody Account and (z) notify the Assignee by an updated account statement for the Assignee Paperless MC Custody Account, all in accordance with the Collateral Holding Agreement.

In this context, in the relevant Transfer Deed, the Assignor shall offer to the Assignee that it becomes a secured party under the Related Security Transfer Agreement by way of an accession of contract, which offer the Assignee shall accept by countersigning such Transfer Deed.

The **Related Security Transfer Agreement** is any and all Security Transfer Agreements based on which Related Mortgage Certificates are transferred by a Security Provider to the Originator to secure an Assigned Mortgage Claim.

If and to the extent such an accession of contract requires the consent or participation of the relevant Security Provider, the Assignor shall be deemed to be acting on its own behalf and on behalf of the relevant Security Provider.

In the context of acceding to the Related Security Transfer Agreement, the Assignee will specifically acknowledge that as a result of becoming a secured party under the Related Security Transfer Agreement, it will be bound by the terms of that agreement. In particular, any proceeds resulting from the enforcement of Transferred Mortgage Certificates and any Mortgage Certificate Payments must exclusively be applied towards payment and discharge of the relevant Assigned Mortgage Claim(s).

The relevant Security Provider will not have any increased obligations as a result of the accession of the Assignee to the Related Security Transfer Agreement. Subject to anything to the contrary provided for in the Transaction Documents, between the Assignor and the Assignee, only the Assignee will be entitled to exercise rights under the Related Security Transfer Agreement up until the relevant Retransfer Date.

Transfer of Substitute Assets

The transfer for security purposes of any and all Substitute Assets shall be effected by transfer and deposit of the Substitute Assets by the Assignor, in the case of securities, by way of security transfer to the Cover Pool Custody Account, in the case of cash, as cash collateral to the Cover Pool Bank Account as designated by the Assignee from time to time in writing. The sole purpose of the transfer of Substitute Assets is to provide security for the Secured Obligations.

Retransfer of Cover Pool Assets

Prior to the service of the Guarantee Activation Notice on the Assignee, but following the occurrence of a Substitution Event, the Assignor shall request that the Assignee returns, once a month, the Affected Mortgage Assets by way of a reassignment of the affected Assigned Mortgage Claims together with (x) the retransfer of Entitlements to all related Transferred Mortgage Certificates and (y) the reassignment of all other Assigned Mortgage Claims secured by the related Transferred Mortgage Certificates against the unconditional assignment of randomly selected additional or substitute Eligible Mortgage Claims of equivalent nominal value and transfer of all related Transferred Mortgage Certificates.

Prior to the service of the Guarantee Activation Notice on the Assignee, the Assignor has the right to request from the Assignee on each Test Date the return of any particular Cover Pool Asset, provided that such Cover Pool Assets shall be substituted as described in the paragraph above or, if the Cover Pool Assets to be returned are Substitute Assets, such Substitute Assets shall be returned by way of retransfer of Substitute Assets against the unconditional transfer of Substitute Assets of equivalent nominal value.

Prior to the service of the Guarantee Activation Notice on the Assignee, the Assignor may request the Assignee to return any and all Excess Cover Pool Assets including as a result of a redemption in full or in part of a Series of Covered Bonds, either (i) on each Test Date by way of reassignment of Assigned Mortgage Claims together with (x) the retransfer of Entitlements to all related Transferred Mortgage Certificates and (y) the reassignment of all other Assigned Mortgage Claims secured by the related Transferred Mortgage Certificates, or (ii) on each Test Date by way of retransfer of Substitute Assets, always provided that the Asset Coverage Test and the Interest Coverage Test would have been met on the relevant Cut-Off Date without including the Excess Cover Pool Assets to be returned.

The Assignor undertakes to ensure that prior to the occurrence of an Issuer Event of Default, the ratio between (A) the aggregate nominal amount of cash and other Substitute Assets within the Cover Pool, excluding amounts standing to the credit of the Interest Accumulation Ledger and of the Liquidity Reserve Fund Ledger, and (B) the aggregate nominal amount of the Cover Pool (including cash and other substitute Assets and Mortgage Claims) does not, at any time exceed the Prescribed Cash Limit.

Without prejudice to the retransfer of Discharged Mortgage Certificates, following the service of the Guarantee Activation Notice on the Assignee or the occurrence of an Insolvency Event with regard to the Assignor, the Assignor may no longer request that Cover Pool Assets be retransferred or exchanged and the Assignee shall no longer agree to any reassignment or retransfer of Mortgage Assets or Substitute Assets. Irrespective of the occurrence of an Issuer Event of Default or an Insolvency Event with regard to the Assignor, after the occurrence of a Discharge Event with respect to Discharged Mortgage Certificates, the Assignee shall be entitled to retransfer Entitlements to the Discharged Mortgage Certificates in accordance with the Security Assignment Agreement.

Notification to Mortgage Debtor

Prior to the occurrence of a Notification Event, the Assignee shall (i) only notify a Mortgage Debtor or Security Provider of the assignment of Assigned Mortgage Claims or the transfer of Entitlements to Transferred Mortgage Certificates if and to the extent such notification is reasonably necessary for protecting and pursuing the Assignee's rights under the Security Assignment Agreement, and (ii) only apply for (x) registration as a creditor of the relevant Transferred Physical Mortgage Certificates in the relevant creditors' register held with the relevant Land Register (*registro dei creditori del registro fondiario*) and (y) registration as a creditor or pledgee, as the case may be, of the Transferred Paperless Mortgage Certificate in the relevant Land Register (*registro fondiario*), in each case, if and to the extent it deems such registration to be reasonably necessary for protecting and pursuing the Assignee's rights under the Security Assignment Agreement or its Entitlements to a Transferred Physical Mortgage Certificate. Notwithstanding the above, the Assignor shall notify a Mortgage Debtor or Security Provider of the assignment of Assigned Mortgage Claims or the transfer of Entitlements to Transferred Mortgage Certificates, respectively, in whatever form it may deem fit, if and to the extent (x) it has been authorized by the Assignee to do so, (y) it is required to do so by mandatory law or (z) based upon a specific request by the relevant Mortgage Debtor or Security Provider.

Upon the occurrence of a Notification Event, the Assignee shall notify the relevant Mortgage Debtor and Security Provider of the assignment of Assigned Mortgage Claims and the transfer of Entitlements to Transferred Mortgage Certificates and instruct such Mortgage Debtor to make all further payments in respect of the relevant Assigned Mortgage Claims to an account held in the name of the Assignee by way of an information letter as set out in the Security Assignment Agreement. Simultaneously, the Assignee may, but is not obliged to, apply for registration as a creditor of (i) the relevant Transferred Physical Mortgage Certificates with the relevant creditors' register held with the relevant Land Register (*registro dei creditori del registro fondiario*) and instruct the Assignor to register (ii) the Assignee as the creditor of the relevant Transferred Paperless Security Assignment Mortgage Certificate in the relevant Land Register (*registro fondiario*) and (iii) the pledge right of the Assignee in any Transferred Paperless Pledged Mortgage Certificate. The Assignor shall, upon request by the Assignee, confirm the assignment directly to the relevant Mortgage Debtor.

Collected Mortgage Payments Prior to the Occurrence of an Issuer Event of Default

Prior to the occurrence of the earlier of (i) an Issuer Event of Default or (ii) a Servicing Termination Event (a **Notification Event**), the Assignor shall continue to be competent and entitled to receive and collect Mortgage Payments for the account of the Assignee. The Assignee irrevocably waives any right, title and interest to Collected Mortgage Payments, and no transfer of Collected Mortgage Payments to the Assignee shall be made with respect to Collected Mortgage Payments received or collected prior to the relevant Mortgage Payment Transfer Date provided that (i) no Notification Event or Issuer Event of Default or Guarantor Event of Default has occurred and (ii) no Breach of Test Notice has been served on the Assignor which is still outstanding on that Mortgage Payment Transfer Date.

The Assignor shall transfer Collected Mortgage Payments received in such amounts as are sufficient from time to time to fund the Liquidity Reserve Fund Ledger up to the Liquidity Reserve Fund Required Amount in accordance with the Intercreditor Agreement within five Business Days of receipt or set-off of the same. Any retransfer of Collected Mortgage Payments so transferred shall be made in accordance with and subject to the provisions of the Intercreditor Agreement.

Upon the service of a Breach of Test Notice (which has not been revoked), the occurrence of a Guarantor Event of Default or a Notification Event (other than a Notification Event triggered by the occurrence of an Issuer Event of Default), the Assignor shall transfer to the Assignee any amounts received by it as Collected Mortgage Payments and the Cash Manager acting on behalf of the Assignee shall be entitled to apply any such Collected Mortgage Payments for the following purposes subject to and in accordance with the applicable Priority of Payments set forth in the Intercreditor Agreement:

- (a) replenishment of the Liquidity Reserve Fund Ledger up to the Liquidity Reserve Fund Required Amount; and
- (b) after the occurrence of an Enforcement Event and a transfer to the General Bank Account pursuant to the terms of the Intercreditor Agreement, payment of any amounts due by the Guarantor.

Collected Mortgage Payments received by the Assignee shall, to the extent not used to make payments in respect of amounts due by the Assignee under (b) above or to make replenishments under (a) above, be (i) returned to the Assignor, provided that no Issuer Event of Default or Guarantor Event of Default has occurred and is continuing and no Breach of Test Notice is outstanding, or (ii) for as long as the conditions set out in (i) above are not satisfied, withheld by the Assignee as cash collateral in the Cover Pool Bank Account for any Secured Obligations and, upon the occurrence of an Enforcement Event, applied against the Secured Obligations in accordance with the Security Assignment Agreement.

Upon the occurrence of a Notification Event but prior to the occurrence of an Issuer Event of Default, the Assignee or the Cash Manager acting on its behalf, shall be entitled to apply any Mortgage Payments directly received by the Assignee for the following purposes in accordance with the applicable Priority of Payments set forth in the Intercreditor Agreement:

- (a) replenishment of the Liquidity Reserve Fund Ledger up to the Liquidity Reserve Fund Required Amount; and
- (b) after the occurrence of an Enforcement Event and a transfer to the General Bank Account pursuant to the terms of the Intercreditor Agreement, payment of any amounts due by the Assignee.

Mortgage Payments directly received by the Assignee shall, to the extent not used to make payments in respect of amounts due by the Assignee under (b) or to make replenishments under (a) above, be (i) transferred to the Assignor, provided that no Issuer Event of Default or Guarantor Event of Default has occurred and is continuing and no Breach of Test Notice is outstanding, or (ii), for as long as the conditions set out in (i) above are not satisfied, withheld by the Assignee as cash collateral in the Cover Pool Bank Account for any Secured Obligations and, upon the occurrence of an Enforcement Event, applied against the Secured Obligations in accordance with the Security Assignment Agreement.

Mortgage Payments upon the Occurrence of an Issuer Event of Default

Upon and after the occurrence of an Issuer Event of Default or an Insolvency Event with respect to the Assignor, the Assignee shall be entitled to withhold any Mortgage Payments received, directly or indirectly, by it as a cash collateral in the Cover Pool Bank Account for any Secured Obligations and, upon the occurrence of an Enforcement Event, to apply against the Secured Obligations in accordance with the Security Assignment Agreement.

Without prejudice to the above, upon and after the occurrence of an Issuer Event of Default or an Insolvency Event with regard to the Assignor, the Assignor shall transfer to the Assignee any amounts received by it as Collected Mortgage Payments and the Assignee, acting through the Cash Manager, shall be entitled to apply any Mortgage Payments for making payments due under Swap Agreements (if any) or under Accumulation Series Covered Bonds directly, subject to and in accordance with the applicable Priority of Payments set forth in the Intercreditor Agreement.

Enforcement of Mortgage Certificates outside an Enforcement of the Cover Pool

Prior to the occurrence of a Notification Event, the Assignee shall not be entitled to enforce any Transferred Mortgage Certificates, and Transferred Mortgage Certificates to be enforced against the relevant Mortgage Debtor and/or Security Provider shall be retransferred to the Assignor. Upon and after the occurrence of a Notification Event, if and to the extent an Assigned Mortgage Claim becomes due and payable, the Assignee or the Assignor on behalf of the Assignee (as applicable) shall be entitled, in case of a Transferred Paperless Mortgage Certificate, to register the Assignee as creditor or pledgee, as the case may be, of the relevant Transferred Paperless Mortgage Certificate in the relevant Land Register (*registro fondiario*), to enforce the related Transferred Mortgage Certificates and to apply the Mortgage Certificate Enforcement Proceeds and any Mortgage Certificate Payments it may receive against the respective Assigned Mortgage Claim and, upon the occurrence of an Enforcement Event, to apply such proceeds and payments (excluding Mortgage Certificate Excess Enforcement Proceeds, if any) against the Secured Obligations.

Liquidation of Cover Pool Assets upon the Occurrence of an Issuer Event of Default

Upon the occurrence of an Issuer Event of Default, the Assignee will calculate the Adjusted Swap Required Amount (if any) and shall liquidate such Cover Pool Assets in accordance with the provisions of the Security Assignment Agreement so that the net proceeds thereof are equal to (or approximately equal to) the Adjusted Swap Required Amount calculated as at the Business Day prior to the Liquidation Date. See "*Trust Agreement*".

Enforcement and/or Liquidation of Cover Pool Assets upon the Occurrence of an Enforcement Event

Upon and after the occurrence of an Enforcement Event and without prejudice to the limitations set forth in the Security Assignment Agreement in respect of liquidation of Assigned Mortgage Claims in order to provide liquidity in respect of the Adjusted Swap Required Amount (if any), the Assignee shall be entitled to enforce

and/or liquidate a part of the Cover Pool Assets sufficient to discharge the relevant Secured Obligations in one or more of the following ways:

- (a) The Assignee may, subject to the provisions of Lex Koller and any other legal requirements, itself or through a third party retained by it for that purpose, directly assert and enforce an Assigned Mortgage Claim vis-à-vis the respective Mortgage Debtor, and, to the extent the Assigned Mortgage Claim has become due, collect the principal amount and any related interest payments and, in case of non-payment, liquidate, *inter alia*, by way of a private sale (*vendita mediante trattativa privata*) to an Eligible Investor of the Transferred Mortgage Certificates relating to the relevant Assigned Mortgage Claim in accordance with Applicable Law. The Assignee may, in its sole discretion, allow a Mortgage Debtor to defer payment, agree on changes to the terms of an Assigned Mortgage Claim (including partial cancellation (*remissione del debito parziale*)) and take any other legal and other steps required or useful to collect and service the Assigned Mortgage Claims and that are customary in the Swiss market in connection with mortgage loans or the related security with the purpose of maximising the enforcement proceeds.
- (b) The Assignee may, subject to the provisions of the Lex Koller and any other legal requirements, liquidate any Assigned Mortgage Claim, *inter alia*, by way of private sale (*vendita mediante trattativa privata*) to an Eligible Investor and, in doing so, pool any of the Assigned Mortgage Claims in portfolios as it deems appropriate, in its sole discretion, provided that the requirements as set out in the Security Assignment Agreement are complied with. Applicable requirements include compliance with certain undertakings entered into by the Assignor with a view to ensure that the Mortgage Debtor's position is not prejudiced as a result of the assignment, compliance with the Servicing Standards and the passing on of the relevant obligations to any subsequent acquirer, which again may only be an Eligible Investor.
- (c) If the Assignee reasonably determines that it is necessary in order to enable it to meet its payment obligations under the Guarantee when the same become due, the Assignee may, subject to and in accordance with then prevailing Applicable Law, enter into and perform a sale and repurchase transaction with an Eligible Investor with respect to Assigned Mortgage Claims (each such transaction, a **Repo Transaction**), provided that certain requirements as set out in the Security Assignment Agreement are complied with, including the restriction that only Fixed Rate Mortgage Claims be used for the Repo Transaction.
- (d) If the Assignee reasonably determines that it is necessary in order to be in a position to meet its payment obligations under the Guarantee when the same becomes due, the Assignee may, subject to and in accordance with then prevailing Applicable Law, sell Assigned Mortgage Claims to an Eligible SPV and issue negotiable debt instruments or other negotiable securities in order to finance the acquisition of such Assigned Mortgage Claims (each such sale, a **Securitisation Transaction**), provided that certain requirements as set out in the Security Assignment Agreement are complied with.
- (e) The Assignee may freely dispose of any other Cover Pool Assets, including but not limited to (i) any Collected Mortgage Payments received by the Assignee to which it is entitled according to the Security Assignment Agreement, (ii) any Swap Payments received by the Assignee, (iii) any Substitute Assets, (iv) the Liquidity Reserve Fund Required Amount recorded on the Liquidity Reserve Fund Ledger, and (v) any proceeds received by the Assignee for discharge of any and all Secured Obligations existing from time to time in accordance with the Security Assignment Agreement.

The Assignee is at liberty to enforce the Secured Obligations without having to first enforce and/or liquidate the Cover Pool Assets.

Cover Pool Tests

Asset Coverage Test

The Parties agreed to appoint and instruct the Assignor to perform the Asset Coverage Test as of each Pre-Event Test Date prior to the IED Guarantee Activation Date. In addition, the Parties appointed the Asset Monitor to periodically verify the calculations. See "*Credit Structure — Asset Coverage Test*".

Interest Coverage Test

The Parties agreed to appoint and instruct the Assignor to perform the Interest Coverage Test as of each Pre-Event Test Date prior to the IED Guarantee Activation Date. In addition, the Parties appointed the Asset Monitor to periodically verify the calculations. See "*Credit Structure — Interest Coverage Test*".

Amortisation Test

The Parties agreed to appoint and instruct the Assignor or the Replacement Servicer (as the case may be), to perform the Amortisation Test as of each Test Date after the IED Guarantee Activation Date. In addition, the Parties appointed the Asset Monitor to periodically verify the calculations. See "*Credit Structure — Amortisation Test*".

Representation and Warranties regarding the Mortgage Assets

The Assignor shall, *inter alia*, give the following representations and warranties regarding the Mortgage Credit Agreements, the Security Transfer Agreements, the Mortgage Claims, the Mortgage Certificates and the Properties.

Mortgage Credit Agreements and Security Transfer Agreements

The Assignor represents and warrants to the Assignee as of the Transfer Reference Date of the Transfer Deed by which the relevant Mortgage Asset has been transferred and on each Cut-off Date during the existence of the Security Assignment Agreement in relation to each Mortgage Credit Agreement and the Related Security Transfer Agreement relating to the relevant Mortgage Assets as follows:

- (a) the relevant Mortgage Credit Agreement and Related Security Transfer Agreement are legally binding and enforceable and are governed by Swiss law;
- (b) the Assignor has fulfilled and will continue to fulfil all its obligations under the relevant Mortgage Credit Agreement and Related Security Transfer Agreement;
- (c) the relevant Mortgage Credit Agreement is evidenced by a documentation which includes (a) the Mortgage Debtor's consent to the transfer of all or parts of the relevant loan relationship (*relazione di credito*) with all securities and ancillary rights by the Assignor; and (b) the Mortgage Debtor's consent to provide parties to such transfer and other involved person with information relating to the relevant loan relationship (*relazione di credito*), whereby such third parties will undertake a corresponding contractual secrecy obligation;
- (d) the Related Security Transfer Agreement is evidenced by documentation which includes (a) the Security Provider's consent to the transfer of all or parts of the Assignor's rights and obligations under the Related Security Transfer Agreement by the Assignor, and (b) the Security Provider's consent to provide parties to such transfer and any other involved person with information relating to the relevant loan relationship (*relazione di credito*), whereby such third party will undertake a corresponding contractual secrecy obligation;
- (e) the relevant Mortgage Credit Agreement and Related Security Transfer Agreement have been made on the basis of the Originator's Standard Mortgage Documentation (or similar documentation in case of Mortgage Assets purchased by the Originator from third-parties) applicable at the time of entering into the relevant agreement;
- (f) each Security Provider under the Related Security Transfer Agreement is also a Mortgage Debtor pursuant to the Mortgage Credit Agreement and debtor of the Mortgage Certificate Claim of the relevant Related Mortgage Certificate(s) and each of the relevant Mortgage Debtor(s) is also a Security Provider under the Related Security Transfer Agreement and a debtor of the Mortgage Certificate Claim of the relevant Related Mortgage Certificate(s);
- (g) none of the Mortgage Credit Agreements constitutes an agreement regulated or partly regulated by any consumer credit legislation;
- (h) none of the Mortgage Credit Agreements has an interest rate which is in breach of any applicable Swiss interest-abuse regulations; and
- (i) none of the Mortgage Credit Agreements and Related Security Transfer Agreements have been made in breach of the Swiss Federal Act on Unfair Competition.

Mortgage Claims

The Assignor represents and warrants to the Assignee as of the respective Transfer Reference Date of the Transfer Deed by which the relevant Mortgage Claim has been assigned and (except for sub-clause (b) and (c) below) on each Cut-off Date during the subsistence of the Security Assignment Agreement in relation to each Assigned Mortgage Claim assigned by the relevant Transfer Deed as follows:

- (a) the relevant Mortgage Claim is an unconditional, existing, valid, binding and enforceable obligation of the respective Mortgage Debtor;

- (b) the relevant Mortgage Claim has been originated in compliance with the Assignor's customary loan origination procedures (or similar documentation in case of Mortgage Assets purchased by the Originator from third-parties) and the requirements set out in the Guidelines of the Swiss Bankers' Association concerning (i) the examination, assessment and handing of mortgage credits, and (ii) minimum requirements for mortgage financings (or any other Applicable Law or similar self-regulatory rules enacted from time to time);
- (c) the relevant Mortgage Claim has been originated by the Assignor (or, in case of Mortgage Assets purchased by the Originator from third-parties, by such third-party) in its own name and for its own account in accordance with the relevant provisions of the Lex Koller;
- (d) no authorisation is required under the Lex Koller in respect of any Mortgage Claim originated by the Assignor (or, in case of Mortgage Assets purchased by the Originator from third-parties, by such third-party);
- (e) each Mortgage Debtor is an Eligible Mortgage Debtor and, if more than one person is a Mortgage Debtor in respect of the same Mortgage Claim, each Mortgage Debtor is jointly and severally liable for all payment obligations under such Mortgage Claim;
- (f) the relevant Mortgage Claim and the Related Ancillary Rights are (i) governed by Swiss law, (ii) freely assignable and (iii), upon assignment in accordance with the relevant Transfer Deed and the terms of the Security Assignment Agreement, free and unencumbered of any claims, charges, reservations or third party interests of any kind (including, without limitation, any Security Interest);
- (g) the Assignor is the sole legal creditor of the relevant Mortgage Claim and has the unrestricted authority to assign it to the Assignee; and
- (h) the Assignor has not concluded and will not conclude any assignment agreement in relation to the relevant Mortgage Claim in favour of a third party.

Mortgage Certificates

The Assignor represents and warrants to the Assignee as of the respective Transfer Reference Date of the Transfer Deed by which Entitlement to the relevant Mortgage Certificate has been transferred to the Assignee and (except for sub-clause (d), (g) and (h)) during the subsistence of the Security Assignment Agreement in relation to each Transferred Mortgage Certificates as follows:

- (a) the relevant Transferred Mortgage Certificate is either (i) a Physical Mortgage Certificate certificated in the form of a Physical Bearer Mortgage Certificate (*cartella ipotecaria al portatore*) or a Physical Registered Mortgage Certificate (*cartella ipotecaria nominativa*), or (ii) a Paperless Mortgage Certificate (*cartella ipotecaria registrata*);
- (b) the relevant Transferred Mortgage Certificate is (i) validly issued and properly entered in the relevant Land Register as a Swiss "*cartella ipotecaria*", (ii) properly registered in the relevant Land Register as economically the first ranking security interest on the relevant Property (with the exception of statutory liens), unless Entitlements to all superior and equal ranking Mortgage Certificates will be transferred to the Assignee together with such lower ranking Mortgage Certificates, and (iii) in case of a Physical Registered Mortgage Certificate (*cartella ipotecaria nominativa*), validly endorsed without restriction (*girata completa senza restrizioni*);
- (c) the relevant Transferred Mortgage Certificate is free and unencumbered of any claims, charges, reservations, voidability rights or third party interests of any kind (including, without limitation, any Security Interest) other than under the Related Security Transfer Agreement with the relevant Security Provider and other than the Collateral Holding Agent may have as fiduciary (*gestore fiduciario*) of Paperless Security Assignment Mortgage Certificates;
- (d) the Assignor (i) in case of a Physical Security Assignment Mortgage Certificate, is the sole legal owner of the relevant Transferred Physical Mortgage Certificate and is duly authorised to transfer it to the Assignee, (ii) in case of a Paperless Security Assignment Mortgage Certificate, has sole Fiduciary Entitlement to the relevant Paperless Security Assignment Mortgage Certificate and the relevant Paperless Security Assignment Mortgage Certificate is booked to the Assignor Paperless MC Custody Account, and (iii) in case of a Paperless Pledged Mortgage Certificate and a Physical Pledged Mortgage Certificate, is the sole pledgee and the pledge is the first ranking security interest;
- (e) entitlement to the relevant Transferred Mortgage Certificate has been validly transferred to the Assignor as security for all liabilities under the relevant Mortgage Credit Agreement (and possibly other indebtedness of the Mortgage Debtor, if applicable) by the relevant Security Provider, on the basis of a Related Security Transfer Agreement;

- (f) the relevant Transferred Physical Mortgage Certificate is stored in the Vault of the Assignee at the premises of the Collateral Holding Agent to which the Assignee shall be granted exclusive access being the Assignee the possessor (*possessore*) and owner (in case of Physical Security Assignment Mortgage Certificates) of such Physical Mortgage Certificate;
- (g) the Collateral Holding Agent is registered as the sole creditor or pledgee of the relevant Paperless Mortgage Certificate in the main register (*libro principale*) of the relevant Land Register (*registro fondiario*);
- (h) in case of a Transferred Physical Security Assignment Mortgage Certificate, the relevant Transferred Physical Security Assignment Mortgage Certificate gives the Assignor unencumbered title thereto pursuant to the terms of the Related Security Transfer Agreement;
- (i) in case of Transferred Pledged Physical Mortgage Certificate and Transferred Pledged Paperless Mortgage Certificates, the Assignor has obtained the pledge right to such Transferred Pledged Physical Mortgage Certificates and Transferred Pledged Paperless Mortgage Certificates;
- (j) in case of a Transferred Paperless Mortgage Security Assignment Certificate, the Assignor has unencumbered Fiduciary Entitlement to the relevant Paperless Security Assignment Mortgage Certificate pursuant to the terms of the related Security Transfer Agreement;
- (k) in case of Transferred Physical Security Assignment Mortgage Certificates and Transferred Physical Pledged Mortgage Certificates, the Assignor has physically placed any and all such Transferred Physical Security Assignment Mortgage Certificates and Transferred Physical Pledged Mortgage Certificates into the Vault of the Assignee; and
- (l) the relevant Transferred Mortgage Certificate, together with any other Transferred Mortgage Certificates securing the repayment of the relevant Assigned Mortgage Claim, has a face value equal to or greater than the aggregate amount of the relevant Assigned Mortgage Claim.

Properties

The Assignor represents and warrants to the Assignee as of the respective Transfer Reference Date of the Transfer Deed by which the relevant Mortgage Asset had been transferred to the Assignee and during the subsistence of the Security Assignment Agreement in relation to each Property encumbered by a Transferred Mortgage Certificate as follows:

- (a) the relevant Property is owned/co-owned by at least one Security Provider who has signed a Related Security Transfer Agreement and transferred the Mortgage Certificates encumbering that Property to the Assignor; and
- (b) the relevant Property is, pursuant to the relevant Mortgage Credit Agreement, to be insured against damage or destruction in accordance with the Assignor's customary loan origination procedures and applicable cantonal laws.

Increased Services Provider Expenses Pre-funding Obligation and Increased Services Provider Expenses Recourse and Indemnity Obligation

The Assignor is obliged to pre-fund any and all Increased Services Provider Expenses arising from time to time by payment to the General Bank Account of the amount specified by the Assignee (or the Trustee on behalf of the Assignee) in a notice for pre-funding (each an **Increased Services Provider Expenses Pre-funding Notice**), with value no later than (i) one Business Day after receipt of the Increased Services Provider Expenses Pre-funding Notice or (ii) at such other date as specified in the Increased Services Provider Expenses Pre-funding Notice, provided that the relevant amount shall not become due earlier than 30 Business Days prior to the due date of the relevant payment owed by the Assignee to the respective Third Party Services Provider (the **Increased Services Provider Expenses Pre-funding Obligation**). Any payment under the Increased Services Provider Expenses Pre-funding Obligation shall not prejudice the Assignor's right to ask for full or partial reimbursement of the relevant payment upon presentation of conclusive evidence that the Assignee did not pay, in good faith, the corresponding amount to a Third Party Services Provider.

Each Pre-funding Claim under the Increased Services Provider Expenses Pre-funding Obligation constitutes a conditional cash coverage claim for release of liabilities incurred which is subject to the conditions precedent that the relevant amount has come into existence and has been ascertained in accordance with the terms of the relevant agreement with a Third Party Services Provider and shall become due and payable upon service of a relevant Increased Services Provider Expenses Pre-funding Notice or upon the Assignor being effectively wound up as a result of Insolvency Proceedings.

Save to the extent the Assignee has already been compensated under the Increased Services Provider Expenses Pre-funding Obligation, the Assignor shall reimburse and indemnify the Assignee for any and all

Increased Services Provider Expenses (the **Increased Services Provider Expenses Recourse and Indemnity Obligation**, and together with the Guarantee Recourse and Indemnity Obligation, the Swap Termination Payment Recourse and Indemnity Obligation, the General Recourse and Indemnity Obligation, the **Recourse and Indemnity Obligations**).

Each Recourse Claim under the Increased Services Provider Expenses Recourse and Indemnity Obligation constitutes a conditional recourse claim which is subject to the conditions precedent that payment of the relevant amount to a Third Party Services Provider has been made by or on behalf of the Assignee and shall become due and payable upon service of a relevant notice (each an **Increased Services Provider Expenses Recourse Notice**).

In case of a bankruptcy of the Assignor pursuant to article 33 et seq. FBA, no Pre-funding Notices or Recourse Notices are required to be served after the communication by the liquidator to the creditors of the Assignor announcing the upcoming final bankruptcy dividend payment pursuant to article 36 para. 3 BIO-FINMA shall have been received.

Increased Services Provider Expenses means the Nominal Amount of any and all sums paid or payable by or on behalf of the Assignee to (i) any Replacement Servicer and (ii) to any Replacement Third Party Services Provider in relation to any and all liabilities, claims, costs and expenses which the Assignee may suffer, sustain or incur as a consequence of the non-compliance by the Assignor with any of the Assignor's representations, warranties, undertakings or other obligations under the Security Assignment Agreement. Increased Services Provider Expenses in relation to any Replacement Third Party Services Provider shall include, but not be limited to, any additional amounts which reflect increased expenses or costs to the Assignee and which are due to a Third Party Services Provider, but exclude (x) any and all amounts which would have been due to a Third Party Services Provider irrespective of the Assignor's non-compliance or default and (y) any increased costs or losses caused by the Guarantor's own gross negligence or wilful default in complying with its representations, warranties or obligations under the Transaction Documents, unless such gross negligence or wilful default concurrently constitutes non-compliance on the part of the Assignor with its representations, warranties or obligations under the Transaction Documents.

Servicing of Serviced Mortgage Assets

The Assignor shall, as part of the transfer of Mortgage Assets for security purposes, at its own cost and expense (including Taxes) continue, subject to revocation of the authorisation upon a Servicing Termination Event, to service in accordance with the Security Assignment Agreement, in its reasonable discretion and with the goal of maximising recoveries and minimising losses, subject to and in accordance with (i) its standard operation procedures and servicing and enforcement policies for its mortgage loans and mortgage certificates from time to time, and (ii) the provisions of the Security Assignment Agreement and the servicing standards set out as a schedule to the Security Assignment Agreement (the **Servicing Standards**) to service and administer the Serviced Mortgage Assets.

The servicing and administration of the Serviced Mortgage Assets shall include, but not be limited to, (i) identifying, collecting and posting all payments by a Mortgage Debtor or a Security Provider in respect of the Serviced Mortgage Assets, (ii) collecting all past due amounts owed by a Mortgage Debtor or a Security Provider in accordance with the Assignor's customary arrears and default procedures for the collection of past due amounts in respect of any Serviced Mortgage Assets, (iii) accounting for Collected Mortgage Payments, (iv) monitoring and management of delinquencies and enforcing Defaulted Mortgage Claims, (v) valuation of the Properties, and (vi) preparing and delivering reports and statements, as described below.

The Assignor shall not delegate or entrust a third person with the servicing and administration of the Serviced Mortgage Assets except for the following services: (i) the services to be performed by the Collateral Holding Agent in accordance with the Collateral Holding Agreement, (ii) valuation of a Property, (iii) sale of a Property, (iv) enforcement of Assigned Mortgage Claims by professional collection agents or lawyers after debt enforcement procedures have been initiated, and (v) the enforcement of a Certificate of Shortfall according to articles 149 and 265 DEBA by professional collection agents or lawyers; provided, however, that in each case the Assignor shall (x) exercise all due care in the selection of any such delegate or agent, (y) be liable for any fees, costs, charges or expenses (including Taxes) payable to or incurred by any of its delegates or agents and (z) remain responsible for any acts or omissions of its delegates or agents.

In addition to the servicing and the administration of the Serviced Mortgage Assets according to the Security Assignment Agreement, the Assignor in its function as Cash Manager or any Replacement Cash Manager shall continue to service and administer the Substitute Assets in accordance with the Cash Management Agreement.

Authorisation

Prior to the occurrence of a Notification Event, the Assignor shall be authorised (*autorizzato*), in order to preserve the value of the Serviced Mortgage Assets in its own interest as provider of such assets, subject to the

limitations contained to the Security Assignment Agreement, the Collateral Holding Agreement, the relevant Mortgage Credit Agreement and the Related Security Transfer Agreement, as applicable, to exercise all rights under or in connection with the Serviced Mortgage Assets vis-à-vis the Mortgage Debtors and the Security Providers and any third party, in each case unless provided otherwise therein, in its own name, with or without disclosing the agency relationship (*rapporto di rappresentanza*) or the fact that it is acting for the account of or with effect for the Assignee, respectively. Accordingly, the Assignee shall not take any steps to assert any such rights or authorise a third party to do so prior to the occurrence of a Notification Event unless otherwise provided for in the Security Assignment Agreement.

Without limitation of the foregoing, the Assignor shall have the right, in order to preserve the value of the Serviced Mortgage Assets in its own interest, to perform the following legal actions with respect to the Serviced Mortgage Assets in its own name but on behalf of the Assignee until the occurrence of a Notification Event:

- (a) collect Assigned Mortgage Claims (including but not limited to service of a reminder notice (*richiamo*) and service of a default notice (*diffida*), but excluding the initiating of debt collection, attachment and Insolvency Proceedings and the enforcement of Transferred Mortgage Certificates);
- (b) agree on modalities of discharge of an Assigned Mortgage Claim, accept fulfilment actions and notices (including but not limited to notices of set-off in cases where the right of set-off has not been contractually excluded) from the Mortgage Debtor in relation to an Assigned Mortgage Claim and perform any legal action resulting in the extinguishment of an Assigned Mortgage Claim (including, but not limited to novation (*novazione*) and cancellation (*remissione del debito*) of an Assigned Mortgage Claim (or any part thereof such as Breakage Costs));
- (c) consent to any amendments to the terms and conditions of Assigned Mortgage Claims (including but not limited to deferral of payment of principal and interest (*differimento*) and changes to contractually agreed interest rates), as it may determine to be appropriate to maximize collections in respect of such Assigned Mortgage Claim;
- (d) subject to certain exceptions and subject to certain conditions as set out in the Security Assignment Agreement, agree on any amendments to an existing Mortgage Credit Agreement and the conclusion of a new Mortgage Credit Agreement with effect for Assigned Mortgage Claims; and
- (e) agree on any amendments to an existing Security Transfer Agreement and the conclusion of a new Security Transfer Agreement with effect for Transferred Mortgage Certificates, except where such an amendment or new Security Transfer Agreement would result in an alteration, cancellation or rescission of the consent given by the Security Provider in the Related Security Transfer Agreement pursuant to which the Originator is entitled to transfer Entitlements to Transferred Mortgage Certificates as security for the relevant Assigned Mortgage Claims to a third party.

Following the occurrence of an Issuer Event of Default, the Assignor shall be authorised (*autorizzato*), in order to preserve the value of the Serviced Mortgage Assets in its own interest as provider of such assets and/or beneficial owner, subject to the limitations pursuant to the Security Assignment Agreement, the Collateral Holding Agreement, the relevant Mortgage Credit Agreement and the Related Security Transfer Agreement, as applicable, to perform the following legal actions with respect to the Serviced Mortgage Assets, such legal actions to be performed in the name and for the account of the Assignee in accordance with the Servicing Standards:

- (a) collect Assigned Mortgage Claims (including but not limited to service of a reminder notice (*richiamo*), service of a default notice (*diffida*), initiating debt collection, attachment and Insolvency Proceedings, enforcement of Transferred Mortgage Certificates), as well as taking all relevant action and steps (including by way of initiation of or response to litigation proceedings) in connection with the foregoing activities;
- (b) agree on modalities of discharge of an Assigned Mortgage Claim, accept fulfilment actions and notices (including but not limited to notices of set-off in cases where the right of set-off has not been excluded as a matter of contract or as a matter of law) from the Mortgage Debtor in relation to an Assigned Mortgage Claim and perform any legal action resulting in the cancellation (*remissione del debito*) of an Assigned Mortgage Claim (including but not limited to any Breakage Costs);
- (c) consent to any amendments to the terms and conditions of Assigned Mortgage Claims (including but not limited to deferral of payment of principal and interest (*differimento*)) and changes to contractually agreed interest rates), as it may determine to be appropriate to maximise collections in respect of such Assigned Mortgage Claim;
- (d) any other legal actions and steps a reasonable, prudent mortgage lender would be expected to take in servicing and administering its mortgage loans and related mortgage certificates, but to the

exclusion of any legal actions resulting in novation (*novazione*) of an Assigned Mortgage Claim, and

always provided that the Assignor shall use its reasonable endeavours to cause any Mortgage Payments collected to be paid directly to the account of the Guarantor notified to the relevant Mortgage Debtor.

Notwithstanding anything in the Security Assignment Agreement or any other Transaction Document, following the occurrence of an Issuer Event of Default or a Guarantor Event of Default (whichever is earlier), the Assignor shall not, without the prior authorisation or consent of the Assignee, take any action that would result in the (full or partial) lapse of an Assigned Mortgage Claim, including, without limitation, cancellation (*remissione del debito*), set-off of Assigned Mortgage Claims and termination of Assigned Mortgage Claims or the respective Mortgage Credit Agreements and release of Transferred Mortgage Certificates other than in accordance with the Security Assignment Agreement.

Repayment and Discharge of Assigned Mortgage Claims

Subject to the provisions of the relevant Mortgage Credit Agreement and the Servicing Standards set out in the Security Assignment Agreement, the Servicer shall accept repayments and other fulfilment actions (*atti di esecuzione*) and notices (including but not limited to notices of set-off in cases where the right of set-off has not been excluded as matter of contract or as a matter of law) from the Mortgage Debtor in relation to an Assigned Mortgage Claim. Furthermore, the Servicer may consent to an Assigned Mortgage Claim being discharged by way of a payment made or a payment obligation assumed by a third party bank (acting on behalf of the relevant Mortgage Debtor), provided that such a payment obligation by the third party bank is in favour of (i) prior to the occurrence of a Notification Event, the Assignor and (ii), upon or after the occurrence of a Notification Event, the Assignee or the Servicer acting in the name and on behalf of the Assignee.

Enforcement of Defaulted Mortgage Claims and Bankruptcy of Mortgage Debtor

Prior to the occurrence of a Notification Event, the Servicer shall not be entitled to enforce any Serviced Mortgage Assets and the Serviced Mortgage Assets to be enforced shall be reassigned, retransferred or substituted, as the case may be, by the Assignee to the Assignor in accordance with the Security Assignment Agreement.

Upon and after the occurrence of a Notification Event, if there is a default by a Mortgage Debtor in the performance of any payment obligation owed to the Assignee under an Assigned Mortgage Claim or if the Mortgage Debtor has become subject to bankruptcy proceedings, then the Servicer (or any replacement Servicer following a Servicing Termination Event), in the name and for the account of the Assignee, shall collect such Defaulted Mortgage Claim or, in the event of bankruptcy of the relevant Mortgage Debtor, all Assigned Mortgage Claims of such Mortgage Debtor as would be taken by a reasonably prudent person operating in the Swiss mortgage market and consistent with the Servicer's standard operating procedures to enhance the recovery of all amounts owed under such Assigned Mortgage Claim(s) and with the goal of maximising recoveries and minimising losses.

All taxes, reasonable costs and reasonable expenses arising out of or in connection with the enforcement of Mortgage Assets shall be borne by the Assignee.

Setting of Floating Interest Rates

Irrespective of the occurrence of a Notification Event, the Assignor is entitled to periodically determine and set and the Servicer shall inform the relevant Mortgage Debtors about the interest rates applicable to Floating Rate Mortgage Claims in accordance with the terms of the relevant Mortgage Credit Agreement and in line with its standards for non-assigned mortgage claims or, in case no such standards are available, in line with prevailing market rates at the time.

Records and Information

The Assignor shall keep all records and books of account for the Assignee in respect of the Assignee's interest in the Serviced Mortgage Assets. The Assignor undertakes to ensure that at all times all records, books and documents containing data relating to the Serviced Mortgage Assets can be identified and segregated within reasonable time. In addition, the Assignor shall keep and maintain all documents, books, microfiche, computer records and other information reasonably necessary or advisable for the collection of the Assigned Mortgage Claims and necessary to enable any Replacement Servicer to perform its duties under the relevant Replacement Servicer Agreement.

The Assignor shall submit a Cover Pool Report to the Assignee on each Pre-Event Test Date and to the Asset Monitor on the relevant Test Date in accordance with the Asset Monitor Agreement and submit the overview of the Cover Pool Report to the Trustee prior to the next Cut-off Date.

The Assignor shall provide the Assignee with a monthly report containing all information (as of the immediately preceding Cut-off Date) pursuant to the form of Investor Report attached as an annex to the Security

Assignment Agreement on last day of each month (each an **Investor Report**). The Issuer will publish or procure the publication of the Investor Report on its website (<https://www.cornergroupp.ch/en/media/annual-reports>).

In addition, the Assignor shall provide to the Asset Monitor as soon as reasonably practicable any information on the Cover Pool the Asset Monitor may reasonably request in order to be in a position to duly test the Cover Pool and the arithmetic accuracy of the relevant tests in accordance with the Asset Monitor Agreement.

Termination of the authorisation of the Assignor

Upon the occurrence of a Servicing Termination Event, the Assignee may at once or at any time thereafter while such Servicing Termination Event is continuing by a termination notice in writing to the Assignor (with a copy to the Trustee) terminate the authorisation of the Assignor pursuant to the Security Assignment Agreement with effect from a date (not earlier than the date of the termination notice) specified in the termination notice.

Following the termination of the authorisation of the Assignor, any rights and powers of the Assignor in connection with the servicing and administration of the Serviced Mortgage Assets shall, unless otherwise instructed by the Assignee, be terminated and be of no further effect. Following the termination of the authorisation of the Assignor, the Assignor has certain obligations, *inter alia*, with respect to the delivery of Customer Data and books and records, cooperation, consultation and assistance to facilitate the appointment of a Replacement Servicer.

Following the termination of the authorisation of the Assignor upon a Servicing Termination Event and following the occurrence of an Issuer Event of Default, the Assignor shall, when the Replacement Servicer deems it necessary in order to preserve the value of the Serviced Mortgage Assets, continue to cooperate and consult with and assist the Assignee and/or the Replacement Servicer by granting Mortgage Creditors access to amendments of Existing Mortgage Credit Agreements, the principal of which is due to mature, provided, *inter alia*, that no such amendment shall result in an interest rate below the Minimum Mortgage Interest Rate;

Minimum Mortgage Interest Rate means an interest rate, which is equal to or exceeds the sum of the Margin and the Reference Rate, where **Margin** means 1% and **Reference Rate** means a percentage, never to be less than 0%, which (x) in case of a fixed interest rate, shall be the relevant market swap rate for the applicable mortgage maturity and (y) in case of a floating interest rate, shall be the relevant SARON rate (or any successor rate as SARON agreed between the Replacement Servicer and the Guarantor) rate for a given payment frequency, which shall reset according to such frequency; provided that the Minimum Mortgage Interest Rate shall be subject to change pursuant to the Rating Agency Condition. The Assignor shall be authorised to exercise all rights under and in connection with the Serviced Mortgage Assets vis-à-vis the Mortgage Debtors, the Security Providers and third parties for this purpose, subject to revocation by the Assignee at any time.

The Assignor shall at all times, while it generally grants new mortgage loans, grant to Mortgage Debtors of Mortgage Credit Agreements the Mortgage Claims under which have been assigned to the Assignee the same access to refinancing as it grants to its other clients in order to discharge the principal amount under an existing Mortgage Credit Agreement which is due to mature.

Appointment of Replacement Servicer

Upon the occurrence of a Servicer Downgrade Event and upon termination of the authorisation of the Assignor (see "*—Duration and Termination*"), the Assignee shall use reasonable endeavours to promptly appoint a Replacement Servicer that satisfies the conditions set forth in the Security Assignment Agreement (but shall have no liability to any person in the event that, having used reasonable endeavours, it is unable to appoint a Replacement Servicer at terms acceptable to the Assignee).

Upon the appointment of a Replacement Servicer by the Assignee, the Assignor undertakes, *inter alia*, to grant the Replacement Servicer access to information and co-operate with and assist such Replacement Servicer in such a way that it is able to comply with its obligations pursuant to the Replacement Servicer Agreement once the appointment of the Assignor is terminated following a Servicing Termination Event in accordance with the terms of the Security Assignment Agreement.

Duration and Termination

The Security Assignment Agreement shall remain in full force and effect until expiry of a period ending 366 days after the date on which all Secured Obligations have been discharged in full and no further Secured Obligations are capable of arising and may not be terminated by any of the Parties prior to that date. The Parties agree that, subject to Applicable Law, the Security Assignment Agreement may not be terminated for any default, reason or circumstance prior to that date. See "*Risk Factors—Risks relating to reliance on certain transaction parties— Under Swiss law, Cornèr Banca or any other third-party service provider may terminate their contractual relationships at will. Because the Guarantor depends on Cornèr Banca and other third parties for certain services, any termination with immediate effect may adversely affect the Guarantor's ability to make full and timely payments under the Guarantee.*"

Governing Law and Jurisdiction

The Security Assignment Agreement, as well as the assumption of the contractual position, any assignment and reassignment of Mortgage Claims, Ancillary Rights and Mortgage Payments and any transfer or retransfer title or entitlement to Related Mortgage Certificates under or in connection with the Security Assignment Agreement, will be governed by and construed in accordance with the substantive laws of Switzerland. Any dispute, controversy or claim arising under, out of or in connection therewith, including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the ordinary courts of the City of Lugano, Switzerland.

Intercreditor Agreement

Pursuant to the Intercreditor Agreement among the Guarantor, Cornè Banca, the Agents, the Account Bank, the Trustee, the Guarantor has appointed the Cash Manager to perform certain cash allocation services on its behalf. The Intercreditor Agreement also sets out the priority in which payments will be made to the Covered Bondholders and the other Relevant Creditors.

Payments into and from Bank Accounts

The Guarantor has two main bank accounts: (1) the General Bank Account, broadly where it receives the Guarantee Fee and the proceeds of enforcement of the Cover Pool Assets, and from which it generally makes payments to its creditors and (2) the Cover Pool Bank Account, where it receives collections from the Cover Pool Assets and makes, in particular, periodic payments with respect to Accumulation Series Covered Bonds and to Swap Providers (if any) (other than Swap Termination Payments). The Guarantor also maintains custody accounts (the **General Custody Account** and the **Cover Pool Custody Account**) where it holds securities, the proceeds of which will be paid into (as applicable) the General Bank Account or the Cover Pool Bank Account.

More specifically, the Guarantor or the Cash Manager on its behalf will procure that the following amounts are credited to the General Bank Account:

- (a) the amount of any Guarantee Fees received by the Guarantor from time to time from the Issuer;
- (b) the proceeds received by the Guarantor under any Pre-funding Obligation and any Recourse and Indemnity Obligation;
- (c) Authorised Investments made from amounts standing to the credit of the General Bank Account and any proceeds thereof (including proceeds received from the disposal of such Authorised Investments), except that such Authorised Investments which are in the form of securities shall be credited to the General Custody Account;
- (d) any other amount directly or indirectly received by the Guarantor (including excess Swap Collateral Available Amounts (if any), but excluding (i) amounts to be paid into the Cover Pool Bank Account in accordance with the Intercreditor Agreement, (ii) amounts to be paid into any Swap Collateral Bank Account or Swap Collateral Custody Account, (iii) Swap Collateral Excluded Amounts and (iv) any Tax Credits); and
- (e) any amounts transferred from the Cover Pool Bank Account to the General Bank Account in accordance with the Intercreditor Agreement.

The Guarantor, or the Cash Manager on its behalf, will procure that the following amounts are credited to the Cover Pool Bank Account:

- (a) subject to the terms of the Security Assignment Agreement, Collected Mortgage Payments and any other amounts received in relation to collection or enforcement of the Cover Pool Assets;
- (b) Authorised Investments made from amounts standing to the credit of the Cover Pool Bank Account and any proceeds thereof (including proceeds received from the disposal of such Authorised Investments); except that such Authorised Investments which are in the form of securities shall be credited to the Cover Pool Custody Account;
- (c) subject to the terms of the Intercreditor Agreement, any Termination Amounts and any excess Premium received from a Swap Provider (if any) or a Replacement Swap Provider (if any);
- (d) any scheduled payments received from a Cover Pool Swap Provider (if any);
- (e) any scheduled payments received from a Covered Bond Swap Provider (if any) (to the extent not paid to the Principal Paying Agent as described below);

- (f) any excess monies received from the Principal Paying Agent following an overpayment to the Principal Paying Agent by a Covered Bond Swap Provider (if any); and
- (g) any amounts received by the Guarantor from the Issuer pursuant to the terms of the Guarantee.

The Guarantor, or the Cash Manager on its behalf, will procure that following the occurrence of an Enforcement Event, any amounts standing to the credit of the Cover Pool Bank Account, except for any amounts standing to the credit of the Interest Accumulation Ledger on the Cover Pool Bank Account, up to the amount of the Secured Obligations then to be discharged are promptly credited to the General Bank Account. However, following the IED Guarantee Activation Date, the Guarantor shall (i) liquidate Assigned Mortgage Claims in an amount up to the Adjusted Required Swap Amount in order to provide liquidity for any amount due to Covered Bond Swap Providers (if any) (pursuant to the Trust Agreement) and (ii) apply amounts standing to the credit of the Cover Pool Bank Account, except for any amounts standing to the credit of the Interest Accumulation Ledger on the Cover Pool Bank Account (which for the avoidance of doubt will be at any time prior to or following an Enforcement Event) in each case to make periodic scheduled payments to the relevant Covered Bond Swap Provider (if any) in accordance with the terms of the relevant Swap Agreement (if any). Following the occurrence of an Enforcement Event, the Covered Bond Swap Provider (if any) will be directed to pay all amounts due and payable by the Covered Bond Swap Provider (if any) under the Covered Bond Swaps directly to the Principal Paying Agent, for onward payment to the relevant Covered Bondholders and the amount of the Secured Obligations then to be discharged shall be reduced by the amount of any such payment by the Covered Bond Swap Provider (if any) directly to the Principal Paying Agent in accordance with the applicable Priority of Payments.

The Guarantor, or the Cash Manager on its behalf, will procure the return of any monies standing to the credit of the Cover Pool Bank Account to the extent that these represent Mortgage Certificate Excess Enforcement Proceeds or, prior to the Guarantee Activation Date, to the extent that these represent Excess Cover Pool Assets or other amounts due to the Assignor in accordance with the terms of the Security Assignment Agreement.

Moreover, prior to the Guarantee Activation Date (notwithstanding that a Notification Event may have already occurred), after applying monies standing to the credit of the Cover Pool Bank Account to provide for higher ranking amounts in accordance with the Pre-Guarantee Priority of Payments, all remaining monies standing to the credit of the Cover Pool Bank Account, except for any amount standing to the credit of the Interest Accumulation Ledger on the Cover Pool Bank Account, will be paid back to the Assignor on each Test Date, provided that no Breach of Test Notice has been served which is outstanding.

The Guarantor, or the Cash Manager on its behalf, will procure that any Swap Collateral will be credited to or debited from, the Swap Collateral Bank Account or the Swap Collateral Custody Account, as the case may be, in accordance with the relevant Swap Agreement (if any).

Priorities of Payments

The allocation and distribution of available funds and all other amounts received by the Guarantor is described in the section "*Cash Flows*" below.

Limited Recourse as against the Guarantor

Pursuant to the terms of the Intercreditor Agreement, the Conditions and the Guarantee (see also Condition 3.3 (*Limited Recourse against the Guarantor*) and Condition 3.4 (*No enforcement against the Guarantor (non-petition)*)) and the terms of each other Transaction Document, each Relevant Creditor (as applicable) agrees that its claims against the Guarantor are limited in amount and that its recourse against the Guarantor is limited solely to seeking declaratory relief without requesting the adjudication of damages or specific performance of the Guarantor's obligations to serve Pre-funding Notices and/or Recourse Notices. There is no guarantee that a court would grant any such relief (the award of specific performance in particular being subject to the court's discretion and generally only given if it determines that other remedies are not available) or that receipt of a declaratory judgment would procure enforcement of the relevant obligation by the Guarantor.

Swap Termination Payments upon the appointment of Swap Providers and the Guarantor entering into Swaps

Upon the appointment of Swap Providers and the Guarantor entering into Swap Agreements, the following shall apply.

If the Guarantor receives any Termination Amount from a Swap Provider (if any) in respect of a Swap Agreement with such Swap Provider (if any), such Termination Amount will first be used (prior to the GED Guarantee Activation Date) to pay any Premium due to an incoming Replacement Swap Provider (if any) to enter into a similar replacement Swap(s) with the Guarantor, unless replacement Swap(s) have already been entered into on behalf of the Guarantor.

If the Guarantor receives any Premium from a Replacement Swap Provider (if any) in respect of one or more replacement Swaps (if any), such Premium will first be used to pay any Termination Amount due and payable by the Guarantor with respect to the previous Swap Agreement(s) (including any Excluded Swap Termination Amounts), unless such Swap Termination Payment has already been made on behalf of the Guarantor.

If the Guarantor receives any excess Swap Collateral, such excess Swap Collateral will be transferred to the relevant Swap Provider (if any).

Any Termination Amounts or Premiums received by the Guarantor which are not applied to pay Premium or Termination Amounts to an outgoing, or as applicable, incoming Swap Provider (if any) as described above, will be transferred to the Cover Pool Bank Account.

Other than as permitted pursuant to the terms of the relevant Priority of Payments, the Initial Swap Provider (if any) shall only be entitled to receive any Termination Amount to the extent the Guarantor has received payments of Premium from a Replacement Swap Provider (if any). Such amounts received from a Replacement Swap Provider (if any) will be paid to the Initial Swap Provider (if any) outside of the terms of the Priorities of Payments.

Any Tax Credits will be paid to the relevant Swap Provider (if any) directly and not via the Priority of Payments.

Authorised Investments

The Cash Manager's duties under the Transaction Documents are solely mechanical in nature, except with respect to the Cash Manager's obligation to invest in Authorised Investments.

Remuneration of Cash Manager

The Guarantor will pay to the Cash Manager for its cash allocation services provided under the Intercreditor Agreement and the Cash Management Agreement a fee pursuant to the Cash Management Agreement.

Liability of Cash Manager

Save as otherwise provided in the Intercreditor Agreement the Cash Manager will have no liability for the obligations of the Guarantor, the Issuer and/or any other person under any of the other Transaction Documents or otherwise and nothing in the Intercreditor Agreement will constitute a guarantee, indemnity or similar obligation by or of the Cash Manager of or in relation to the obligations of either the Guarantor or the Issuer and/or any other person under the other Transaction Documents.

The Cash Manager will not be liable in respect of any loss, liability, claim, expense or damage suffered or incurred by any person as a result of the proper performance of the services described in the Intercreditor Agreement by the Cash Manager (including, without limitation, the exercise or non-exercise of any discretions conferred upon it under the Intercreditor Agreement) save to the extent that such loss, liability, claim, expense or damage is suffered or incurred as a result of any gross negligence, bad faith or wilful default of the Cash Manager or as a result of a breach by the Cash Manager of the terms and provisions of the Intercreditor Agreement or any of the other Transaction Documents to which the Cash Manager is a party (in its capacity as such) in relation to the performance of such function.

Governing Law and Jurisdiction

The Intercreditor Agreement will be governed by and construed in accordance with the substantive laws of Switzerland. Any dispute, controversy or claim arising under, out of or in connection therewith, including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the ordinary courts of the City of Lugano, Switzerland.

Cash Management Agreement

Pursuant to the terms of the Cash Management Agreement, the Cash Manager will provide certain cash management services (**Cash Management Services**) to the Guarantor.

Services

The Cash Manager's services include, but are not limited to:

- (a) maintenance of all approvals, authorisations, consents and licences required in connection with the business of the Guarantor, if any;
- (b) establishing and operating the Guarantor Bank Accounts pursuant to the Master Bank Account Agreement;
- (c) procuring the maintenance of the ledgers on behalf of the Guarantor;

- (d) calculating the funds available for distribution in accordance with the relevant Priority of Payments set out in the Intercreditor Agreement;
- (e) preparation of the Account Bank Report, Investment Manager Report and Payment Report for the Guarantor, the Trustee, the Assignor or the Replacement Servicer (as the case may be) and the Rating Agency;
- (f) at its discretion, investing funds standing to the credit of the Guarantor Bank Accounts in Authorised Investments, provided that such funds are not required for application in accordance with the terms of the Intercreditor Agreement;
- (g) upon becoming aware thereof, delivering notice of the occurrence of any Cash Manager Termination Event, Issuer Event of Default or Guarantor Event of Default;
- (h) acting as calculation and valuation agent and making certain determinations under any Swap Agreement (if any); and
- (i) assisting the Corporate Services Provider to procure compliance by the Guarantor with its obligations under the Transaction Documents (although it shall have no liability to make any payments on behalf of the Guarantor).

If the Cash Manager elects to make Authorised Investments as described above, it shall not be responsible (save where any loss results from the Cash Manager's own fraud, wilful default or negligence or that of its employees) for any loss occasioned by reason of any such Authorised Investments whether by depreciation in value, fluctuations in exchange rates or otherwise.

As to the manner in which any of the Cash Management Services are to be performed, the Cash Manager will comply with any directions which the Guarantor or, following the earlier of the IED Guarantee Activation Date or an Enforcement Event, but prior to the commencement of Insolvency Proceedings against the Guarantor, the Trustee, may from time to time give to the Cash Manager as to the manner in which any of the Cash Management Services are to be performed. In particular, in relation to the operation of the Guarantor Bank Accounts, the Cash Manager shall comply with the instructions of the Guarantor or, following the earlier of the IED Guarantee Activation Date or an Enforcement Event, but prior to the commencement of Insolvency Proceedings against the Guarantor, the Trustee. In the case of a conflict between the directions of the Guarantor and the Trustee, the directions of the Guarantor shall prevail, provided that the Guarantor is obliged not to give any direction to the Cash Manager that would reasonably likely be adverse to the interests of the Covered Bondholders.

Delegation and Subcontracting of Cash Management Services

The Cash Manager may sub-contract or delegate the performance of all or any of the Cash Management Services to any party whom it reasonably believes is capable of, and experienced in, performing the functions to be given to it. However, any delegation by the Cash Manager of its obligations (or any of them) under the Cash Management Agreement shall not release or discharge the Cash Manager from any of its obligations under the Cash Management Agreement. Neither the Guarantor nor the Trustee shall have any liability for any costs, charges or expenses payable or incurred by such sub-contractor or delegate or arising from the entering into, the continuance or the termination of any such arrangement.

Costs and Expenses

The Guarantor shall reimburse the Cash Manager for all out-of-pocket costs, expenses and charges properly incurred in the course of its performance of the cash management services under the Cash Management Agreement.

Termination of Appointment

Upon the occurrence of a Cash Manager Termination Event, the Guarantor has the right to terminate the appointment of the Cash Manager. The Guarantor shall use its reasonable endeavours to promptly appoint a Replacement Cash Manager (but shall have no liability in the event that it is unable to do so). The termination of the appointment of the Cash Manager will not take effect until a Replacement Cash Manager has been appointed by the Guarantor. Any Replacement Cash Manager shall have substantially the same rights and obligations as the Cash Manager, provided that the Replacement Cash Manager shall in addition prepare Recourse Notices and Pre-funding Notices (other than Guarantee Pre-funding Notices) in accordance with the Guarantee Mandate Agreement when it becomes aware of any respective obligations of the Issuer.

Governing Law and Jurisdiction

The Cash Management Agreement will be governed by and construed in accordance with the substantive laws of Switzerland, and any dispute, controversy or claim arising under, out of or in connection with the Cash Management Agreement, including, without limitation, disputes, claims or controversies regarding its existence,

validity, interpretation, performance, breach or termination, shall be submitted to the exclusive jurisdiction of the ordinary courts of the City of Lugano, Switzerland.

Corporate Services Agreement

Pursuant to the terms of the Corporate Services Agreement, the Corporate Services Provider has agreed to provide certain corporate administration services to the Guarantor.

The Corporate Services

The Corporate Services Provider will provide, *inter alia*, the following corporate administration services to the Guarantor (the **Corporate Services**):

- (a) make available in its offices in Lugano a domicile address and a business address for the operations of the Guarantor and take all necessary steps to register the domicile address in the commercial register and to provide each person which is a party to a Transaction Document and all other relevant contracting parties of the Guarantor with such domicile address and business address;
- (b) provide administrative services for the management of the operations and day-to-day business of the Guarantor as instructed by the Board of Directors;
- (c) accept services of process and any other documents or notices served on the Guarantor and prompt notification of the Board of Directors of any legal proceedings initiated against or involving the Guarantor of which the Corporate Services Provider becomes aware;
- (d) respond to the correspondence received by the Guarantor upon communication thereof with the members of the Board of Directors and shareholders of the Guarantor as necessary;
- (e) assess and review any incoming invoices and other requests for payment and, if found to be justified and correct, give approval to the Cash Manager to effect the relevant payment;
- (f) upon the occurrence of an Issuer Event of Default, independently of any of the other corporate services to be provided:
 - (i) establish and update an overview of all outstanding Covered Bonds and the respective due dates for any and all interest payments and payments of principal;
 - (ii) establish and update an overview of (x) all agreements to which the Guarantor is party, (y) all material undertakings of the Guarantor or owed by third parties to the Guarantor arising from such agreements, and (z) all payment obligations of the Guarantor or owed by third parties to the Guarantor (including, but not limited to, the due dates of such payment obligations);
 - (iii) monitor the fulfilment of the obligations of any third parties obliged to deliver notices pursuant to the Transaction Documents;
 - (v) monitor the fulfilment of the obligations of any third parties obliged to render services to the Guarantor pursuant to the Transaction Documents;
 - (vi) coordinate the interaction between the Guarantor and third parties and the instructions to be given by the Guarantor to third parties according to the Transaction Documents; and
 - (vii) furnish all relevant information in order to enable the Board of Directors to diligently render its decisions on a timely basis;
- (g) at the request of the Board of Directors, prepare and forward to the shareholders of the Guarantor all reports, statements and notices which the Board of Directors is required to issue, send or serve in accordance with Applicable law and the articles of incorporation of the Guarantor;
- (h) prepare and file, or cause the preparation and filing of, all reports, statutory forms and other documents which the Guarantor is required to prepare and file by Applicable Law;
- (i) prepare and maintain in accordance with Swiss GAAP all reasonable and necessary books, ledgers and records as may be required;
- (j) upon instruction of the Cash Manager, open and maintain in the books of the Guarantor the ledgers provided in the Cash Management Agreement;
- (k) take all reasonable steps to ensure that it receives a monthly bank statement from the Account Bank in relation to each of the Guarantor Bank Accounts;
- (l) ensure the preparation of the annual financial statements of the Guarantor within 160 days after the

end of the relevant fiscal year;

- (m) inform and report to the Board of Directors quarterly on the financial situation of the Guarantor and prepare (i) any financial statement as of the end of the preceding month as any member of the Board of Directors may reasonably require or (ii) in urgent cases and exceptional circumstances an intra-month financial statement;
- (n) provide the Board of Directors with such information and regular reports as required by Applicable Law or as reasonably requested by any member of the Board of Directors;
- (o) nominate a person willing to serve in the capacity of secretary of the Board of Directors without fee or remuneration from the Guarantor;
- (p) prepare and file tax declarations for and on behalf of the Guarantor and maintain all tax records;
- (q) keep the register of the shareholders and beneficial owners of the Guarantor and issue share certificates each time as instructed by the Board of Directors;
- (r) assist the Board of Directors in organising and convening the meetings of the shareholders of the Guarantor and the meetings of the Board of Directors and preparing any requisite documents and providing facilities for holding such meetings and keeping minutes of such meetings;
- (s) provide to the auditors of the Guarantor such information in connection with the Guarantor as may be in the possession of the Corporate Services Provider which is necessary for the performance of the auditors' duties;
- (t) if and to the extent required under the terms of any Transaction Document, deliver to any person entitled to it such information or documents which are provided for in the Transaction Documents and are in the possession of the Corporate Services Provider or reasonably obtainable by it;
- (u) upon request by the Board of Directors, give any directions to any providers of services or other agents appointed by the Guarantor; and
- (v) provide such other administrative services as may be required by the Guarantor from time to time and agreed by the Corporate Services Provider and the Guarantor.

The Corporate Services Provider will not be required to carry out any duties which have been delegated specifically to other persons pursuant to the Transaction Documents. Unless otherwise provided in the Corporate Services Agreement, the Corporate Services Provider may not, without the prior written consent of the Guarantor, delegate any of its obligations to any third party.

Fees

The Corporate Services Provider will be entitled to receive from the Guarantor an annual fee as agreed between the parties in a separate fee letter, due and payable on the last Guarantor Payment Date of each calendar year, which fee shall be paid in accordance with the provisions of the Intercreditor Agreement.

Termination

The Guarantor may terminate the appointment of the Corporate Services Provider in certain circumstances, such as, *inter alia*, a breach of a material obligation which is not remedied, insolvency of the Corporate Services Provider and a downgrade in the Corporate Services Provider's Fitch Long-Term Issuer Default Rating below 'BBB-'.

The Corporate Services Provider may terminate the Corporate Services Agreement by not less than six months' prior written notice to the Guarantor with a copy to the Trustee. Such termination shall take effect on the date of expiry of the notice or such longer period as the parties may agree.

Governing Law and Jurisdiction

The Corporate Services Agreement will be governed by and construed in accordance with the substantive laws of Switzerland, and any dispute, controversy or claim arising under, out of or in connection with the Corporate Services Agreement, including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the ordinary courts of the City of Lugano, Switzerland.

Asset Monitor Agreement

Pursuant to the terms of the Asset Monitor Agreement, the Asset Monitor will carry out various testing and notification duties in relation to the calculations performed by the Assignor or the Replacement Servicer, as applicable, in relation to the Asset Coverage Test, the Interest Coverage Test and the Amortisation Test.

Services

The Asset Monitor has agreed, subject to receipt by it of the information to be provided by the Assignor or the Replacement Servicer, as applicable, to conduct tests in respect of the arithmetical accuracy of the calculations performed by the Assignor or the Replacement Servicer, as applicable, prior to the occurrence of an Issuer Event of Default, on the First Issue Date and the Pre-Event Test Date immediately prior to each anniversary of the Programme Closing Date with a view to confirmation of compliance with each Pre-Event Test on the First Issue Date or on that Pre-Event Test Date. If and for so long as (i) the Assignor's (or the Replacement Servicer's) Fitch Long-Term Issuer Default Rating or (ii) the Fitch Long-Term Issuer Default Rating of the Issuer is below 'BBB-' or following the service of a Breach of Test Notice (which has not been revoked), the Asset Monitor will, subject to receipt of the relevant information from the Assignor or the Replacement Servicer, as applicable, be required to conduct such tests on each Pre-Event Test Date. Following the occurrence of an Issuer Event of Default which is continuing and service of an Issuer Default Notice on the Issuer (but prior to a Guarantor Event of Default and service of a Guarantor Acceleration Notice on the Guarantor), the Asset Monitor will also be required to test the arithmetical accuracy of the calculations performed by the Assignor or the Replacement Servicer, as applicable, on its behalf, in respect of the Amortisation Test. As of the Pre-Event Test Date immediately preceding each anniversary of the Programme Closing Date, the Asset Monitor shall perform certain Agreed Upon Procedures pursuant to a separate Engagement Letter.

Following a determination by the Asset Monitor of any errors in the arithmetical accuracy of the calculations performed by the Assignor or the Replacement Servicer, as applicable, such that the Asset Coverage Test, Interest Coverage Test or the Amortisation Test has been failed on the applicable Test Date (where the Assignor or the Replacement Servicer, as applicable, had recorded it as being satisfied) or the Adjusted Aggregate Relevant Mortgage Loan Amount or the Amortisation Test Aggregate Relevant Mortgage Loan Amount is misstated by an amount exceeding one per cent. of the Adjusted Aggregate Relevant Mortgage Loan Amount or the Amortisation Test Aggregate Relevant Mortgage Loan Amount, as applicable (as at the date of the relevant Asset Coverage Test or the relevant Amortisation Test), the Asset Monitor will be required to conduct such tests on each subsequent Test Date for a period of six months thereafter.

The Asset Monitor is entitled, provided that it has received all required information and in the absence of manifest error, to assume that all information provided to it by the Assignor or the Replacement Servicer, as applicable, for the purpose of conducting such tests is true and correct and is complete and not misleading, and is not required to conduct an audit or other similar examination in respect of, or otherwise take steps to verify the accuracy or completeness of, any such information.

Each Asset Monitor Report and any advice that the Asset Monitor provides to the Assignor or the Replacement Servicer, the Issuer, the Guarantor, the Rating Agency and the Trustee (in each case, in their respective capacities and collectively referred to as the **Asset Monitor Report Recipients**) in connection with the Asset Monitor Agreement is for the exclusive use of the Asset Monitor Report Recipients (in each case, in their respective capacities) in the context of the Programme and should not be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any person other than the Asset Monitor Report Recipients, without the Asset Monitor's prior written express consent. Save as expressly provided by the Asset Monitor Agreement, no person other than the Asset Monitor Report Recipients may rely on the Asset Monitor Report, or any advice and/or information derived therefrom. The Asset Monitor has no responsibility or liability to any other party who is shown or gains access to any Asset Monitor Report or advice.

Fees

The Guarantor shall pay to the Asset Monitor for its services pursuant to the Asset Monitor Agreement a fee (the **Asset Monitor Fee**) (exclusive of VAT and reasonable expenses) as set out in a separate fee letter for each time that the Asset Monitor is required to perform the tests set out in the Asset Monitor Agreement (such amount to be reviewed annually).

Termination and Resignation

The Guarantor and the Issuer may jointly, at any time, but subject to the prior written consent of the Trustee, terminate the appointment of the Asset Monitor under the Asset Monitor Agreement upon providing the Asset Monitor with 60 days' prior written notice, provided that such termination may not be effected unless and until a replacement has been found by the Guarantor and the Issuer (such replacement to be approved by the Trustee, such approval to be given if the replacement is an accountancy firm of national standing) which agrees to perform the duties (or substantially similar duties) of the Asset Monitor set out in the Asset Monitor Agreement.

The Asset Monitor may, at any time, resign by giving at least 60 days' prior written notice to the Guarantor, the Issuer and the Trustee (and notified by the Guarantor to the Rating Agency).

Upon the Asset Monitor giving notice of resignation, the Guarantor and the Issuer shall immediately use all reasonable endeavours to appoint a substitute asset monitor to provide the services set out in the Asset Monitor

Agreement (such replacement to be approved by the Trustee, such approval to be given if the replacement is an accountancy firm of national standing). If a substitute asset monitor is not appointed by the date which is 30 days prior to the date when tests are to be carried out in accordance with the terms of the Asset Monitor Agreement, then the Guarantor and the Issuer shall use all reasonable endeavours to appoint an accountancy firm of national standing to carry out the relevant tests on a one-off basis, provided that such appointment is approved by the Trustee.

The Trustee will not be obliged to act as Asset Monitor in any circumstances.

Governing Law and Jurisdiction

The Asset Monitor Agreement will be governed by and construed in accordance with the substantive laws of Switzerland. Any dispute, controversy or claim arising under, out of or in connection therewith, including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the ordinary courts of the City of Lugano, Switzerland.

Agency Agreement

Pursuant to the Agency Agreement among the Issuer, the Guarantor, the Principal Paying Agent and the Trustee, each of the Issuer and the Guarantor has appointed the Principal Paying Agent as its agent for the purpose, *inter alia*, of making payments at its specified office in respect of the Covered Bonds and the Guarantee (if applicable), and for performing such other duties as are reasonably incidental thereto as may be requested by the Issuer or the Trustee. The Agency Agreement outlines the duties of each of the above.

Payments under the Guarantee

Pursuant to the terms of the Guarantee, the Bondholders' Representative, acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders, has instructed the Guarantor to pay (or to procure the payment of), and the Guarantor has expressly and irrevocably agreed to pay (or to procure the payment of), all sums payable under the Guarantee, subject always to clause 5 (*Extended Due for Payment Date*) of the Guarantee and the applicable Priority of Payments, solely and exclusively to the Principal Paying Agent for distribution to the relevant Covered Bondholders in accordance with the Conditions and the Agency Agreement (*nomina*) and pursuant to the Agency Agreement, the Principal Paying Agent agrees to so receive and distribute any such payments.

Payments by Principal Paying Agent

The Issuer (or the Guarantor pursuant to the Guarantee if applicable) will, in case of payment in Swiss Francs, before 10.00 a.m. Swiss time on each date on which any payment in respect of any of the Covered Bonds becomes due and payable under the Conditions, transfer to an account specified by the Principal Paying Agent such amount in the relevant currency, in immediately available, freely transferrable cleared funds, as shall be sufficient for the purposes of the payment in funds settled through SIS or such payment system as the Principal Paying Agent and the Issuer or, failing the Issuer, the Guarantor may agree. In turn, the Principal Paying Agent shall pay or cause to be paid on behalf of the Issuer and/or the Guarantor all amounts due in respect of the Covered Bonds under the Conditions or the Guarantee, as applicable. Unless and until the full amount of any such payments has been made to the Principal Paying Agent, no Paying Agent shall be bound to make such payments.

Termination of Appointments

The Principal Paying Agent may (subject to applicable law and the paragraphs below) at any time resign by giving at least 90 days' written notice to the Issuer, the Guarantor, the Trustee and the Bondholders' Representative specifying the date on which its resignation shall become effective.

The Principal Paying Agent may (subject to the paragraphs below) be removed at any time by the Issuer and the Guarantor with the prior written approval of the Trustee and the Bondholders' Representative by notice in writing from the Issuer and the Guarantor specifying the date when the removal shall become effective.

The Issuer and the Guarantor may, with the prior written approval of the Trustee and the Bondholders' Representative, terminate the appointment of any of the Agents (other than the Principal Paying Agent) at any time and/or appoint one or more further or other Agents by giving to the Principal Paying Agent and to the relevant other Agent at least 45 days' notice in writing to that effect (other than in the case of insolvency).

Except as described above, all or any of the Agents (other than the Principal Paying Agent) may resign their respective appointments under the Agency Agreement at any time by giving the Issuer, the Guarantor, the Trustee, the Bondholders' Representative and the Principal Paying Agent at least 45 days' written notice to that effect. However, subject to Applicable Law, the termination of the appointment of the Principal Paying Agent (whether by the Issuer and the Guarantor or by the resignation of the Principal Paying Agent) shall only take effect upon the

appointment by the Issuer and the Guarantor of a successor Principal Paying Agent approved in writing by the Trustee and the Bondholders' Representative and (other than in cases of insolvency of the Principal Paying Agent) on the expiry of the notice given under the Agency Agreement. If on the day falling 10 days before the expiry of the notice of resignation or removal, the Issuer and the Guarantor have not appointed a successor Principal Paying Agent approved in writing by the Trustee and the Bondholders' Representative, the Principal Paying Agent will be entitled, on behalf of the Issuer and the Guarantor, to appoint as a successor a reputable financial institution of good standing which the Issuer, the Guarantor, the Trustee and the Bondholders' Representative shall approve.

Commissions and Expenses

The Issuer or, failing the Issuer, the Guarantor shall pay to each Agent such commissions, fees and expenses in respect of their respective services as shall be agreed between the Issuer and the respective Agent. All reasonable out-of-pocket expenses incurred by the Agents in connection with their services, will also be paid.

Governing Law and Jurisdiction

The Agency Agreement will be governed by and construed in accordance with the substantive laws of Switzerland. Any dispute, controversy or claim arising under, out of or in connection therewith, including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the ordinary courts of the City of Lugano, Switzerland.

Master Bank Account Agreement

All Guarantor Bank Accounts shall be governed by the Master Bank Account Agreement.

Account Agreements

The Account Bank confirms that all Guarantor Bank Accounts have been established. The Master Bank Account Agreement shall override any conflicting provisions of any account agreement including any terms and conditions relating to a Guarantor Bank Account and the parties agree that certain clauses of the related terms and conditions shall not apply.

Instructions from Cash Manager

The Account Bank shall comply with any payment instruction given in relation to a Guarantor Bank Account provided that such instruction (i) is given by the Guarantor or any Authorised Signatory, (ii) is given on a Business Day to effect a payment by debiting the relevant Guarantor Bank Account (iii) is in writing, or is given via the Account Bank's online banking system and (iv) is made in compliance with the relevant account agreement. However, amounts may only be withdrawn from any Guarantor Bank Account to the extent that such withdrawal does not cause the relevant account to have a negative balance.

The Account Bank is not under any obligation to enquire as to the purpose of any direction given by any Authorised Signatory.

Account Statements

As soon as reasonably practicable after receipt of a request from the Guarantor or from the Cash Manager or any other person designated by the Guarantor to make such requests, the Account Bank shall provide each of the Cash Manager, the Guarantor or any other person designated by the Guarantor with a written statement in respect of each Guarantor Bank Account.

Interest

Any Guarantor Bank Account shall bear interest, or interest shall become payable, as the case may be, at the same rates as are generally applicable to similar accounts maintained by the Account Bank for business customers. Any interest payable on any Guarantor Bank Account shall be paid by the Guarantor to the Account Bank as indicated by the Account Bank.

Security Interest and Set-off

The Account Bank unconditionally and irrevocably waives any and all Security Interest in relation to all Guarantor Bank Accounts and any other account and custody accounts held in the name of the Guarantor and any asset held therein. The Account Bank agrees that it will not set-off or purport to set-off any amount which the Guarantor is or will become required to pay to it against any amount which it is or will become required to pay to

the Guarantor. The Guarantor shall at all times be entitled to set off any of its claims against the Account Bank against any and all claims that the Account Bank may have against the Guarantor.

Account Bank Downgrade Event

Upon the occurrence of the Account Bank Downgrade Event, the Guarantor may within 60 calendar days, either: (i) transfer amounts standing to the credit of, and any other assets held in, the Guarantor Bank Accounts to accounts to be established by the Guarantor with a replacement account bank having a rating at least equal to the applicable Minimum Account Bank Rating under a master bank account agreement with terms substantially similar to the terms of the Master Bank Account Agreement and acceptable to the Guarantor and the Cash Manager, or (ii) obtain a guarantee in respect of the Guarantor Bank Accounts from a financial institution having a rating at least equal to the applicable Minimum Account Bank Rating, or (iii) take any alternative remedial action, provided that the Rating Agency has confirmed that the then current ratings of the Covered Bonds issued under the Programme would not be reduced, qualified or withdrawn as a result of such alternative remedial action.

Termination and Resignation

The Master Bank Account Agreement shall remain in full force and effect until expiry of a period ending 366 days after the date on which all Secured Obligations have been discharged in full and no further Secured Obligations are capable of arising and may, subject to certain exceptions, not be terminated by any of the parties to the Master Bank Account Agreement prior to that date.

Subject to compliance with certain conditions, including but not limited to the prior consent of the Guarantor and the appointment of a replacement account bank which meets certain criteria, the Account Bank may terminate the Master Bank Account Agreement upon the expiry of not less than 3 months' prior notice of termination given to the Cash Manager and the Guarantor with a copy to the Trustee.

Governing Law and Jurisdiction

The Master Bank Account Agreement will be governed by and construed in accordance with the substantive laws of Switzerland. Any dispute, controversy or claim arising under, out of or in connection therewith, including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the ordinary courts of the City of Lugano, Switzerland.

Collateral Holding Agreement

Pursuant to the terms of the Collateral Holding Agreement, the Collateral Holding Agent agrees to act as collateral holding agent on behalf of the Guarantor.

Custody of Transferred Mortgage Certificates

The Cover Pool Assets to be provided by the Originator to the Guarantor as collateral under the Security Assignment Agreement shall comprise, inter alia, (i) eligible Mortgage Claims which shall be transferred to the Guarantor by way of a security assignment and (ii) the related Mortgage Certificates, the Entitlements to which shall be transferred to the Guarantor with a view to continuously secure the Assigned Mortgage Claims.

The Collateral Holding Agent is appointed as fiduciary (*gestore fiduciario della cartella*) in respect of the Related Paperless Security Assignment Mortgage Certificates. The Assignor, in its capacity as Collateral Holding Agent, shall remain registered with the Relevant Land Register(s) as the creditor of the Related Paperless Security Assignment Mortgage Certificates on behalf of the Originator or the Guarantor, respectively. The Related Physical Mortgage Certificates will be physically stored in a separate Vault of the Assignee maintained by the Assignor in the premises of the Assignor, and the Assignor will grant exclusive access to such Vault to the Assignee.

Transfer and Custody of Transferred Paperless Security Assignment Mortgage Certificates

In order to effect the transfer of Fiduciary Entitlement in Related Paperless Security Assignment Mortgage Certificates, the Assignor, in its capacity as Collateral Holding Agent, shall hold the Related Paperless Security Assignment Mortgage Certificates henceforth on behalf of the Guarantor. Upon receipt by the Collateral Holding Agent of a duly signed Transfer Deed or a physical or electronic copy thereof (with an original to follow), pursuant to which Fiduciary Entitlement to the Paperless Security Assignment Mortgage Certificates so specified shall be transferred to the Guarantor:

- (a) custody and administration of the relevant Transferred Paperless Security Assignment Mortgage Certificates shall be exclusively governed by the Collateral Holding Agreement ; and
- (b) the Collateral Holding Agent shall, as from the relevant Transfer Date, (i) hold and administer the relevant Transferred Paperless Security Assignment Mortgage Certificates specified in the relevant Transfer Deed exclusively as fiduciary on behalf and for the account and to the exclusive order of

the Guarantor in accordance with the Collateral Holding Agreement, (ii) book the relevant Transferred Paperless Security Assignment Mortgage Certificates into the Guarantor Paperless MC Custody Account, (iii) notify the Guarantor by way of an updated account statement and a list of all Transferred Paperless Security Assignment Mortgage Certificates booked to the Guarantor MC Custody Account, (iv) clearly identify the Transferred Paperless Security Assignment Mortgage Certificates in all of its relevant books and records in accordance with the Collateral Holding Agreement, reflecting that such Transferred Paperless Security Assignment Mortgage Certificates are deposited assets (*valori depositati*) pursuant to articles 16 and 37d FBA, (v) administer the relevant Transferred Paperless Security Assignment Mortgage Certificates for the Guarantor, and (vi) only release the relevant Transferred Paperless Security Assignment Mortgage Certificates as provided for in the Collateral Holding Agreement.

Transfer and Custody of Transferred Physical Mortgage Certificates

In order to effect the transfer of Entitlement in Related Physical Mortgage Certificates, the Related Physical Mortgage Certificates shall be physically transferred by the Assignor to a separate Vault of the Assignee in the premises of the Assignor, which can only be accessed by the Assignee.

Upon receipt by the Collateral Holding Agent of a duly signed Transfer Deed or a physical or electronic copy thereof (with an original to follow), pursuant to which Entitlement to the Physical Mortgage Certificates so specified shall be transferred to the Guarantor, the Collateral Holding Agent shall, as from the relevant Transfer Date, maintain in its premises a separate Vault for the Assignee in which to store the relevant Transferred Physical Mortgage Certificates specified in the relevant Transfer Deed and grant exclusive access to such Vault to the Assignee in accordance with the Collateral Holding Agreement.

Waiver of Security Rights

The Collateral Holding Agent waives with effect *erga omnes* to the fullest extent legally permissible all statutory and contractual, current and future pledges, liens, encumbrances, retention rights (*diritti di ritenzione contrattuale*), rights to refuse performance (*diritti di rifiutare la prestazione*) and similar rights, whether these are obligatory rights or rights *in rem*, in relation to (i) the Transferred Mortgage Certificates, (ii) the Guarantor Custody Accounts, (iii) certain confidential customer details relating to such Transferred Mortgage Certificates and/or (iv) any other asset which the Collateral Holding Agent may receive on behalf of the Guarantor.

Release of Transferred Mortgage Certificates

The Collateral Holding Agent shall only release the Transferred Paperless Security Assignment Mortgage Certificates: (i) upon specific written instruction by the Guarantor, or (ii) upon the occurrence of a release event in connection with the substitution or replenishment of Cover Pool Assets, the retransfer of excess Cover Pool Assets or the discharge of Paperless Security Assignment Mortgage Certificates following repayment of the related Mortgage Claims. In addition, upon termination of the Collateral Holding Agreement, the Collateral Holding Agent shall release and transfer the Transferred Mortgage Certificates as instructed by the Guarantor in writing.

For the release of the Transferred Physical Mortgage Certificates, the Transferred Physical Mortgage Certificates shall be retrieved from the Vault by or on behalf of the Guarantor and transferred to Cornè Banca.

Records and Reporting

The Collateral Holding Agent shall make available upon request by the Guarantor on an item-by-item basis the following up-to-date data:

- (a) a copy of each Transferred Mortgage Certificate;
- (b) the face value of each Transferred Mortgage Certificate;
- (c) the date of the Transfer Deed pursuant to which Entitlement to a Transferred Mortgage Certificate has been transferred to the Guarantor;
- (d) the date on which a Transferred Mortgage Certificate has been released, if at all; and
- (e) if released, the person to whom the Transferred Mortgage Certificate has been released and the reason for any such release.

In addition, the Collateral Holding Agent shall deliver to the Guarantor, the Originator and the Servicer after receipt of an electronic file of transferred Mortgage Assets, an error report and a balance sheet containing detailed information with regard to the Mortgage Certificates and the Transferred Mortgage Certificates as per the relevant Transfer Date.

Termination, Registration, Resignation and Transfer

Upon the occurrence of certain events set out in the Collateral Holding Agreement (including but not limited to certain change of control events with respect to the Collateral Holding Agent, non-performance of material obligations by the Collateral Holding Agent, material breaches of material representations and warranties by the Collateral Holding Agent or other events that would have a material adverse effect on the Collateral Holding Agent's ability to perform its functions, duties and obligations under the Collateral Holding Agreement) the Guarantor may immediately or at any time thereafter while such default or event is continuing by termination notice in writing to the Collateral Holding Agent (with a copy to the Trustee) terminate the Collateral Holding Agreement with effect from a date (not earlier than the date of the notice) specified in the notice. The termination shall not take effect before a Replacement Collateral Holding Agent has been appointed and has accepted such appointment, provided that unless and until a Replacement Collateral Holding Agent is appointed which meets certain criteria, then the Guarantor shall be allowed to appoint a third party (other than Cornè Banca or any of its affiliates, representatives or employees) to perform the duties of a collateral holding agent. The Guarantor shall, nonetheless, continue to search for a Replacement Collateral Holding Agent.

Upon the occurrence of a Registration Event such as, subject to all Independent Directors waiving the occurrence of such event, (i) the Collateral Holding Agent failing to maintain status as a licensed bank under the FBA or a duly licensed central securities depository or similar institution regulated by the Financial Market Infrastructure Act or (ii) the occurrence of an Insolvency Event in relation to the Collateral Holding Agent, the Collateral Holding Agreement shall be automatically terminated with immediate effect.

Subject to compliance with certain conditions, including but not limited to the prior appointment of a Replacement Collateral Holding Agent, which meets certain criteria by the Guarantor, the Collateral Holding Agent may terminate the Collateral Holding Agreement upon the expiry of not less than 12 months' notice of termination given by the Collateral Holding Agent to the Guarantor, the Originator (with a copy to the Trustee) without providing any reason therefore.

Transfer of Mortgage Certificates to SIX SIS AG or another Eligible Nominee System Provider (outsourcing)

Cornè Banca may outsource to SIX SIS AG or another Eligible Nominee System Provider the management and custody of its Mortgage Certificates. In the event that Cornè Banca decides to so outsource management and custody of its Mortgage Certificates, the Guarantor shall, to facilitate transfers of Mortgage Certificates, also outsource the management of the Transferred Mortgage Certificate to SIX SIS AG or such other Eligible Nominee System Provider.

Therefore, pursuant to the Collateral Holding Agreement, the Guarantor shall agree to such outsourcing of the Transferred Mortgage Certificates and shall, amongst others, enter into such standard documentation as required by SIX SIS AG or such other Eligible Nominee System Provider and consent to any required amendments, restatements, supplements or replacements of the Collateral Holding Agreement as well as the Transfer of the Physical Mortgage Certificates into the vault of SIX SIS AG and/or the registration of SIX SIS AG or such other Eligible Nominee System Provider in the Relevant Land Register as creditor as fiduciary of the Guarantor as described in more detail below for SIX SIS AG as Nominee System Provider.

Furthermore, pursuant to the Security Assignment Agreement, the Assignor, the Assignee, the Trustee (in accordance with clause 15 of the Trust Agreement) and each other Party undertake to agree to such outsourcing of the Transferred Mortgage Certificates and shall, amongst others, enter into such standard documentation as required by SIX SIS AG or such other Eligible Nominee System Provider and consent to any required amendments, restatements, supplements or replacements of the Security Assignment Agreement.

If Cornè Banca outsources the custody and management of Mortgage Certificates to SIX SIS AG, Cornè Banca and the Guarantor will each enter into a (i) Nominee Participant Agreement substantially in the form of the standard Nominee Participant Agreement (*Teilnehmervertrag betreffend die treuhänderische Verwaltung von Register-Schuldbriefen*) used by SIX SIS AG, a (ii) Paperless MC Custody Agreement substantially in the form of the standard Paperless MC Custody Agreement (*Depotvertrag betreffend treuhänderisch verwaltete Register-Schuldbriefe*) used by SIX SIS AG, (iii) a standard Physical MC Custody Agreement used by SIX SIS AG and (iii) SIX SIS AG as Collateral Holding Agent will become a party to the Collateral Holding Agreement, which will be amended and restated accordingly.

In addition, (i) any Transferred Physical Mortgage Certificates held by the Guarantor will be transferred to the vault of SIX SIS AG and SIX SIS AG as Collateral Holding Agreement will hold such Transferred Physical Mortgage Certificates exclusively for the Guarantor as possessor (*possessore*) and (ii) for Transferred Paperless Mortgage Certificates SIX SIS AG in its capacity as Nominee System Provider will be registered in the Relevant Land Register as the creditor of the Transferred Mortgage Certificates on behalf of the Guarantor, book the Transferred Paperless Mortgage Certificates into the Guarantor's paperless mortgage certificate custody account with SIX SIS AG and SIX SIS AG as Collateral Holding Agent will hold the Transferred Paperless Mortgage Certificates as fiduciary (*gestore fiduciario della cartella*) for the Guarantor and (iii) the Security Assignment

Agreement will be updated to allow transfer of Entitlements to Mortgage Certificates through the SIX SIS AG system.

Once the Transferred Mortgage Certificates of the Guarantor and Mortgage Certificates of Cornè Banca have been transferred to SIX SIS AG, (i) transfers of Entitlements to Related Physical Mortgage Certificates shall be effected by signing of a Transfer Deed pursuant to the Security Assignment Agreement pursuant to which the Assignor passes title to the Physical Mortgage Certificate specified therein to the Assignee as per the Transfer Date and instructs SIX SIS AG as Collateral Holding Agent to hold possession of the Physical Bearer Certificate specified therein as per the Transfer Date for the Assignee (article 924 CC) (and a valid endorsement in the name of the Assignee for Physical Registered Mortgage Certificates), and (ii) transfers of Fiduciary Entitlements to Related Paperless Mortgage Certificates shall be effected by way of execution of the Transfer Deed, in which the Assignor shall instruct SIX SIS AG as Nominee System Provider to hold the Related Paperless Mortgage Certificates specified therein as fiduciary of the Assignee as from the respective Transfer Date and SIX SIS AG shall irrevocably accept such instruction by booking the Related Mortgage Certificates into the paperless mortgage certificate custody account of the Guarantor.

Fees

The Guarantor shall pay to the Collateral Holding Agent a fee for all services rendered under and in accordance with the Collateral Holding Agreement as agreed between the parties in a separate fee letter, due and payable on the last Guarantor Payment Date of each calendar year.

Governing law and jurisdiction

The Collateral Holding Agreement will be governed by and construed in accordance with the substantive laws of Switzerland. Any dispute, controversy or claim arising under, out of or in connection therewith, including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the courts of the City of Lugano, Switzerland.

Subordinated Loan Agreement

The Guarantor and the Subordinated Loan Provider entered into the Subordinated Loan Agreement. The proceeds from the Subordinated Loan will be used by the Guarantor, or the Cash Manager, acting on behalf of the Guarantor, to credit the Liquidity Reserve Fund Ledger an amount equal to the Liquidity Reserve Fund Required Amount or such higher amount as may be agreed between the Guarantor and the Subordinated Loan Provider from time to time.

Therefore, on the First Issue Date and each Issue Date thereafter, the Subordinated Loan Provider shall make available to the Guarantor a subordinated loan in an amount of the Liquidity Reserve Fund Required Amount or such higher amount as may be agreed between the Guarantor and the Subordinated Loan Provider. The Guarantor, or the Cash Manager, acting on behalf of the Guarantor, shall utilize the Subordinated Loan by submitting a drawdown request upon pricing of the relevant Series or Tranche of Covered Bonds issued under the Programme. To maintain the Liquidity Reserve Required Amount on the Cover Pool Bank Account (with a corresponding credit to the Liquidity Reserve Ledger), the Guarantor, or the Cash Manager, acting on behalf of the Guarantor, shall on each Guarantor Payment Day utilize the Subordinated Loan, provided that all amounts standing to the credit of the Liquidity Fund Ledger on the immediately preceding Calculation Date are less than the Liquidity Reserve Fund Required Amount.

On each Test Date prior to the IED Guarantee Activation Date, the Subordinated Loan Provider may, but has no obligation to, provided that no Breach of Test Notice has been served on the Subordinated Loan Provider that has not been revoked on that Test Date, serve a repayment request, subject to the applicable Priority of Payments, for an amount up to but not exceeding the difference between (i) all amounts standing to the credit of the Liquidity Reserve Fund Ledger on the immediately preceding Calculation Date; and (ii) the Liquidity Reserve Fund Required Amount as of the immediately preceding Guarantor Payment Date.

The Subordinated Loan is unsecured and subordinated and shall at all times be postponed and fully subordinated towards all present or future outstanding debt and other liabilities whatsoever of the Guarantor, including the rights of the Holders of the Covered Bonds.

The Subordinated Loan shall be interest-free. Any remaining amounts outstanding under the Subordinated Loan shall be repaid by the Guarantor on the first Business Day following the expiry of a period ending 366 days after the date on which all potential liabilities secured by the Guarantee have been discharged or satisfied in full.

The Subordinated Loan will be governed by and construed in accordance with the substantive laws of Switzerland. Any dispute, controversy or claim arising under, out of or in connection therewith, including,

without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the courts of the City of Lugano, Switzerland.

CREDIT STRUCTURE

The Covered Bonds will be direct, unsubordinated, unsecured and unconditional obligations of the Issuer which shall have the benefit of the Guarantee. The obligations of the Guarantor under the Guarantee will be direct, unsecured, unsubordinated and (following the Guarantee Activation Date and subject to the service of a Notice to Pay for the relevant amount on the Guarantor) unconditional. The Guarantor has no obligation to pay any Guaranteed Amounts under the Guarantee until the Guarantee Activation Date and the service of the relevant Notice to Pay for the relevant amount on the Guarantor.

There are a number of features of the Programme which enhance the likelihood of timely and, as applicable, ultimate payments to Covered Bondholders, as follows:

- (a) the Guarantee provides credit support for the Issuer's payment obligations under the Covered Bonds;
- (b) in certain circumstances (as set forth below) prior to the occurrence of a Notification Event, Collected Mortgage Payments shall be transferred by the Assignor to the Guarantor and credited to the Cover Pool Bank Account in accordance with the provisions of the Intercreditor Agreement and the Security Assignment Agreement;
- (c) the maintenance of a Liquidity Reserve Fund provides liquidity for some expenses and interest payments;
- (d) the Asset Coverage Test is intended to test the asset coverage of the Cover Pool Assets in respect of outstanding Covered Bonds prior to an Issuer Event of Default;
- (e) the Interest Coverage Test is intended to test the interest coverage of the Cover Pool Assets in respect of outstanding Covered Bonds prior to an Issuer Event of Default; and
- (f) the Amortisation Test is intended to test the asset coverage of the Cover Pool Assets in respect of outstanding Covered Bonds following an Issuer Event of Default.

These factors are considered more fully in the remainder of this section.

Guarantee

Under the terms of the Guarantee Mandate Agreement, the Issuer will instruct the Guarantor to issue in the Guarantor's own name but on the account of the Issuer, the Guarantee to the Bondholders' Representative acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders. Subject to the security assignment of sufficient Cover Pool Assets by the Originator allowing the Guarantor to meet each Pre-Event Test after the issuance of each new Series or Tranche of Covered Bonds and the fulfilment of certain other conditions, the Guarantee is intended to cover Guaranteed Amounts falling due on each Series of Covered Bonds from time to time.

The Guarantee Mandate Agreement further provides for a Guarantee Pre-funding Obligation, a Swap Termination Payment Pre-funding Obligation (if any) and a General Recourse and Indemnity Pre-funding Obligation of the Issuer, as well as corresponding Recourse Claims of the Guarantor. Furthermore, the Security Assignment Agreement provides for an Increased Services Provider Expenses Pre-funding Obligation of the Issuer as well as corresponding Recourse Claims of the Guarantor. See "*Overview of the Principal Transaction Documents—Guarantee Mandate Agreement*" and "*Overview of the Principal Transaction Documents—Security Assignment Agreement*".

Under the terms of the Guarantee, the Guarantor has provided a guarantee pursuant to art. 111 CO as to payments of Guaranteed Amounts corresponding to principal and interest under the Covered Bonds. Subject to the limited recourse provisions as against the Guarantor as described in this Base Prospectus and further subject to a Guarantee Extension, the Guarantor has agreed to pay amounts equal to the Guaranteed Amounts payable on the Covered Bonds as and when the same shall become Due for Payment but which would otherwise be unpaid by the Issuer, following the service of a Notice to Pay on the Guarantor after the occurrence of a IED Guarantee Activation Date. See "*The Guarantee*" and "*Cash Flows — Guarantee Priority of Payments*".

Liquidity Reserve Fund

The Cash Manager shall procure that the Liquidity Reserve Fund Ledger is prefunded by the Assignor before the issuance of the first Series of Covered Bonds with the minimum Liquidity Reserve Fund Required Amount. It being understood that the Assignor shall deposit 12 months of interest payments initially before the issuance of the first Series of Covered Bonds pursuant to the Subordinated Loan Agreement (see "*Overview of the Principal Transaction Documents—Subordinated Loan Agreement*").

If the amount standing to the credit of the Liquidity Reserve Fund is lower than the Liquidity Reserve Fund Required Amount, the Assignor as Subordinated Loan Provider is, pursuant to the Subordinated Loan Agreement, required to increase the Subordinated Loan Amount accordingly and transfer funds in sufficient amounts to fund the Liquidity Reserve Fund Ledger of the Cover Pool Bank Account up to the Liquidity Reserve Fund Required Amount on each monthly Payment Date.

Amounts standing to the credit of the Liquidity Reserve Fund Ledger shall form part of the Cover Pool Assets.

Collected Mortgage Payments

Prior to the occurrence of a Notification Event, the Assignor will generally be entitled to keep all collected mortgage payments pursuant to the Security Assignment Agreement (**Collected Mortgage Payments**) rather than paying over the same to the Guarantor. However, for liquidity purposes, the Assignor will be obliged to pay over the Collected Mortgage Payments to the Guarantor (which will be credited to the Cover Pool Bank Account) for so long as a Breach of Test Notice is outstanding and has not been revoked;

Prior to the Guarantee Activation Date (notwithstanding that a Notification Event may have already occurred), after applying monies standing to the credit of the Cover Pool Bank Account to pay higher ranking amounts in accordance with the Pre-Guarantee Priority of Payments, upon request by the Assignor, the monies standing to the credit of the Cover Pool Bank Account in an amount not exceeding the value of Excess Cover Pool Assets in accordance with the Security Assignment Agreement will be paid back to the Assignor on each Test Date, provided that no Breach of Test Notice has occurred which is outstanding. See also "*Overview of the Principal Transaction Documents—Security Assignment Agreement—Collected Mortgage Payments Prior to the Occurrence of an Issuer Event of Default*".

Asset Coverage Test

The Asset Coverage Test is intended to mitigate against the risk that the Guarantor cannot meet its obligations under the Guarantee with respect to payments under the Covered Bonds, as well as senior ranking expenses which will include costs relating to the maintenance, administration and winding-up of the Cover Pool whilst the Covered Bonds are outstanding.

The Servicer will be appointed to calculate the Asset Coverage Test as of each Pre-Event Test Date prior to the IED Guarantee Activation Date. The Asset Monitor will be appointed to periodically verify the calculations.

If the Asset Coverage Test is not met on two consecutive Test Dates, the Asset Coverage Test will be breached and the Assignee will serve a notice (a **Breach of Test Notice**) on the Assignor. A Breach of Test Notice in respect of the Asset Coverage Test will be deemed revoked if, on the Test Date immediately following the service of the Breach of Test Notice, the Asset Coverage Test is satisfied.

For so long as a Breach of Test Notice is outstanding (i) no Collateral Differential shall become due and (ii) the Assignor will transfer to the Assignee any amounts received by it as Collected Mortgage Payments.

If a Breach of Test Notice has not been revoked on or before the date which is two Business Days after the Test Date immediately following the date of service of such notice, then an Issuer Event of Default will occur.

The Asset Coverage Test is met on a specific Test Date with reference to the immediately previous Cut-off Date if the Adjusted Aggregate Relevant Mortgage Loan Amount is in an amount at least equal to the aggregate Principal Amount Outstanding of all Series and Tranches of Covered Bonds.

(a) **Adjusted Aggregate Relevant Mortgage Loan Amount** means the amount calculated on each Test Date as of the previous Cut-off Date as follows:

$$A + B + C - (X + Z)$$

where,

A = the lower of (i) and (ii), where:

- (i) = the sum of the **Adjusted Current Balance** of each Relevant Mortgage Loan, which, in relation to each Relevant Mortgage Loan, shall be the lower of (1) the lesser of (i) the actual Current Balance of each Relevant Mortgage Loan as calculated on the Test Date as of the previous Cut-off Date and (ii) CHF 6,000,000 and (2) the related Property Value multiplied by M (where for each Relevant Mortgage Loan that is less than three months in arrears or not in arrears and related to a Residential Property, M = 0.80 and for a Commercial Property, M = 0.60, and for each Relevant Mortgage Loan that is three months or more in arrears, M = 0.25).

For the purpose of this calculation the following shall be disregarded:

1. Each Relevant Mortgage Loan affected by an increase in accordance with the Servicing Standards;
2. Each Relevant Mortgage Loan affected by a change of Mortgage Product according to the Servicing Standards;
3. Each Relevant Mortgage Loan affected by a change of Mortgage Debtor according to the Servicing Standards;
4. If a Substitution Event occurred in respect of an Relevant Mortgage Loan since the Cut-off Date preceding the previous Cut-off Date, and the Affected Mortgage Assets were not retransferred to the Assignor in accordance with the Security Assignment Agreement before the previous Cut-off Date, an amount equal to the Current Balance of the affected Relevant Mortgage Loan (as calculated on the Test Date as of the previous Cut-off Date);

minus

an amount equal to the resulting financial loss incurred by the Guarantor since the Cut-off Date preceding the previous Cut-off Date (such financial loss to be calculated by the Cash Manager without double counting and to be reduced by any amount paid (in cash or in kind) to the Guarantor by the Assignor or the Replacement Servicer to indemnify the Guarantor for such financial loss), if the Assignor, since the Cut-off Date preceding the previous Cut-off Date, was in breach of any other material warranty under the Security Assignment Agreement and/or the Replacement Servicer was, since the Cut-off Date preceding the previous Cut-off Date, in breach of any material term of the Servicing Standards;

AND

- (ii) = the sum of the **Arrears Adjusted Current Balance** of each Relevant Mortgage Loan, which, in relation to each Relevant Mortgage Loan, shall be the lower of (1) the lesser of (i) the actual Current Balance of each Relevant Mortgage Loan as calculated on the Test Date as of the previous Cut-off Date and (ii) CHF 6,000,000 and (2) the Property Value multiplied by N (where for each Relevant Mortgage Loan that is less than three months in arrears or not in arrears, N = 1 and for each Relevant Mortgage Loan that is three months or more in arrears, N = 0.25),

For the purpose of this calculation the following shall be disregarded:

1. Each Relevant Mortgage Loan affected by an increase in accordance to the Servicing Standards;
2. Each Relevant Mortgage Loan affected by a change of Mortgage Product according to the Servicing Standards;
3. Each Relevant Mortgage Loan affected by a change of Mortgage Debtor according to the Servicing Standards;
4. If a Substitution Event occurred in respect of a Relevant Mortgage Loan since the Cut-off Date preceding the previous Cut-off Date (excluding any obligation to replace a Relevant Mortgage Loan which has an LTV of greater than 100% or mortgage claims that are three months or more in arrears), and the Affected Mortgage Assets were not retransferred to the Assignor in accordance with the Security Assignment Agreement before the previous Cut-off Date, an amount equal to the Current Balance of the affected Relevant Mortgage Loan (as calculated on the Test Date as of the previous Cut-off Date);

minus

an amount equal to the resulting financial loss incurred by the Guarantor since the Cut-off Date preceding the previous Cut-off Date (such financial loss to be calculated by the Cash Manager without double counting and to be reduced by any amount paid (in cash or in kind) to the Guarantor by the Guarantor or the Replacement Servicer to indemnify the Guarantor for such financial loss), if the Assignor, since the Cut-off Date preceding the previous Cut-

off Date, was in breach of any other material warranty under the Security Assignment Agreement and/or the Replacement Servicer was, since the Cut-off Date preceding the previous Cut-off Date, in breach of any material term of the Servicing Standards;

the result of the calculation in this paragraph (ii) above being multiplied by the Asset Percentage (as defined below);

- B= the CHF Equivalent of the aggregate cash amount standing to the credit of the General Bank Account and the Cover Pool Bank Account as of the previous Cut-off Date;
- C= the CHF Equivalent of the aggregate outstanding principal balance of any Substitute Assets (excluding cash already accounted for under item "B" above);
- X= if the Issuer's short-term deposit rating is equal to or higher than 'F1' by Fitch or its long-term deposit rating is equal to or higher than 'A-' by Fitch or, if no deposit rating is available, the Fitch Short-Term Issuer Default Rating is equal to or higher than 'F1' or the Fitch Long-Term Issuer Default Rating is equal to or higher than 'A-', zero; otherwise an amount equal to the Deposit Set-Off Amount;
- Z= (a) zero, if the Issuer's Fitch Long-Term Issuer Default Rating is at least 'A-' or the Issuer's Fitch Short-Term Issuer Default Rating is at least 'F1'; or
- (b) otherwise, the weighted average remaining maturity (expressed in years) of all Covered Bonds then outstanding multiplied by the Aggregate Principal Amount Outstanding of the Covered Bonds multiplied by the Negative Carry Factor, provided that provided that if the weighted average remaining maturity of all Covered Bonds then outstanding is less than one, the weighted average remaining maturity shall be deemed, for the purposes of this calculation, to be 1 (one).

Negative Carry Factor means 0.5% (or such other percentage as may be specified by the Issuer from time to time subject to the Ratings Condition being satisfied).

- (b) The **Asset Percentage** means, on any Test Date, the higher of 65 per cent. and N, where N is the percentage figure selected at the option of the Guarantor (or the Cash Manager acting on its behalf) from time to time that is necessary to ensure that the Covered Bonds maintain the then current rating assigned to them by Fitch.
- (c) **Deposit Set-Off Amount** means:
- (i) for each Relevant Mortgage Loan that is a Set-off Waiver Mortgage Loan zero;
- (ii) for each Relevant Mortgage Loan that is not a Set-off Waiver Mortgage Loan and in respect of each related Mortgage Debtor, the lower of (i) the aggregate balance of each savings account held with the Assignor by such Mortgage Debtor (whether such savings account is a joint account or not and whether such other joint savings account holder is a Mortgage Debtor under an Relevant Mortgage Loan or not, and to avoid double counting such savings balance shall only be included in the calculation once); (ii) the Current Balance of such Relevant Mortgage Loan, provided that:
- (A) the calculation of (i) above shall deduct from the savings account balance of each Mortgage Debtor amounts which are claimable by such borrower under the Swiss Depositor Protection Scheme (esisuisse) or successor Depositor Protection Schemes pursuant to applicable law; and
- (B) if (1) the Adjusted Current Balance is less than (2) the product of the Arrears Adjusted Current Balance and the Asset Percentage, then the Deposit Set-Off Amount shall be reduced by the positive difference between (2) and (1), provided that such reduction shall not reduce the Deposit Set-Off Amount to less than 0,

in each case as calculated on any day between the immediately preceding Cut-off Date and the relevant Test Date;

On any Business Day (including, but not limited to any Test Date) as may be selected from time to time by and at the option of the Guarantor (or the Cash Manager acting on its behalf) the Guarantor (or the Cash Manager acting on its behalf) will send a written notice to the Trustee and Fitch of the percentage figure that has been selected by the Guarantor (or the Cash Manager acting on its behalf) in accordance with the Security Assignment Agreement and that will be applied on the immediately following Test Date (or, where the Guarantor (or the Cash Manager acting on its behalf) has sent a notice on a Test Date, the percentage figure that will be applied on that Test Date), being the difference between 100 per cent. and the amount of credit enhancement required for the Covered Bonds to maintain the then current rating by Fitch.

Interest Coverage Test

The Interest Coverage Test is intended to ensure that the Guarantor can meet its obligations under the Guarantee in respect of interest payments and its obligations in respect of senior ranking expenses which will include costs relating to the maintenance, administration and enforcement or liquidation of the Cover Pool Assets whilst the Covered Bonds are outstanding. The Assignor will be appointed to calculate the Interest Coverage Test as of each Pre-Event Test Date prior to the IED Guarantee Activation Date and such calculation shall be periodically verified by the Asset Monitor in accordance with and pursuant to the Asset Monitor Agreement. If the Interest Coverage Test is not met on two consecutive Test Dates, the Interest Coverage Test will be breached and the Assignee will serve a Breach of Test Notice on the Assignor.

A Breach of Test Notice in respect of the Interest Coverage Test will be deemed revoked if, on the Test Date immediately following the service of the Breach of Test Notice, the Interest Coverage Test is satisfied.

For so long as a Breach of Test Notice is outstanding (i) no Collateral Differential shall become due and (ii) the Assignor will transfer to the Assignee any amounts received by it as Collected Mortgage Payments.

If a Breach of Test Notice has not been revoked on or before the date which is two Business Days after the Test Date immediately following the date of service of such notice, then an Issuer Event of Default will occur.

The Interest Coverage Test is met on a specific Test Date if:

$$A \geq B$$

where,

A= the aggregate amount of Income Receipts expected to be received in respect of the Relevant Mortgage Loans *plus* interests expected to be received in respect of any Substitute Assets in the Cover Pool *plus* amounts standing to the credit of the Liquidity Reserve Fund (together the **Revenues Receipts**), in the period from and including the previous Cut-off Date to the date which falls 12 months after such Cut-off Date, net of the costs and expenses to be paid by the Guarantor during that same period; and

B= the interest amount due under the Covered Bonds then outstanding for the same 12-month period, taking into account any hedging arrangements entered into in relation to the transaction.

For purposes of the Interest Coverage Test the following is assumed:

- (a) in determining the expected Revenues Receipts, the Servicer shall be entitled to assume
 - (i) that there is no loss, non-payment, or payments in arrears in respect of the Relevant Mortgage Loans or the Substitute Assets;
 - (ii) no change to the interest rates and interest amounts then applying to the Relevant Mortgage Loans or the Substitute Assets as at the previous Cut-off Date;
 - (iii) any Relevant Mortgage Loan maturing prior to the date which is the Final Redemption Date in respect of the last maturing Series of Covered Bonds will be replaced with a Mortgage Claim of the same Current Balance (as at the previous Cut-off Date) and bearing the same rate of interest;
 - (iv) any Substitute Asset maturing prior to the date which is the Final Redemption Date in respect of the last maturing Series of Covered Bonds will be replaced with a Substitute Asset of the same nominal amount (as at the previous Cut-off Date) and bearing or earning the same rate of interest; and
- (b) the costs and expenses of the Guarantor shall be calculated on the weighted average costs and expenses incurred by the Guarantor over the immediately preceding twelve full months.

Amortisation Test

The Amortisation Test is intended to ensure that if, following an Issuer Event of Default (but prior to a Guarantor Event of Default and service on the Guarantor of a Guarantor Acceleration Notice), the Cover Pool Assets available to the Guarantor to meet its obligations under the Guarantee and in respect of senior ranking expenses which will include costs relating to the maintenance, administration and enforcement or liquidation of the Cover Pool Assets whilst the Covered Bonds are outstanding, fall to a level where Covered Bondholders may not be repaid, a Guarantor Event of Default will occur and all amounts owing under the Covered Bonds may be accelerated. The Amortisation Test is a formula which adjusts the Current Balance of each Relevant Mortgage Loan in the Cover Pool and has further adjustments to take account of Relevant Mortgage Loans in arrears.

The Replacement Servicer will be appointed to perform the Amortisation Test as at each Test Date after the IED Guarantee Activation Date.

The Amortisation Test is met on a specific Test Date, if the Amortisation Test Aggregate Relevant Mortgage Loan Amount (as defined below) will be in an amount at least equal to the Aggregate Principal Amount Outstanding of all Series of the Covered Bonds as calculated by the Assignor or the Replacement Servicer, as the case may be, and such calculation shall be periodically verified by the Asset Monitor in accordance with the Asset Monitor Agreement.

Upon a breach of the Amortisation Test by the Guarantor, a Guarantor Event of Default will occur which will (subject to the Conditions) lead to the service of a Guarantor Acceleration Notice on the Guarantor and the acceleration of the obligations under the Guarantee in relation to all Covered Bonds then outstanding.

Amortisation Test Aggregate Relevant Mortgage Loan Amount will be calculated on each Test Date as of the previous Cut-off Date as follows:

$$A + B + C - Z$$

where,

- A= the aggregate Amortisation Test Current Balance of each Relevant Mortgage Loan, which shall be the lower of (1) the lesser of (i) the actual Current Balance of each Relevant Mortgage Loan as calculated on the Test Date as of the previous Cut-off Date and (ii) CHF 6,000,000 and (2) the Property Value multiplied by M, where for each Relevant Mortgage Loan that is less than three months in arrears or not in arrears $M = 1$, for each Relevant Mortgage Loan related to a Residential Property that is three months or more in arrears $M = 0.8$ and for each Relevant Mortgage Loan related to a Commercial Property that is three months or more in arrears $M = 0.6$;
- B= the CHF Equivalent of the aggregate cash amount standing to the credit of the General Bank Account and the Cover Pool Bank Account as of the previous Cut-off Date;
- C= the CHF Equivalent of the aggregate outstanding principal balance of any Substitute Assets (excluding cash already accounted for under item "B" above); and
- Z = the weighted average remaining maturity (expressed in years) of all Covered Bonds then outstanding multiplied by the Aggregate Principal Amount Outstanding of the Covered Bonds multiplied by the Negative Carry Factor, provided that if the weighted average remaining maturity of all Covered Bonds then outstanding is less than one, the weighted average remaining maturity shall be deemed, for the purposes of this calculation, to be 1 (one).

CASH FLOWS

As described above under Credit Structure, the Covered Bonds will be direct, unsubordinated, unsecured and unconditional obligations of the Issuer which shall have the benefit of the Guarantee. The obligations of the Guarantor under the Guarantee will constitute direct, unsecured, unsubordinated and (following the Guarantee Activation Date and subject to the service of a Notice to Pay for the relevant amount on the Guarantor) unconditional obligations of the Guarantor. The Guarantor is liable to make payments when due on the Covered Bonds, whether or not it has received any corresponding payment from the Issuer. For the avoidance of doubt, following the Guarantee Activation Date, any amounts owing to Covered Bondholders which remain unpaid under the Guarantee will continue to be direct, unsubordinated, unsecured, unconditional obligations of the Issuer.

Prior to the Guarantee Activation Date, the Issuer is liable to make all payments of interest and principal on the Covered Bonds.

Following the IED Guarantee Activation Date (but prior to the GED Guarantee Activation Date) and subject to the service of a Notice to Pay for the relevant amount on the Guarantor, the Guarantor will be obliged under the Guarantee to pay the relevant Guaranteed Amount due and payable under all outstanding Series of Covered Bonds subject to and in accordance with the Guarantee Priority of Payments on the Original Due for Payment Date.

Following a GED Guarantee Activation Date, all Guaranteed Amounts will become immediately due and payable and following the service of a Notice to Pay for due relevant amount(s) the Bondholders' Representative acting as direct representative (*rappresentante diretto*) in the name and for the account of the Covered Bondholders will have a claim against the Guarantor under the Guarantee for an amount equal to the Early Redemption Amount in respect of each Covered Bond together with accrued interest and any other amounts due under the Covered Bonds other than additional amounts payable under Condition 7 (*Taxation*). Any monies received or recovered by the Cash Manager (including funds recorded on the Guarantor Profit Amount Ledger on the General Bank Account) will be distributed according to the Post-Insolvency Priority of Payments.

This section summarises the priorities of payments of the Guarantor, as to the allocation and distribution of amounts standing to the credit of the Guarantor Bank Accounts and their order of priority:

- (a) before the IED Guarantee Activation Date (the **Pre-Guarantee Priority of Payments**);
- (b) following the IED Guarantee Activation Date but prior to the GED Guarantee Activation Date (the **Guarantee Priority of Payments**); and
- (c) following the GED Guarantee Activation Date (the **Post-Insolvency Priority of Payments**), together, the **Priorities of Payments**, and each a **Priority of Payments**.

Allocation and distribution of amounts prior to the Guarantee Activation Date

The priority of payments set out in paragraphs (a) and (b) below is the Pre-Guarantee Priority of Payments.

Pre-Guarantee Priority of Payments

- (a) On each Guarantor Payment Date, the Guarantor and the Relevant Creditors will direct the Cash Manager to apply (or will have acknowledged and agreed pursuant to the relevant Transaction Document that the Cash Manager shall apply) amounts standing to the credit of the General Bank Account (including funds recorded on the Guarantor Profit Amount Ledger on the General Bank Account), as calculated on the immediately preceding Calculation Date (but taking into account amounts received or receivable from the Swap Providers (if any) on such Guarantor Payment Date), to make the following payments and provisions in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):
 - (i) *first*, in or towards satisfaction of any amounts then properly due and payable, or to become due and payable in the Guarantor Payment Period commencing on such Guarantor Payment Date, by the Guarantor or the Issuer to the Trustee or any Appointee of the Trustee pursuant to the terms of the Trust Agreement (excluding amounts due on the Covered Bonds), together with applicable VAT (or other similar taxes) thereon to the extent provided therein;
 - (ii) *second*, in or towards satisfaction, *pro rata* and *pari passu* according to the respective amounts thereof, of any amounts then properly due and payable, or to become due and payable, in the Guarantor Payment Period commencing on such Guarantor Payment Date, together with applicable VAT (or other similar taxes) thereon to the extent agreed, by the Guarantor to creditors not party to or bound by the Intercreditor Agreement or for which the Guarantor has Joint Liability with the Issuer (other than pursuant to sub-paragraph (i) above) and only to the extent the Issuer has failed to

pay such creditors and for which payment has not been provided for elsewhere in this Pre-Guarantee Priority of Payments;

- (iii) *third*, in or towards satisfaction *pro rata* and *pari passu* of any amounts (other than pursuant to subparagraph (ii) above and excluding amounts due on the Covered Bonds) then due and payable, or to become due and payable on the Guarantor Payment Period commencing on such Guarantor Payment Date, by the Guarantor or the Issuer to the Agents under the provisions of the Agency Agreement together with applicable VAT (or other similar taxes) thereon to the extent provided therein;
- (iv) *fourth*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any amounts due and payable, or to become due and payable in the Guarantor Payment Period commencing on such Guarantor Payment Date, to (A) the Cash Manager pursuant to the terms of the Cash Management Agreement, (B) the Account Bank (including costs) pursuant to the terms of the Master Bank Account Agreement, (C) the Corporate Services Provider pursuant to the terms of the Corporate Services Agreement, (D) a Replacement Servicer pursuant to the terms of a Replacement Servicer Agreement, and (E) the Asset Monitor pursuant to the terms of the Asset Monitor Agreement, each together with applicable VAT (or other similar taxes) thereon to the extent provided in the relevant agreement;
- (v) *fifth*, (after taking into account any Swap Termination Payment (if any) received by the Guarantor from the corresponding incoming or outgoing Swap Provider (if any)) in or towards payment *pro rata* and *pari passu* of any Swap Termination Payment due and payable to any outgoing Cover Pool Swap Provider (if any) or outgoing Covered Bond Swap Provider (if any) (excluding any Excluded Swap Termination Amount) or any incoming Replacement Cover Pool Swap Provider (if any) or incoming Replacement Covered Bond Swap Provider (if any), in each case subject to and in accordance with the terms of the relevant Swap Agreement (if any) and the Intercreditor Agreement;
- (vi) *sixth*, in or towards payment, *pro rata* and *pari passu*, of any Excluded Swap Termination Amount due to any outgoing Cover Pool Swap Provider (if any) or outgoing Covered Bond Swap Provider (if any) (in each case to the extent not satisfied through any Premium received by the Guarantor);
- (vii) *seventh*, in or towards satisfaction of any amounts then properly due and payable to be reimbursed by the Guarantor to the Issuer or the Assignor pursuant to the Guarantee Mandate Agreement or the Security Assignment Agreement;
- (viii) *eighth*, provided that no Breach of Test Notice has been served on the Assignor under the Security Assignment Agreement which is outstanding, in or towards payment of the Collateral Differential (and any Deferred Collateral Differential) to the Originator;
- (ix) *ninth*, in or towards payment *pro rata* and *pari passu* of any other amounts (including indemnity amounts and Termination Amounts due to the Initial Swap Provider (if any)) owed by the Guarantor to the Assignor and any other Relevant Creditor (to the extent not otherwise provided for in this Pre-Guarantee Priority of Payments);
- (x) *tenth*, but only on the Guarantor Payment Date following the date of the Guarantor's annual general shareholders meeting, subject to and in accordance with Swiss law, to (x) credit an amount equal to the Guarantor's distributable profit for the last fiscal year according to Swiss GAAP, net of any amounts carried forward from previous years, to the Guarantor Profit Amount Ledger or (y) pay a dividend in an amount up to the Guarantor Profit Ledger Balance on that date, provided that (A) a relevant resolution of the shareholders meeting of the Guarantor has been passed to enable payment of any such dividend and (B) no Breach of Test Notice has been served on the Assignor under the Security Assignment Agreement which is outstanding;
- (xi) *eleventh*, to maintain an amount equal to the Guarantor Profit Ledger Balance in the General Bank Account; and
- (xii) *twelfth*, the remainder for the Guarantor to retain in the General Bank Account. For the avoidance of doubt, it is understood and agreed that in case amounts are paid to:
 - (A) the Trustee pursuant to sub-clause (i) above which have been, pursuant to the terms of the Trust Agreement, the obligations of the Issuer only, payment of such amounts shall not be deemed the assumption of, or payment under, a corresponding obligation of the Guarantor and accordingly, such payment shall not increase the overall payment obligations of the Guarantor, but shall constitute a redistribution among Relevant Creditors, and the amounts payable to the Relevant Creditors pursuant to sub-clauses (ii) to (xii) above shall be reduced by the amount of such payment in discharge of such obligation(s) of the Issuer *pro tanto* in reverse order, so that payments or provisions of a lower priority are reduced first; and

- (B) the Agents pursuant to sub-clause (iii) above which have been, pursuant to the terms of the Agency Agreement, the obligations of the Issuer only, payment of such amounts shall not be deemed the assumption of, or payment under, a corresponding obligation of the Guarantor and accordingly, such payment shall not increase the overall payment obligations of the Guarantor, but shall constitute a redistribution among Relevant Creditors, and the amounts payable to the Relevant Creditors pursuant to sub-clauses (iv) to (xii) above shall be reduced by the amount of such payment in discharge of such obligation(s) of the Issuer *pro tanto* in reverse order, so that payments or provisions of a lower priority are reduced first.
- (b) On each Guarantor Payment Date (except as described in sub-paragraph (ii) below), the Guarantor and the Relevant Creditors will direct the Cash Manager to apply amounts (if any) standing to the credit of the Cover Pool Bank Account, as calculated on the immediately preceding Calculation Date, to make the following payments and provisions in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):
- (i) *First*,
- (A) to maintain a credit on the Cover Pool Bank Account (with a corresponding credit to Liquidity Reserve Fund Ledger) of an aggregate amount up to but not exceeding the difference between:
- (1) the Liquidity Reserve Fund Required Amount or such higher amount agreed between the parties pursuant to the Subordinated Loan Agreement; and
- (2) all amounts standing to the credit of the Liquidity Reserve Fund Ledger on the immediately preceding Calculation Date,
- for the avoidance of doubt, pursuant to the Subordinated Loan Agreement the Subordinated Loan Provider has an obligation to maintain funds on the credit to the Cover Pool Bank Account (with a corresponding credit on the Liquidity Reserve Fund Ledger) of no less than the Liquidity Reserve Fund Required Amount or such higher amount agreed between the parties pursuant to the Subordinated Loan Agreement on each Guarantor Payment Date;
- and
- (B) to repay any amount repayable pursuant to the Subordinated Loan Agreement in excess of the minimum Liquidity Reserve Fund Required Amount or such higher amount agreed between the parties pursuant to the Subordinated Loan Agreement, if so requested by the Subordinated Loan Provider pursuant to the Subordinated Loan Agreement; and
- (ii) *Second*, on the Test Date immediately following the relevant Guarantor Payment Date on which provisions were made pursuant to (i) above, and provided that no Breach of Test Notice has been served on the Assignor that has not been revoked on that Test Date and the requirements of the Security Assignment Agreement are complied with, to pay remaining amounts standing to the credit of the Cover Pool Bank Account to the Assignor.

Allocation and distribution of amounts following the IED Guarantee Activation Date

The priority of payments set out in paragraphs (a) and (b) below is the Guarantee Priority of Payments which applies following the IED Guarantee Activation Date, but prior to the GED Guarantee Activation Date.

Guarantee Priority of Payments

- (a) On each Guarantor Payment Date, the Relevant Creditors will direct the Cash Manager to apply (or will have acknowledged and agreed pursuant to the relevant Transaction Document that the Cash Manager shall apply) amounts standing to the credit of the General Bank Account (including funds recorded on the Guarantor Profit Amount Ledger on the General Bank Account) as calculated on the immediately preceding Calculation Date (but taking into account amounts received or receivable from the Swap Providers (if any) on such Guarantor Payment Date), to make the following payments and provisions in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):
- (i) *First*, in or towards satisfaction of any amounts then properly due and payable, or to become due and payable in the Guarantor Payment Period commencing on such Guarantor Payment Date, by the Guarantor or the Issuer to the Trustee or any Appointee of the Trustee pursuant to the terms of the Trust Agreement (excluding amounts due on the Covered Bonds), together with applicable VAT (or other similar taxes) thereon to the extent provided therein.
- (ii) *Second*, in or towards satisfaction, *pro rata* and *pari passu* according to the respective amounts thereof, of any amounts then properly due and payable, or to become due and payable in the

Guarantor Payment Period commencing on such Guarantor Payment Date, together with applicable VAT (or other similar taxes) thereon to the extent agreed, by the Guarantor to creditors not party to or bound by the Intercreditor Agreement.

- (iii) *Third*, in or towards satisfaction *pro rata* and *pari passu* of any amounts (other than pursuant to sub-paragraph (ii) above and excluding Guaranteed Amounts corresponding to amounts due on the Covered Bonds) then due and payable by the Guarantor or the Issuer to the Agents under the provisions of the Agency Agreement together with applicable VAT (or other similar taxes) thereon to the extent provided therein.
- (iv) *Fourth*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of any amounts due and payable, or to become due and payable in the Guarantor Payment Period commencing on such Guarantor Payment Date, to (A) the Cash Manager pursuant to the terms of the Cash Management Agreement, (B) the Account Bank (including costs) pursuant to the terms of the Master Bank Account Agreement, (C) the Corporate Services Provider pursuant to the terms of the Corporate Services Agreement, (D) a Replacement Servicer pursuant to the terms of a Replacement Servicer Agreement, and (E) the Asset Monitor pursuant to the terms of the Asset Monitor Agreement, each together with applicable VAT (or other similar taxes) thereon to the extent provided in the relevant agreement.
- (v) *Fifth*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts thereof, of (without double counting):
 - (1) (after taking account of any Swap Termination Payment received by the Guarantor from the corresponding incoming or outgoing Swap Provider (if any)) in or towards payment, *pro rata* and *pari passu*, of any Swap Termination Payment due and payable to any outgoing Cover Pool Swap Provider (if any) and/or outgoing Covered Bond Swap Provider (if any) (excluding any Excluded Swap Termination Amount) or any incoming Replacement Cover Pool Swap Provider (if any) and/or incoming Replacement Covered Bond Swap Provider (if any), in each case subject to and in accordance with the terms of the relevant Swap Agreement (if any) and the Intercreditor Agreement; and
 - (2) (after (x) taking account of all monies to be applied on the relevant Guarantor Payment Date to make payments or provisions for amounts due to any Covered Bond Swap Providers (if any) under paragraph (b)(ii)(1) below (which swapped amounts, if any, will, in accordance with paragraph (c) below, be paid directly to the Principal Paying Agent to pay Scheduled Interest on the corresponding Series of Covered Bonds) and (y), in respect of any Accumulation Series of Covered Bonds, taking account of any amount standing to the credit of and (without double counting) credited to the Interest Accumulation Ledger under paragraph (b)(ii)(2) below (which amounts will, in accordance with paragraph (b)(iv) below, be applied in paying Guaranteed Amounts corresponding to Scheduled Interest on the Series of Accumulation Series of Covered Bonds), in and towards payment of all Guaranteed Amounts corresponding to Scheduled Interest due and payable, or to become due and payable in the Guarantor Payment Period commencing on such Guarantor Payment Date, in respect of the Covered Bonds of each Series in accordance with the terms of the Guarantee to the Principal Paying Agent on behalf of the Covered Bondholders (subject to paragraph (c) below), provided that if the amount available for distribution under this sub-paragraph (2) would be insufficient to pay the (or the CHF Equivalent of the) Guaranteed Amounts corresponding to Scheduled Interest amounts due and payable in respect of each Series of Covered Bonds (after taking account (i) of all monies to be applied on the relevant Guarantor Payment Date to make payments to or provisions for amounts due to any Covered Bond Swap Providers (if any) under paragraph (b)(ii)(1) below (which swapped amounts will be paid directly to the Principal Paying Agent to pay Scheduled Interest amounts on the corresponding Series of Covered Bonds) and in respect of any Accumulation Series of Covered Bonds, any amount standing to the credit of and (without double counting) credited to the Interest Accumulation Ledger under paragraph (b)(ii)(2) below (which amounts will, in accordance with paragraph (b)(iv) below, be applied in paying Guaranteed Amounts corresponding to Scheduled Interest amounts on the relevant Series of Accumulation Series of Covered Bonds), the shortfall shall be divided amongst all such Series of Covered Bonds on a *pro rata* basis. The Principal Paying Agent shall use any amounts received to pay the relevant amounts due and payable on the Covered Bonds in an amount calculated pursuant to this sub-clause (v)(2) on the Guarantor Payment Date and during the Guarantor Payment Period as needed.

- (vi) *Sixth*, after taking account of all monies to be applied on the relevant Guarantor Payment Date to make payments to or provisions for amounts due to the Covered Bond Swap Providers (if any) under paragraph (b)(iii) below (which swapped amounts will, in accordance with paragraph (c) below, be paid directly to the Principal Paying Agent to pay Scheduled Principal on the corresponding Series of Covered Bonds), in or towards payment, *pro rata* and *pari passu* according to the respective amounts thereof, of all Guaranteed Amounts corresponding to Scheduled Principal amounts due and payable, or to become due and payable in the Guarantor Payment Period commencing on such Guarantor Payment Date, in respect of the Covered Bonds of each Series in accordance with the terms of the Guarantee (subject to paragraph (d) below), to the Principal Paying Agent on behalf of the Covered Bondholders; provided that if the amount available for distribution under this subparagraph (vi) (after taking account of all monies to be applied on the relevant Guarantor Payment Date to make payments to or provisions for amounts due to the Covered Bond Swap Providers (if any) under paragraph (b)(iii) below, which swapped amounts will be paid directly to the Principal Paying Agent to pay Scheduled Principal on the corresponding Series of Covered Bonds) would be insufficient to pay the principal amounts due and payable in respect of each such Series of Covered Bonds, the shortfall shall be divided amongst all such Series of Covered Bonds on a *pro rata* basis.
- (vii) *Seventh*, to deposit the remaining monies in the General Bank Account for application on the next following Guarantor Payment Date in accordance with the priority of payments described in paragraphs (i) to (vi) (inclusive) above, until all Series of Covered Bonds have been fully repaid or provided for.
- (viii) *Eighth*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof, of any Excluded Swap Termination Amounts due and payable by the Guarantor to any Replacement Swap Provider (if any) under the corresponding Swap Agreement (if any).
- (ix) *Ninth*, in or towards satisfaction of any amounts then properly due and payable to be reimbursed by the Guarantor to the Issuer or the Assignor pursuant to the Guarantee Mandate Agreement or the Security Assignment Agreement.
- (x) *Tenth*, but only on the Guarantor Payment Date following the date of the Guarantor's annual general shareholders meeting, subject to and in accordance with Swiss law, to (1) credit an amount equal to the Guarantor's distributable profit for the last fiscal year according to Swiss GAAP, net of any amounts carried forward from previous years, to the Guarantor Profit Ledger or (2) pay a dividend in an amount up to the Guarantor Profit Ledger Balance on that date, provided that a relevant resolution of the shareholders meeting of the Guarantor has been passed to enable payment of any such dividend.
- (xi) *Eleventh*, in or towards payment *pro rata* and *pari passu* of any Collateral Differential (including any Deferred Collateral Differential) payable to the Originator and any amounts (including indemnity amounts and any Termination Amounts due to the Initial Swap Provider (if any)) owed by the Guarantor to the Assignor and any other Relevant Creditor (to the extent not otherwise provided for in this Guarantee Priority of Payments).
- (xii) *Twelfth*, the remainder for the Guarantor to retain in the General Bank Account.

For the avoidance of doubt, it is understood and agreed that in case amounts are paid to:

- (i) the Trustee pursuant to sub-clause (i) above which have been, pursuant to the terms of the Trust Agreement, the obligations of the Issuer only, payment of such amounts shall not be deemed the assumption of, or payment under, a corresponding obligation of the Guarantor and accordingly, such payment shall not increase the overall payment obligations of the Guarantor, but shall constitute a redistribution among Relevant Creditors, and the amounts payable to the Relevant Creditors pursuant to sub-clauses (ii) to (xi) above shall be reduced by the amount of such payment in discharge of such obligation(s) of the Issuer *pro tanto* in reverse order, so that payments or provisions of a lower priority are reduced first; and
- (ii) the Agents pursuant to sub-clause (iii) above which have been, pursuant to the terms of the Agency Agreement, the obligations of the Issuer only, payment of such amounts shall not be deemed the assumption of, or payment under, a corresponding obligation of the Guarantor and accordingly, such payment shall not increase the overall payment obligations of the Guarantor, but shall constitute a redistribution among Relevant Creditors, and the amounts payable to the Relevant Creditors pursuant to sub-clauses (iv) to (xi) above shall be reduced by the amount of such payment in discharge of such obligation(s) of the Issuer *pro tanto* in reverse order, so that payments or provisions of a lower priority are reduced first.

- (b) On each Guarantor Payment Date, the Guarantor and the Relevant Creditors will direct the Cash Manager to apply (or will have acknowledged and agreed pursuant to the relevant Transaction Documents that the Cash Manager shall apply) amounts standing to the credit of the Cover Pool Bank Account, as calculated on the immediately preceding Calculation Date, to make the following payments and provisions in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):
- (i) *First*, in or towards payment *pro rata* and *pari passu* of any amounts due and payable, or to become due and payable in the Guarantor Payment Period commencing on such Guarantor Payment Date, to each Cover Pool Swap Provider (if any) in respect of any Cover Pool Swaps (excluding any Swap Termination Payment) in accordance with the terms of the relevant Swap Agreement (if any).
 - (ii) *Second*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts thereof,
 - (1) of amounts due and payable, or to become due and payable in the Guarantor Payment Period commencing on such Guarantor Payment Date, to each Covered Bond Swap Provider (if any) in respect of amounts due under any Covered Bond Swap and corresponding to Scheduled Interest due on each Series of Covered Bonds (excluding amounts corresponding to Scheduled Principal and any Swap Termination Payments) in accordance with the terms of the relevant Swap Agreement (if any); and
 - (2) in respect of any Accumulation Series of Covered Bonds where no Guaranteed Amounts corresponding to Scheduled Interest amounts are due and payable or to become due and payable in accordance with the terms of the Guarantee on a Guarantor Payment Date or in the Guarantor Payment Period commencing on such Guarantor Payment Date, credit to the Interest Accumulation Ledger the amount required to cause the balance standing to the credit of the Interest Accumulation Ledger to equal the Accumulation Interest Required Amount as of such Guarantor Payment Date.
 - (iii) *Third*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts thereof, of amounts due and payable, or to become due and payable in the Guarantor Payment Period commencing on such Guarantor Payment Date, to each Covered Bond Swap Provider (if any) in respect of amounts due under any Covered Bond Swap and corresponding to Scheduled Principal due on each Series of Covered Bonds (and, for the avoidance of doubt, excluding amounts corresponding to Scheduled Interest and any Swap Termination Payment) in accordance with the terms of the relevant Swap Agreement (if any).
 - (iv) *Fourth*, in respect of any Accumulation Series of Covered Bonds where Guaranteed Amounts corresponding to Scheduled Interest amounts are due and payable in accordance with the terms of the Guarantee on the relevant Guarantor Payment Date or become due and payable in the Guarantor Payment Period commencing on such Guarantor Payment Date, any amount standing to the credit and (without double counting) any amount credited to the Interest Accumulation Ledger on such Guarantor Payment Date in accordance with paragraph (b)(ii)(2) (if any) shall be applied in paying such Guaranteed Amounts, *pro rata* and *pari passu* according to the respective amounts thereof, by paying the Principal Paying Agent on behalf of the relevant Covered Bondholders. The Principal Paying Agent shall use any amounts received to pay the relevant amounts due and payable on the Accumulation Series Covered Bonds in an amount calculated pursuant to paragraph (iv) on the Guarantor Payment Date and during the Guarantor Payment Period as needed.
 - (v) *Fifth*, to deposit the remaining monies in the Cover Pool Bank Account for application on the next following Guarantor Payment Date in accordance with the priority of payments described in paragraphs (i) to (iii) (inclusive) above, until all Secured Obligations have been fully repaid or provided for.
- (c) The Guarantor will direct each Covered Bond Swap Provider (if any) to pay any monies due to the Guarantor under each Swap Agreement (if any) (other than any Swap Termination Payments) directly to the account of the Principal Paying Agent (and not to the Guarantor), for onward payment to the relevant Covered Bondholders on each relevant Scheduled Payment Date (unless the Cash Manager notifies the Covered Bond Swap Provider (if any) that either (i) an Enforcement Event has not occurred in respect of the relevant Secured Obligation, in which case the payment due by the Covered Bond Swap Provider (if any) under the Swap Agreement (if any) shall be made to the Guarantor and credited to the Cover Pool Bank Account or (ii) the amount of the payment to the Principal Paying Agent should be reduced (due to the Issuer making a payment to the Principal Paying Agent for the difference), in which case the difference shall be paid by the Covered Bond Swap Provider (if any) to the Guarantor and credited to the Cover Pool Bank Account.

- (d) Notwithstanding anything provided in paragraphs (a) and (b) above, subject to the terms of the Security Assignment Agreement, amounts may be withdrawn from the General Bank Account and the Cover Pool Bank Account to make payments due to those Covered Bondholders whose Covered Bonds fall due for payment in the period between the service of a Notice to Pay on the Guarantor and the first Guarantor Payment Date, as if such day was a Guarantor Payment Date.

Allocation and distribution of amounts following the GED Guarantee Activation Date

The priority of payments set out below is the Post-Insolvency Priority of Payments which applies following the GED Guarantee Activation Date.

Post-Insolvency Priority of Payments

All monies, interest or distributions (including funds recorded on the Guarantor Profit Amount Ledger on the General Bank Account and on the Liquidity Reserve Ledger on the Cover Pool Bank Account) received or recovered by the Cash Manager on behalf of the Relevant Creditors (save for (A) any Mortgage Assets or other Cover Pool Assets to be returned to the Assignor upon complete discharge of all Secured Obligations and/or (B) to the extent required otherwise by law) shall be applied in the following order of priority (and, in each case, only if and to the extent that payments or provisions of a higher order of priority have been made in full) on any Relevant Payment Date (such date being determined by the Cash Manager in consultation with the Trustee, for so long as any Covered Bonds are outstanding):

- (i) *first*, in or towards satisfaction *pro rata* and *pari passu*, according to the respective amounts thereof, of any amounts then properly due and payable by the Guarantor or the Issuer to the Trustee or any Appointee of the Trustee pursuant to the terms of the Trust Agreement (excluding amounts due on the Covered Bonds) and any amounts then properly due and payable by the Guarantor to creditors not party or bound by the Intercreditor Agreement (but who, as a matter of applicable law, are required to be paid) or for which the Guarantor has Joint Liability with the Issuer and only to the extent the Issuer has failed to pay such amounts and for which payment has not been provided for elsewhere in this Post-Insolvency Priority of Payments each together with applicable VAT (or other similar taxes) thereon to the extent provided therein;
- (ii) *second*, in or towards satisfaction *pro rata* and *pari passu* of any amounts (other than pursuant to subparagraph (i) above and excluding amounts due on the Covered Bonds) then due and payable by the Guarantor or the Issuer to the Agents under the provisions of the Agency Agreement together with applicable VAT (or other similar taxes) thereon to the extent provided therein;
- (iii) *third*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof, of any amounts then due and payable to (A) the Cash Manager pursuant to the terms of the Cash Management Agreement, (B) the Account Bank (including costs) pursuant to the terms of the Master Bank Account Agreement, (C) the Corporate Services Provider pursuant to the terms of the Corporate Services Agreement, (D) a Replacement Servicer pursuant to the terms of a Replacement Servicer Agreement and (E) the Asset Monitor pursuant to the terms of the Asset Monitor Agreement, each together with applicable VAT (or other similar taxes) thereon to the extent provided in the relevant agreement;
- (iv) *fourth*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts thereof, of (without double counting):
 - (A) in or towards payment of any amounts due and payable to each Replacement Cover Pool Swap Provider (if any) (including any Swap Termination Payments but excluding any Excluded Swap Termination Amount) in accordance with the terms of the relevant Swap Agreement (if any);
 - (B) the amounts due and payable to each Replacement Covered Bond Swap Provider (if any) *pro rata* and *pari passu* in respect of each Covered Bond Swap (including any Swap Termination Payment due and payable by the Guarantor under the Swap Agreement (if any) but excluding any Excluded Swap Termination Amount) in accordance with the terms of the relevant Swap Agreement (if any); and
 - (C) (taking into account any amounts received or receivable from the relevant Covered Bond Swap Provider (if any)) (x) all interest and principal and other amounts due and payable in respect of the Covered Bonds of each Series in accordance with the terms of the Guarantee or (y) in any insolvency of the Guarantor, any amount due and payable in lieu of such interest, principal and other amounts respectively (such amounts being paid, subject to applicable law, to the Trustee or (if so directed by the Trustee), to the Principal Paying Agent on behalf of the Covered Bondholders,

provided that if the amount available for distribution under this sub-paragraph (iv) (excluding any amounts received or receivable from the relevant Covered Bond Swap Provider (if any)) would be insufficient to pay the amounts due and payable in respect of each Series of Covered Bonds, the shortfall shall be divided amongst all such Series of Covered Bonds on a *pro rata* basis and the amount payable by the Guarantor to the relevant Covered Bond Swap Provider (if any) in respect of each relevant Series of Covered Bonds under sub-paragraph (iv)(B) shall be reduced by the amount of the shortfall applicable to the Series of Covered Bonds in respect of which such payment is to be made;

- (v) *fifth*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof, of any Excluded Swap Termination Amounts due and payable by the Guarantor to a Replacement Swap Provider (if any) under the Swap Agreement (if any);
- (vi) *sixth*, in or towards satisfaction of any amounts then properly due and payable to be reimbursed by the Guarantor to the Issuer or the Assignor pursuant to the Guarantee Mandate Agreement or the Security Assignment Agreement;
- (vii) *seventh*, in or towards payment *pro rata* and *pari passu* of any Collateral Differential (including any Deferred Collateral Differential) due to the Originator and any other amounts (including indemnity amounts and any Termination Amounts due to the Initial Swap Provider (if any)) owed by the Guarantor to the Assignor and any other Relevant Creditor (to the extent not otherwise provided for in this Post-Insolvency Priority of Payments); and
- (viii) *eighth*, the remainder, if any, for the Guarantor.

For the avoidance of doubt, it is understood and agreed that in case amounts are paid to:

- (A) the Trustee pursuant to sub-clause (i) above which have been, pursuant to the terms of the Trust Agreement, the obligations of the Issuer only, payment of such amounts shall not be deemed the assumption of, or payment under, a corresponding obligation of the Guarantor and accordingly, such payment shall not increase the overall payment obligations of the Guarantor, but shall constitute a redistribution among Relevant Creditors, and the amounts payable to the Relevant Creditors pursuant to sub-clauses (ii) to (vii) above shall be reduced by the amount of such payment in discharge of such obligation(s) of the Issuer *pro tanto* in reverse order, so that payments or provisions of a lower priority are reduced first; and
- (B) the Agents pursuant to sub-clause (ii) above which have been, pursuant to the terms of the Agency Agreement, the obligations of the Issuer only, payment of such amounts shall not be deemed the assumption of, or payment under, a corresponding obligation of the Guarantor and accordingly, such payment shall not increase the overall payment obligations of the Guarantor, but shall constitute a redistribution among Relevant Creditors, and the amounts payable to the Relevant Creditors pursuant to sub-clauses (iii) to (vii) above shall be reduced by the amount of such payment in discharge of such obligation(s) of the Issuer *pro tanto* in reverse order, so that payments or provisions of a lower priority are reduced first.

CORNÈR BANCA'S MORTGAGE ORIGINATION AND LENDING POLICIES AND PROCEDURES

Mortgage Lending Business

Cornèr Banca currently derives its Swiss mortgage-lending business from the following primary sources:

- (a) Its existing client network;
- (b) Its branch network in Switzerland; and
- (c) its employees.

Credit Processes of Cornèr Banca

Cornèr Banca's credit risk policy ("*Manuale Attività Creditizia*") describes the Bank's mortgage loan origination processes, the different levels of authority and competences, its risk management processes, its provisioning processes, as well as its reporting processes. The credit risk policy has been in place since 2011 and is regularly updated to ensure that it is aligned with the Bank's risk appetite, as well as Swiss federal, cantonal and other related laws, ordinances and regulations. It is also based on the Bank's management regulations and risk policies.

The Bank's lending procedures focus on a detailed analysis of the reputation and solvency of each borrower, as well as their ability to fulfil interest and principal payment obligations in accordance with the terms of the mortgage agreement, independent of the existence of underlying collateral. The Bank considers the capacity of the borrower to fulfil its payment obligations also in an unforeseen rapidly deteriorating economic situation by maintaining a dynamic credit policy where the Bank can be assured that such clients will be able to continue fulfilling their obligations even in a worst-case scenario. The Bank will also consider the potential revenue of each mortgage loan and orientates itself towards those where it receives higher revenues for the same credit risk.

Compliance aspects, such as due diligence, KYC and money-laundering, must be verified using current documentation (especially updated corporate documents in the case of commercial clients) and in certain more complex cases, the Credit Division will request an opinion from the Compliance department.

Each mortgage loan is ultimately granted or denied after an affordability check in respect of both owner-occupied residential properties and investment properties that includes an assessment of:

- (a) the creditworthiness of the borrower;
- (b) the financial capacity of the borrower to afford a sustainable level of interest and amortisation on the mortgage loan; and
- (c) the valuation of the underlying collateral.

The creditworthiness of the borrower is assessed by taking into account both qualitative and quantitative factors. Qualitative factors include the borrowers' residence, age, type and length of career, as well as personal references, credit history and the overall client relationship history with Cornèr Banca. Quantitative factors include type and sustainability of income, unforeseen costs to be paid by the client in the medium to long term, levels of debt and liquidity, as well as the client's overall wealth situation.

The lending criteria set out in the credit risk policy relate to the loan-to-value ratio (**LTV**), the affordability ratio (*capacità creditizia*), the property characteristics, the exception to policy conditions and the required loan documentation.

Loan-to-Value Ratio

The Bank uses the lower of (i) the property valuation and (ii) the acquisition price of the property when valuing the underlying property used as security for a mortgage loan.

The original loan-to-value is calculated as the gross mortgage loan amount minus any security provided to secure the mortgage loan divided by the value of the underlying property or properties. Security may include any of the following or a combination thereof:

- A pledge of the Second Pillar account (up to an amount equal to the liquidation value of the Second Pillar at the date the mortgage loan was granted);
- A pledge of the Third Pillar account, being its accrued value at the time of the pledge;
- A pledge over one or more savings products or a life insurance policy; or
- A mortgage or equivalent lien over another property.

In addition, certain Mortgage Certificates are transferred for security purposes (*trasferimento a titolo di garanzia*) while certain Mortgage Certificates are instead pledged (*costituzione in pegno*) to Cornèr Banca by the borrower under the relevant mortgage loan agreements.

As a borrower's equity contribution for a mortgage loan on an owner-occupied residential property, Cornèr Banca requires a minimum of 10% own funds which may not include partial withdrawals from a borrower's Second Pillar account. With respect to a mortgage loan for an investment property, the minimum equity contribution is 25%. In accordance with Cornèr Banca's Credit Policy, the following maximum initial LTVs are set out in the table below:

Property type	Maximum initial LTV
Primary home	80%
Second home	75%
Investment property	75%

Affordability or Debt-to-Income Ratio

The borrower's ability to repay the loan is measured over the long term as the borrower's capacity to meet periodic interest payments and principal repayment obligations under the mortgage loan agreement. Such measure is captured by a single ratio known as the debt-to-income ratio through a calculation of debt affordability.

A borrower's ability to repay the mortgage loan depends on the gross income available to pay interest and repay principal on a periodic basis. Assessment of the borrower's gross income also includes the sustainability of such available income.

Typically, only the gross income of the borrower is taken into account with some variable income elements considered on a discretionary basis, provided they are sustainable and generally guaranteed over the medium term. As a next step, any large expenses need to be deducted from such gross income (such as alimony payments, interest payments from other debt obligations, holiday home rental payments etc.). Cornèr Banca has a long-term view when calculating the gross income and is particularly cautious where the mortgage loan matures beyond the borrower's retirement age. In this case, it will often request further information such as retirement plans and simulations going beyond the age of 65.

A stressed mortgage interest rate of at least 4.5% is applied to all outstanding mortgage loans, taking into account the contractual amortisation schedule and property maintenance charges of between 0.7% and 1.0% per annum of the property value.

Based on the above, the debt-to-income ratio may not exceed 35%. Any debt-to-income ratios above 35% are subject to an Exception-to-Policy procedure.

Amortisation Payments

Under SBA-imposed self-regulation guidelines, borrowers in Switzerland must amortise their mortgage loans down to 66% of LTV within a 15-year period. Cornèr Banca generally chooses to apply more conservative lending standards and requires a yearly amortisation payment for owner-occupied residential properties of 1 per cent. of the total amount of the mortgage loan for mortgage loans with an LTV between 50% and 65% LTV, and 2 per cent. of the total amount of the mortgage loan for mortgage loans with an LTV of over 65%. Borrowers who are not willing to make amortisation payments above the minimum required by the self-regulation guidelines are offered a higher interest rate on their mortgage loans. In March 2024, it was announced that FINMA recognised the adjusted self-regulation by the SBA in the area of mortgage lending as a binding minimum standard. These adjustments were necessary due to the introduction of the final Basel III standards in Switzerland. In particular, the minimum requirements for capital and amortisation as well as the qualitative requirements in the Mortgage Directive were amended. Such adjustments are expected to enter into force on 1 January 2025.

Required Documentation

Cornè Banca offers mortgage loans primarily to existing clients and potential clients recommended to them by their existing client network. The relationship manager of the client within the branch network typically coordinates the mortgage origination process together with a credit relationship manager within the Credit Division by collecting the following documents:

- (a) A tax declaration no older than two years, as well as evidence of income/salary (if the borrower has changed positions since the date of the tax declaration);
- (b) Information from local authorities (including the debt collection office (*Ufficio di Esecuzione e Fallimento*) and the Central Office for Credit Information (*Zentralstelle für Kreditinformation*) (ZEK) or the Central Office for Consumer Credit (IKO) no older than 6 months;
- (c) Other information and documents evidencing the client's income or liabilities, if not visible from the Tax declaration;
- (d) Purchase agreement for the property;
- (e) Current extracts from the Land Register, RFD or RFP;
- (f) Site plans;
- (g) Building plans for the property;
- (h) Internal and external photos of the property;
- (i) Insurance policies covering fire and water eventualities;
- (j) Condominium regulations, service fees and copies of the minutes of the last two annual condominium meetings; and
- (k) In the case of commercial properties, documentation proving income generation.

Real Property Evaluation

With respect to the valuation of a property, a physical inspection must be carried out by one of the credit officers and, in cases where the property is unusual or is outside the usual geographical areas covered by the Bank, the Bank will typically contract an independent valuation agent to carry out the valuation. The Bank will use the lower of the market value and the acquisition price when evaluating the property.

The evaluation of a property will depend on whether the property is an owner-occupied residential property or whether it is an investment property. In the case of an owner-occupied residential property with a purchase price up to CHF 2 million (or higher but where the mortgage loan is lower than CHF 1.6 million), the evaluation will be based on:

- (a) An internal appraisal (using the construction value method) and verified with a hedonic valuation (IAZI or CIFI valuation); or
- (b) In the case of a purchase price of more than CHF 2 million, a real estate appraisal by an external accredited appraiser.

For investment properties with a commercial element of up to 30%, the market value corresponds to the income produced, namely, based on the rental income net of related costs of the landlord. For properties with a purchase price of up to CHF 5 million (or higher if the mortgage loan is less than CHF 3.75 million), the hedonic valuation will be used (IAZI /CIFI). For properties with a purchase price above CHF 5 million, a real estate appraisal by an external accredited appraiser will be sought.

Cornè Banca has certain criteria when choosing external appraisers for the valuation of properties. First and foremost, the external appraiser must have proven experience in real estate appraisals and comply with Swiss and international standards of professional associations such as the Schweizer Immobilienschätzerverband (SIV), the Schweizerischer Verband der Immobilienwirtschaft (SVIT) and the Chambre Suisse d'expert en estimation immobilier (CEI). Preference is given to holders of ISO 17024/SEC 04.1 certification or appraisers accredited with FINMA in the valuation of real estate funds.

Collecting documentary evidence in support of the physical mortgage loan file

The credit relationship manager is responsible for opening a physical file at the time of receipt of the application and collecting all documents received from Cornèr Banca's various departments. Certain documents are maintained in a physical folder, namely, client relationship account opening forms, due diligence committee documents, evidence of affordability and documents relating to the respective collateral.

Processing the Credit Application

The credit relationship manager is then responsible for submitting a credit application via the IT system, the primary input of which generates the creation of an ongoing credit file. The purpose is to record all data in relation to the borrower, his respective income and expenses, collateral (identification of property and valuation of the same), the financing terms and the security for the mortgage loan. As a second step, the workflow requires the following items to be covered: (i) the reason for the mortgage loan; (ii) any direct or indirect risks; (iii) a description of the personal and economic status of the borrower; (iv) an analysis of the client's financial situation and liquidity; (v) an analysis of the underlying property collateral; (vi) the borrower's ability to repay the mortgage loan; and (vi) the decision as to whether to approve or to refuse the credit application.

Review of the credit file and credit decision

The credit request will then be submitted to the Credit Risk Analysis Unit within the Credit Division which independently verifies the accuracy of the data and examines the credit risk in accordance with Cornèr Banca's loan origination policies. If the evaluation criteria are met, the resolution is submitted to the competent decision-making body.

Four levels of authority have been designated to make credit decisions, depending on the amount and ranking of the mortgage loan:

- The Board of Directors
- The Executive Board
- The Credit Division Committee
- Senior Credit Risk Officers

Implementation of the Credit Files

Following the review of the credit file and its approval, the credit file is transferred to the Credit Operations Unit within the Credit Division which will:

- Check the credit file
- Issue the mortgage loan documentation (Credit Framework Agreement, deed of pledge and general terms and conditions)
- Review and manage the documentation signed by the client
- Take the necessary steps with the relevant counterparties in order to secure the collateral
- Ensure that all pre-drawdown conditions are completed
- Confirm the credit limit and conditions in the information system, Dynacos
- Drawdown of the mortgage loan facility and transfer of the funds
- Follow up on all post-drawdown conditions
- Archive the credit file

The four eyes principle is applied to the process of issuing loan documentation, recording information in the IT system Dynacos, drawdowns under the mortgage loan facility and payment transfers. The Credit Operations Unit is responsible for ensuring that the credit file is completed as per the Bank's internal policies before drawdown of the mortgage loan by the borrower.

Cornèr Banca's Discretion to Lend Outside of its Lending Criteria

On a case-by-case basis, Cornèr Banca may determine that, based upon compensating factors such as substantial assets under management or a large remaining income after the cost of the loan, a prospective borrower

who does not strictly qualify under its lending criteria may warrant an underwriting exception, subject to certain limits agreed with Swiss regulators (*“Exception-to-Policy Mortgage Loans”*). Such exceptions are granted only rarely and, in the case of an exception to the LTV ratio, only in connection with a tighter amortisation payment schedule. In any such case, the relevant credit relationship manager must disclose to the relevant decision-making body the details of the compensating factors relating to the exception being made. There are no benchmark limits within the Swiss mortgage industry regarding banks’ discretion to lend outside their lending criteria as the credit policies and lending criteria vary considerably between institutions as part of their market strategy.

CORNÈR BANCA'S SERVICING AND RECOVERY PROCEDURES

Collection

Cornèr Banca is responsible for the payment collection and monitoring process during the servicing of the mortgage loans. Interest payments are charged at the end of each calendar quarter while amortisation payments are typically made monthly. This process is triggered automatically by the core banking system (i.e., interest and amortisation payments are calculated and debited on the customer account when due). Cornèr Banca must perform its servicing duties in accordance with its internal policies of credit collection and recovery.

Amendments

Any amendments to the standard mortgage loan agreements must be approved by the Credit Risk Analysis Unit within the Credit Division and, in case of an increase in credit risk, by the competent decision-making body. Examples of amendments to mortgage loan agreements include:

- (a) An increase of the mortgage loan;
- (b) A change in the name of the borrower (ie. due to inheritance, divorce etc.);
- (c) An increase, reduction or temporary suspension of amortisation payments;
- (d) Where certain clients have been identified as repeat late payers and have accumulated more than one late or missed interest or amortisation payment over the previous three-month period.

Constant Monitoring

The monitoring system provides immediate information regarding any payments in arrears, by means of electronic notifications to the credit relationship manager. The credit relationship manager must contact the client and provide comments on any such warning from the monitoring system within a defined term. Clients who are deemed to be higher risk (such as those with repeated late payments) are placed on a watchlist. The Credit Division Committee will decide which cases should be handled by the Recovery Unit depending on the severity of the situation. Where the Recovery Unit takes over a case, it will be responsible for the whole credit file, with the full backing of the Credit Division Committee, and will establish a recovery strategy and related action plan. Such cases will be considered delinquent and after a period of between three to six months, the Recovery Unit will proceed with the enforcement of the collateral and foreclosure of the mortgage loan, if necessary.

Mortgage Recovery Process

If a payment on a mortgage loan is more than 90 days overdue, it is automatically classified as being in default and the mortgage loan is terminated early. The relevant non-payments are classified as impaired if the risk exposure exceeds the recoverable amount. The recoverable amount is defined as the present value of the expected cash flows relating to the mortgage loan.

Work-out Strategies

In relation to a work-out situation, the possible strategies are continuation or exit. Typically, the client is granted a waiting period of usually between three to six months to repay the mortgage loan via a private sale of the property. If the client has not managed to repay the mortgage loan or sell the property by the end of such waiting period, the Recovery Unit will activate a forced recovery process and will initiate foreclosure proceedings via a compulsory auction. To avoid litigation and a forced sale scenario, a private sale is the preferred option for the Bank. To the extent that there is an eventual loss after the enforced sale, this will be recorded in Cornèr Banca's systems.

Recovery Management

The Recovery Unit is a dedicated recovery team for the collection of impaired loans within the Credit Division. The Recovery Unit uses restructuring, real estate and foreclosure specialists, with extensive experience and detailed knowledge of the local market and legal procedures.

SWISS LAW BONDHOLDER PROVISIONS

The following summary of the Swiss Law Bondholder Provisions is based on the law as in effect in Switzerland as of the date of this Base Prospectus and is subject to change.

Community of Bondholders and Bondholders' Representative

Holders of bonds issued by a Swiss Issuer in a public offering in Switzerland form a community of bondholders (*comunione dei obbligazionisti*) (**Bondholder Community**) by operation of law pursuant to articles 1157 to 1186 CO (the **Bondholder Provisions**). The community of bondholders may also transfer certain powers to a Bondholders' Representative (*rappresentante della comunione dei obbligazionisti*) (the **Bondholders' Representative**).

Pursuant to the Bondholder Provisions, each Series of Covered Bonds forms a separate Bondholder Community. Pursuant to Condition 12 (*Appointment of Bondholders' Representative*), each Covered Bondholder has appointed ProServices Trustees (Switzerland) AG as Bondholders' Representative for the matters explicitly stated in the Conditions.

To the extent of such appointment of the Bondholders' Representative, individual Covered Bondholders may not independently exercise any rights. Individual Bondholders may also not independently exercise their rights to the extent a Bondholder Meeting (as defined below) has validly resolved on a matter.

Bondholder Meetings

Resolutions of a Bondholder Community (including each Series of Covered Bonds) are passed at a bondholders' meeting (*assemblea dei obbligazionisti*) (**Bondholder Meeting**). 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 Federal Ordinance on the Community of Bondholders of 1949 (*Ordinanza sulla comunione degli obbligazionisti*).

Pursuant to Condition 13 (*Meetings of Covered Bondholders*), the Issuer may convene Meetings at any time and will be obliged to do so within 20 days upon a request in writing from the Bondholders' Representative or by Covered Bondholders representing not less than 5 per cent. of the Principal Amount Outstanding of the relevant Series of Covered Bonds, subject to the Bondholder Provisions and applicable regulations referred to therein.

The invitation to a Bondholder Meeting must be published in accordance with the Conditions of the relevant Series and, pursuant to the Bondholder Provisions, twice in the Swiss Official Gazette of Commerce with the second publication to be made at least ten days prior to such meeting. The agenda for a Bondholder Meeting must be announced at least ten days prior to such meeting in the same manner as the invitation.

Only Covered Bondholders or their proxies will be entitled to attend or vote at a Bondholder Meeting. Covered Bondholders or their representatives that wish to participate in a Bondholder Meeting must provide a certificate from their depository bank or a central clearing agency confirming that the relevant Covered Bonds are blocked for the account of the Covered Bondholder until after the completion of the Bondholder Meeting in a form satisfactory to the Issuer and (if applicable) the Notary Public responsible for the notarisation of the Bondholder Meeting.

In connection with any Bondholder Meeting, in certain circumstances, defined majorities of Covered Bondholders of a Series (that form a Bondholder Community by operation of law) are able to bind all Covered Bondholders of the same Series, including Covered Bondholders that did not attend and vote at such Bondholder Meeting and Covered Bondholders that voted in a manner contrary to the majority. Provided that, the Covered Bondholders of a relevant Series must all be equally affected by any resolution that limits Covered Bondholders' rights under the Covered Bonds, unless every disadvantaged Covered Bondholder expressly agrees to such resolution. Any resolution approved by a Bondholder Meeting that affects the rights of the Issuer also requires Issuer's consent.

In case the Issuer becomes bankrupt, the competent bankruptcy administrator will call a Bondholder Meeting for all Series of Covered Bonds. The Bondholder Meetings so convened will resolve with a simple majority whether to transfer full powers to represent the Covered Bondholders of that Series in the bankruptcy of the Issuer to ProServices Trustees (Switzerland) AG as Bondholders' Representative (or such other Bondholders' Representative(s) then appointed to replace ProServices Trustees (Switzerland) AG) or another representative to ensure that the rights of the Covered Bondholders are enforced in an equal manner. If no decision on the transfer of full powers is reached, each Covered Bondholder will enforce its rights under the Covered Bonds separately.

Majority Requirements

The required majority of Covered Bondholders at a Bondholder Meeting required to pass a resolution will depend on whether or not the rights of Covered Bondholders are affected by such resolution and, if so, the type of rights affected.

The majority for the resolutions described below will be based on the aggregate principal amount of the relevant Series of Covered Bonds then outstanding determined on the basis of Covered Bonds that confer voting rights (i.e. all Covered Bonds with respect to which the Covered Bondholder is not the Issuer or any of its subsidiaries).

Pursuant to article 1170 CO, the Bondholder Meeting of each Series can resolve on the following measures (or any combination thereof) with respect to such Series with a majority of at least two thirds of the aggregate principal amount of the Covered Bonds of such Series then outstanding:

- (a) moratorium on interest on the Covered Bonds for up to five years, with the option of extending the moratorium twice for up to five years each time;
- (b) forfeiture of up to five years' worth of interest on the Covered Bonds within a seven year period;
- (c) (i) decrease of the interest rate on the Covered Bonds by up to one-half of the interest rate pursuant to the Conditions and the Applicable Final Terms, (ii) conversion of a fixed interest rate on the Covered Bonds into a rate dependent on the business results, in the case of sub-clause (i) and (ii), for a period of up to ten years, with the option of an extension for up to an additional five years;
- (d) a stay with respect to, or an extension of the Final Maturity Date of, the Covered Bonds (or portions thereof) if the Covered Bonds are due or maturing within five years for up to ten years, with the option of an extension for up to an additional five years;
- (e) early redemption of the Covered Bonds (either in whole or in part);
- (f) granting of a priority lien for new capital raised by the Issuer; and/or
- (g) consent to a total or partial conversion of bonds into shares.

The list of measures of article 1170 CO is exhaustive. The Issuer may propose one or more of the foregoing resolutions to a Bondholder Meeting of a particular Series of Covered Bonds and make the approval of each such resolution conditional upon the approval of all such resolutions. In addition, the Issuer may propose one or more of the foregoing resolutions to the Bondholder Meeting of a particular Series of Covered Bonds, but make approval of such resolutions conditional upon the approval of the same resolutions by other Series of Covered Bonds (or other Bondholder Communities of the Issuer (if any)). In such case, approval of such resolutions will require:

- (a) approval by each relevant Series (and other relevant Bondholder Communities of the Issuer) with simple majority (i.e. rather than two-thirds) of the respective outstanding principal amount; and
- (b) approval by the majority of the relevant Series of Covered Bonds (and such other relevant Bondholder Communities of the Issuer (if any)) that approved with a majority of at least two-thirds of the respective outstanding principal amount; and
- (c) approval by at least two third of the outstanding aggregate outstanding principal amount of all relevant Series of Covered Bonds (and all other relevant Bondholder Communities of the Issuer (if any)).

Where a majority cannot be attained at a Bondholder Meeting, the Issuer may collect additional votes within the two months following the date of the Bondholder Meeting.

Unless an unanimous decision is reached, a resolution of the Bondholder Meeting regarding any of the measures set out above must be approved by the superior cantonal composition authority, in order to become effective and binding on non-consenting Covered Bondholders (and holders of other Bondholder Communities of the Issuer (if any)). The Issuer must submit such resolutions to the court for approval within one month of their adoption by a Bondholders' Meeting.

Any other resolutions that limit the rights of Covered Bondholders by amending, or forfeiting rights under, the Covered Bonds may only be passed by unanimous resolution.

In the case of resolutions that do not limit Covered Bondholders' rights under the Covered Bonds, the approval of more than half of the outstanding aggregate principal amount of the Covered Bonds actually represented at a meeting of Covered Bondholders of the relevant Series is sufficient to approve such resolution, and no approval by the superior cantonal composition authority will be required.

The revocation of ProServices Trustees (Switzerland) AG as Bondholders' Representative (which is different from its role as Trustee) with respect to a Series of Covered Bonds requires a majority of the votes of the Covered Bondholders of such Series at a Bondholders Meeting and Issuer's consent.

Following revocation of ProServices Trustees (Switzerland) AG as Bondholders' Representative, each Series of Covered Bonds may appoint a new Bondholders' Representative with a majority of the votes of the Covered Bondholders of such Series at a Bondholders Meeting.

TAXATION IN SWITZERLAND

The following is a summary of certain Swiss tax consequences of the purchase, beneficial ownership and disposition of the Covered Bonds. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Covered Bonds. The summary relates only to the position of persons who are the absolute beneficial owners of the Covered Bonds and may not apply to certain other classes of persons. The summary is based upon Swiss tax laws and tax practice as in effect on the date of this Base Prospectus, which are subject to prospective or retroactive change. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Covered Bonds should consult their own advisors as to the Swiss or other tax consequences of the purchase, beneficial ownership and disposition of the Covered Bonds.

Taxation with respect to the Transaction

Guarantor

Corporate Income and Capital Tax

The Guarantor is liable to an annual federal, cantonal and communal corporate income tax.

The Guarantor is moreover liable to an annual cantonal and communal corporate capital tax. No debt of the Guarantor should be reclassified as equity and no dealings to which the Guarantor is a party should be reclassified as constructive dividends or constructive contributions to capital. The Guarantor's taxable equity for each fiscal year should therefore be equal to its equity as per the annual statutory financial statements.

Withholding tax on Cover Pool Assets

Interest received by the Guarantor on its bank accounts and interest paid by a Swiss domestic borrower (*debitore svizzero*) on Authorised Investments and Substitute Assets may be subject to Swiss federal withholding tax (35 per cent.). The withholding tax is, with a delay in time, fully refundable to the recipient (the Guarantor or Cornèr Banca as Assignor, as the case may be) provided the recipient complies with all accounting and procedural formalities prescribed by law.

Ticino Cantonal Stamp Duty (Imposto di bollo Ticino)

Transactions subject to the Ticino cantonal stamp duty include the assignment of loans, the execution of loan agreements and the issuance of certain banking documents on the territory of the Canton of Ticino. Depending on the type of document, the Ticino cantonal stamp duty amounts to either 0.1% of the value or a flat fee of CHF 10 per taxable document.

Upon the occurrence of an Issuer Event of Default, the Guarantor may be subject to Ticino Cantonal stamp duty of 0.1% on the aggregate value of the Eligible Mortgage Claims assigned to the Guarantor (see "*Overview of Principal Transaction Documents—Security Assignment Agreement—Transfer of Mortgage Assets and Substitute Assets*"). To cover this potential tax risk, the Issuer has agreed in the Subordinated Loan Agreement (see "*Overview of Principal Transaction Documents—Subordinated Loan Agreement*") to maintain the maximum amount of potential tax exposure related to the Ticino Cantonal stamp duty as part of the Liquidity Reserve Ledger, which is funded by the Issuer through the Subordinated Loan.

Liquidation of Cover Pool Assets

The sale of real property upon enforcement of the Transferred Mortgage Certificates and the underlying real property may be subject to real property transfer tax as well as a tax on capital gains realized upon such sale of real property (real property capital gains tax or corporate income tax, depending on the canton in which the real property is located and the person selling the real property) and the sale of Substitute Assets upon enforcement in Substitute Assets may be subject to Swiss federal stamp duty on dealings in securities.

Swiss Federal Withholding Tax

Payments of interest in respect of the Covered Bonds (periodic, as original issue discount or premium upon redemption) and payment of corresponding Guaranteed Amounts pursuant to the Guarantee will be subject to Swiss federal withholding tax of 35 per cent. Certain types of Covered Bonds issued by the Issuer may classify as notes with a "predominant one-time interest payment" (*obbligazioni preponderatemenne a interesse unico*). See "*Income Taxation on Principal or Interest*" below for further details. A "one-time interest payment" will be subject to Swiss federal withholding tax upon redemption of the Covered Bonds.

The holder of a Covered Bond, residing in Switzerland who, at the time the payment of interest is due, is the beneficial owner of the payment of interest and, in the case of a holder who is an individual, duly reports the gross payment of interest in his or her tax return and, in the case of a holder who is a legal entity or an individual

required to keep accounting books, includes such payment as earnings in its income statement, is entitled to a full refund of or a full tax credit for the Swiss federal withholding tax. A holder of a Covered Bond, who is not resident in Switzerland may be able to claim a full or partial refund of the Swiss federal withholding tax by virtue of the provisions of an applicable double taxation treaty, if any, between Switzerland and the country of residence of such holder. Holders of Covered Bonds should be aware that the procedures for claiming treaty benefits (and the time frame required for obtaining a tax refund) may differ from country to country. The forms for claiming a refund together with instruction forms may be downloaded from the Swiss Federal Tax Administration's website.

Special Swiss federal and cantonal or communal source income tax on loans secured by interests in real property

Payments of interest on the Covered Bonds by the Issuer, failing which by the Guarantor under the Guarantee, will not be subject to the special Swiss federal and cantonal or communal income taxes levied on payments of interests on loans secured by interests in real property situated in Switzerland at source (hereinafter source income taxes) because the Covered Bonds do not benefit from direct security over the Cover Pool Assets or any other assets of the Guarantor, and the interest payments on the Covered Bonds are subject to Swiss federal withholding tax.

Interest payments by Mortgage Debtors to the Originator or the Guarantor, as the case may be, will also not be subject to such special source income taxes because both the Originator and the Guarantor are resident in Switzerland.

Swiss federal stamp duty

The issue of Covered Bonds by the Issuer to the initial investors on the issue day and the issue of the Guarantee by the Guarantor will not be subject to Swiss federal stamp duty on the turnover of securities.

Secondary market dealings in Covered Bonds with a maturity in excess of 12 months where a Swiss domestic bank or a Swiss domestic securities dealer (as defined in the Swiss federal stamp duty act) is a party or acts as an intermediary to the transaction may be subject to Swiss federal stamp duty on the turnover of securities at a rate of up to 0.15 per cent. of the purchase price of the Covered Bonds.

Income Taxation on Principal or Interest

Covered Bonds held by non-Swiss Holders

Payments of interest and repayment of principal by the Issuer, failing which by the Guarantor, to, and gain realised on the sale or redemption of Covered Bonds by, a holder of Covered Bonds 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 Covered Bond is attributable will not be subject to any Swiss federal, cantonal or communal income tax in respect of Covered Bonds. As concerns the Swiss federal withholding tax, see above "*—Swiss Federal Withholding Tax*", as concerns the international automatic exchange of information in tax matters, see below "*—International Automatic Exchange of Information in Tax Matters*" and as concerns the Swiss facilitation of the implementation of FATCA, see below under "*—Swiss Facilitation of the Implementation of the U.S. Foreign Account Tax Compliance Act*".

Covered Bonds held as private assets by a Swiss resident Holder

Covered Bonds without a "predominant one-time interest payment"

Individuals who are resident in Switzerland and who hold as private assets Covered Bonds the yield-to-maturity of which predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium are required to include all payments of interest on such Covered Bonds converted into Swiss Francs at the exchange rate prevailing at the time of the payment, as the case may be, in their personal income tax return for the relevant tax period and will be taxable on any net taxable income (including the (converted) payments of interest on the Covered Bonds) for such tax period at the then prevailing tax rates. A gain, including, *inter alia*, a gain relating to interest accrued or foreign exchange rate appreciation and a loss, respectively, realised on the sale or redemption of Covered Bonds is a tax-free private capital gain and a non-tax-deductible private capital loss, respectively.

Covered Bonds with a "predominant one-time interest payment"

If the yield-to-maturity of a Covered Bond 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 bond as a private asset, is required to include in his or her

personal income tax return for the relevant tax period any periodic and non-periodic interest payments received on the Covered Bonds and, in addition, any amount equal to the difference between the value of the bond at redemption or sale, as applicable, and the value of the bond at issuance or secondary market purchase, as applicable, realised on the sale or redemption of such bond, and in each case, if applicable, 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, i.e. in each case of sale or redemption including, *inter alia*, any gain relating to interest accrued and foreign exchange rate appreciation) for the relevant tax period. Any decrease in value realised on such a Covered Bond on sale or redemption may be offset by such a holder against any gains (including periodic interest payments) realised by him or her within the same taxation period from other instruments with a predominant one-time interest payment.

Covered Bonds held as Swiss business assets and by private persons classified as professional securities dealers

Individuals who hold Covered Bonds as part of a business in Switzerland and Swiss resident corporate taxpayers and corporate taxpayers resident abroad holding Covered Bonds as part of a Swiss permanent establishment or fixed place of business in Switzerland, are required to recognise the payments of interest and any capital gain or loss realised on the sale or other disposition of such Covered Bonds in their income statement for the respective tax period and will be taxable on any net taxable earnings for such period. 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 and leveraged investments in securities.

Swiss Cantonal/Communal Wealth Tax and Capital Tax

Covered Bonds held by holders resident outside of Switzerland and with no trade or business in Switzerland

Holders of Covered Bonds who are not resident in Switzerland for tax purposes and who, during the respective taxation year, have not engaged in a trade or business through a permanent establishment or a fixed place of business in Switzerland to which the Covered Bonds are attributable and who are not subject to Swiss cantonal/communal wealth or capital taxation in Switzerland for any other reason will in respect of such Covered Bonds not be subject to annual Swiss cantonal/communal wealth or capital tax.

Covered Bonds held by Swiss resident individuals as private investments or as assets of a Swiss business

Swiss resident individuals, who hold Covered Bonds as private investment or as assets of a Swiss business, are required to report their Covered Bonds as part of their wealth or as part of their Swiss business assets, as the case may be, and are subject to annual Swiss cantonal/communal private wealth tax on any net taxable wealth (including Covered Bonds), in the case of Covered Bonds held as assets of a Swiss business, to the extent the aggregate taxable wealth is allocable to Switzerland. No wealth tax is levied at the federal level.

Covered Bonds held by corporate taxpayers

Corporate taxpayers who hold Covered Bonds as part of a trade or business carried on in Switzerland are required to report Covered Bonds as part of their assets in their financial statements and are subject to cantonal/communal capital tax on net taxable equity to the extent the aggregate taxable capital is allocable to Switzerland. No capital tax is levied at the federal level.

Automatic Exchange of Information in Tax Matters

Switzerland has concluded a multilateral agreement with the EU on the international automatic exchange of information (AEOI) in tax matters (the **AEOI Agreement**), which applies to all EU member states and some other jurisdictions. Further, Switzerland has signed the multilateral competent authority agreement on the automatic exchange of financial account information (MCAA), and a number of bilateral AEOI agreements with other countries, most of them on the basis of the MCAA. Based on the AEOI agreement and the bilateral AEOI agreements and the implementing laws of Switzerland, Switzerland collects and exchanges data in respect of financial assets, including, as the case may be, Covered Bonds, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of residents in a EU member state or another treaty state. An up-to-date list of the AEOI agreements to which Switzerland is a party that are in effect or signed but not yet effective can be found on the website of the State Secretariat for International Financial Matters SIF.

Swiss Facilitation of the Implementation of FATCA

Switzerland has concluded an intergovernmental agreement with the U.S. to facilitate the implementation of FATCA. The agreement ensures that the accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and

Switzerland. Information will not be transferred automatically in the absence of consent, and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland (the **Treaty**). On 20 September 2019, Switzerland and the United States ratified the 2009 protocol (the **Protocol**) amending the Treaty. Upon the subsequent exchange of the ratification instruments, the amended Treaty entered into force. The Protocol introduced a mechanism for the exchange of information upon request in tax matters between Switzerland and the United States, which mechanism is in line with international standards and allows the United States to make group requests under FATCA concerning non-consenting U.S. accounts and non-consenting non-FFIs for periods from 30 June 2014. Furthermore, on 8 October 2014, the Swiss Federal Council approved a mandate for negotiations with the United States regarding a change from the current direct notification-based regime to a regime where the relevant information is sent to the Swiss Federal Tax Administration, which in turn provides the information to the U.S. tax authorities. It is not yet known when negotiations will continue or when any new regime would come into force. For further information on FATCA, see above under “—Risks relating to the Programme Legal and Regulatory Matters - Payments under the Covered Bonds may be subject to U.S. Foreign Account Tax Compliance Withholding”.

SUBSCRIPTION AND SALE

Subject to all legal and regulatory requirements, Covered Bonds may be issued from time to time by the Issuer to any one or more of the Dealers or to any other person. The arrangements under which Covered Bonds may from time to time be agreed to be issued by the Issuer to, and subscribed by, Dealers are set out in the programme agreement (as the same may be supplemented, amended and/or restated from time to time, the **Programme Agreement**) dated as of the date hereof. Any such agreement for the issue and subscription of Covered Bonds will, *inter alia*, cover the price of the Covered Bonds, any commissions or other deductibles in respect of the Covered Bonds, the Form of the Covered Bonds, any other commercial terms of the issue and subscription of the Covered Bonds themselves, and any syndication or underwriting of the issue. The Programme Agreement makes provision for the resignation or renewal of existing Dealers and the appointment of additional or other Dealers, either generally in respect of the Programme or in relation to a particular Series or Tranche of Covered Bonds. The Dealers are entitled to be released and discharged from their obligations in relation to any agreement to subscribe for and purchase Covered Bonds under the Programme Agreement in certain circumstances prior to payment to the Issuer.

One or more Dealers may purchase Covered Bonds, as principal, from the Issuer from time to time for resale to Investors and other purchasers at a fixed offering price or, if so specified in the Applicable Final Terms, at varying prices relating to prevailing market prices at the time of resale as determined by any Dealer.

A Dealer may sell Covered Bonds it has purchased from the Issuer as principal to certain other dealers less a concession equal to all or any portion of the discount received in connection with such purchase. The Dealer may allow, and such dealers may re-allow, a discount to certain other dealers. After the initial offering of Covered Bonds, the offering price (in the case of Covered Bonds to be resold at a fixed offering price), the concession and the reallowance may be changed.

The Issuer may withdraw, cancel or modify the offering contemplated hereby without notice and may reject offers to purchase Covered Bonds in whole or in part.

Under the Programme Agreement, the Issuer has agreed to indemnify the Dealers against certain liabilities (including liabilities under the Securities Act) or to pay on demand all costs the Dealers may be required to make in respect thereof in connection with the establishment and any future updates of the Programme and the issue of Covered Bonds under the Programme. The Issuer has also agreed to reimburse the Dealers for certain other expenses in connection with the establishment and any future updates of the Programme and the issue of Covered Bonds under the Programme.

The Dealers may, from time to time, purchase and sell Covered Bonds in the secondary market, but they are not obliged to do so, and there can be no assurance that there will be a secondary market for the Covered Bonds or liquidity in the secondary market if one develops. From time to time, the Dealers may make a market in the Covered Bonds.

SELLING RESTRICTIONS

General

Persons who receive this Base Prospectus are required by the Issuer, the Guarantor, the Arranger and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Covered Bonds or have in their possession or distribute such offering material and to obtain any consent, approval or permission required by them for the purchase, offer, sale or delivery by them of any Covered Bonds under the law and regulations in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales or deliveries, in all cases at their own expense, and neither the Issuer, the Guarantor, the Trustee, the Arranger nor any Dealer shall have responsibility therefor. In accordance with the above, any Covered Bonds purchased by any person which it wishes to offer for sale or resale may not be offered in any jurisdiction in circumstances which would result in the Issuer or the Guarantor being obliged to register any further prospectus or corresponding document relating to the Covered Bonds in such jurisdiction.

In particular, but without limiting the generality of the preceding paragraph, and subject to any amendment or supplement which may be agreed with the Issuer and the Guarantor in respect of any particular Series or Tranche, each purchaser of Covered Bonds must comply with the restrictions described above, except to the extent that, as a result of changes in, or in the official interpretation of, any applicable legal or regulatory requirements, non-compliance would not result in any breach of the requirements set forth in the preceding paragraph.

United States

The Covered Bonds have not been and will not be registered under the U.S. Securities Act (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the U.S. Securities Act.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Covered Bonds (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Covered Bonds on a syndicated basis, the relevant lead manager, of all Covered Bonds of the Tranche of which such Covered Bonds are a part, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the U.S. Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Covered Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Covered Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the U.S. Securities Act.

Until 40 days after the commencement of the offering of any Tranche of Covered Bonds, an offer or sale of such Covered Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the U.S. Securities Act

Notice to Potential Investors in the European Economic Area

In relation to each Member State of the European Economic Area (the **EEA**) (each, a **Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Covered Bonds that are subject to the offering contemplated by this Base Prospectus as completed by the Applicable Final Terms in relation thereto to the public in that Member State except that it may make an offer of such Covered Bonds to the public in that Member State:

- (a) At any time to any legal entity that is a qualified investor as defined in the Regulation (EU) 2017/1129 (the **Prospectus Regulation**);
- (b) At any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) At any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Covered Bonds referred to in clauses (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For purposes of this provision, the expression an **offer of Covered Bonds to the public** in relation to any Covered Bonds in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Covered Bonds.

Prohibition of Sales to EEA Retail Investors

If the applicable Final Terms specify the “Prohibition of sales to EEA retail investors” as “Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds that are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA.

For purposes of this provision:

- (a) the expression **retail investor** means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II;
 - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Covered Bonds.

No key information document has been prepared under Regulation (EU) No 1286/2014 (the PRIIPs Regulation) in respect of the Covered Bonds and, accordingly, the Covered Bonds are not available to, and should not be offered or sold to, retail investors in the EEA.

Notice to Potential Investors in the United Kingdom

In relation to the United Kingdom, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Covered Bonds to the public in the United Kingdom, except in circumstances which do not constitute an offer of relevant securities to the public for the purposes of the Public Offers and Admissions to Trading Regulations 2024 (the **POATRs**) or in circumstances falling within an exemption from the prohibition on public offers under the POATRs.

Accordingly, no offering material relating to the Covered Bonds has been or will be distributed to the public in the United Kingdom other than in circumstances where section 9 of the POATRs does not apply or an exemption applies, including where the offer is made:

- (a) at any time to any person who is a qualified investor as defined in the POATRs;
- (b) at any time to fewer than 150 natural or legal persons in the United Kingdom (other than qualified investors), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within an exemption set out in Schedule 1 to the POATRs.

For the purposes of this provision, an “**offer of relevant securities to the public**” means a communication to persons in the United Kingdom, in any form and by any means, presenting sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

Nothing in this United Kingdom selling restriction shall require the Issuer or any Dealer to prepare, approve or publish a prospectus in respect of a public offer of the Covered Bonds in the United Kingdom. Where the Covered Bonds are admitted or to be admitted to trading on a regulated market or a primary multilateral trading facility in the United Kingdom, any prospectus prepared shall be prepared solely for the purposes of such admission in accordance with the applicable Prospectus Rules: Admission to Trading on a Regulated Market and related FCA rules.

Prohibition of Sales to UK Retail Investors

If the applicable Final Terms specify the “Prohibition of sales to UK retail investors” as “Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds that are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK.

For purposes of this provision:

- (a) the expression **retail investor** means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**);
 - (ii) a customer within the meaning of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Covered Bonds.

No key information document has been prepared in respect of the Covered Bonds under the UK PRIIPs Regulation and, accordingly, the Covered Bonds are not available to, and should not be offered or sold to, retail investors in the United Kingdom.

Other regulatory restrictions

In relation to each Tranche of Covered Bonds, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a) in relation to any Covered Bonds which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Covered Bonds other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of such Covered Bonds would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) Financial Promotion: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any 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 Covered Bonds in circumstances in which section 21(1) of the FSMA does not or, in the case of the Issuer, would not if it was not an authorised person, apply to the Issuer or the Guarantor; and
- (c) Global Compliance: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Covered Bonds in, from or otherwise involving the United Kingdom.

GENERAL INFORMATION

Authorisation

The establishment of the Programme by the Issuer and the issue of Covered Bonds was authorised by the Board of Directors of Cornèr Banca on 5 September 2022, 17 August 2023, 18 October 2024 and 24 April 2026. The giving of the Guarantee was duly authorised by resolutions of the Board of Directors of the Guarantor passed on 7 September 2022, 17 August 2023, 21 October 2024 and 24 April 2026. Each of the Issuer and the Guarantor has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Covered Bonds.

Listing, Admission to Trading and Representation

Each Tranche of Covered Bonds may be admitted to trading and listing on SIX Swiss Exchange or may be unlisted. A Tranche of Covered Bonds may also be admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system as may be agreed between the Issuer and the relevant Dealer. The specific terms of any admission to trading and listing of any Tranche of Covered Bonds will be set out in the Applicable Final Terms.

In connection with each Tranche of Covered Bonds to be admitted to trading and listed on SIX Swiss Exchange, in accordance with article 58a of the SIX Listing Rules, the Issuer has appointed UBS AG, Zurich, as its representative to file the application with SIX Exchange Regulation AG in its capacity as competent authority for the admission to trading (including the provisional admission to trading) and listing of such Covered Bonds on SIX Swiss Exchange.

Clearing System

The Covered Bonds have been accepted for clearance through SIX SIS AG or any successor organisation or system. The address of SIX SIS is SIX SIS AG, Baslerstrasse 100, CH-4600 Olten, Switzerland.

Dealers transacting with the Issuer and the Guarantor

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking, commercial banking and/or other related transactions with, and may perform services to the Issuer, the Guarantor and their affiliates and may perform services for them, in each case in the ordinary course of business.

Post-Issuance Transaction Information

The Issuer does not intend to provide any post-issuance transaction information, except as required by any applicable laws and regulations or the Transaction Documents.

GLOSSARY OF DEFINED TERMS

Except where the context otherwise requires, the following defined terms used in the Transaction Documents and herein will have the meanings set out below:

1170 CO Resolutions	has the meaning given to it on page 46 of this Base Prospectus.
2025 Cornèr Banca Annual Report	has the meaning given to it on page 54 of this Base Prospectus.
30/360	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Accession Undertaking	means a form of accession undertaking substantially in the form set out in the Intercreditor Agreement.
Account Bank	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Account Bank Downgrade Event	means the loss by the Account Bank of the applicable Minimum Account Bank Rating, resulting in the Account Bank having neither the applicable short-term nor the applicable long-term ratings.
Account Bank Report	means the report prepared by the Cash Manager and made available to the Guarantor, the Trustee, the Servicer and the Rating Agency substantially in the form set out in the Cash Management Agreement.
Account Bank's Online Banking System	means the online banking system of the Account Bank.
Accumulation Interest Required Amount	means the Scheduled Interest due (i) in the Guarantor Payment Period commencing on the relevant Guarantor Payment Date and (ii) in the next two Guarantor Payment Periods immediately following such Guarantor Payment Period.
Accumulation Series of Covered Bonds	Means a Series of Covered Bonds for which there is no Cover Pool Swap in place and which does not have any monthly Interest Payment Dates.
Accrued Obligations	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Adjusted Aggregate Relevant Mortgage Loan Amount	has the meaning given to it on page 156 of this Base Prospectus.
Adjusted Required Sale Amount	has the meaning given to it on page 122 of this Base Prospectus.
Adjusted Swap Required Amount	has the meaning given to it on page 122 of this Base Prospectus.
Affected Mortgage Assets	means from time to time, any and all (i) Assigned Mortgage Claims and (ii) Transferred Mortgage Certificates affected by the occurrence of a Substitution Event.
Affiliates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
AEOI	has the meaning given to it on page 180 of this Base Prospectus.
AEOI Agreement	has the meaning given to it on page 180 of this Base Prospectus.
Agency Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Agent	means each of the Paying Agents.
Aggregate Principal Amount Outstanding	has the meaning given to it in Condition 19 (<i>Definitions</i>).
All Relevant Mortgage Loans	means all Relevant Mortgage Loans of a Mortgage Debtor which relate to the same Property.

Amortisation Test	has the meaning given to it on page 160 of this Base Prospectus.
Amortisation Test Aggregate Relevant Mortgage Loan Amount	has the meaning given to it on page 160 of this Base Prospectus.
Ancillary Rights	means (i) any and all preferential or ancillary rights (<i>diritti preferenziali e diritti accessori</i>) attached to or associated with an Assigned Mortgage Claim according to article 170 CO (including, without limitation, any and all claims for contractual and default interest, whether in arrears, accrued or accruing in the future thereon), (ii) any and all Breakage Costs, (iii) any and all claims for compensation, reminder charges, for indemnification and out of unjust enrichment resulting from or in connection with an Assigned Mortgage Claim, and (iv) any and all obligations assumed by a Security Provider under a Security Transfer Agreement in relation to a Mortgage Certificate Claim represented by the relevant Transferred Mortgage Certificate, including without limitation the Mortgage Certificate Claim (<i>diritti della cartella ipotecaria</i>) and any pledge rights in Related Mortgage Certificates.
Appendix	has the meaning given to it on page 160 of this Base Prospectus.
Applicable Final Terms	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Applicable Law	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Appointee	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Arrears	means, for any Relevant Mortgage Loan at any date, interest or other amounts which are overdue in respect of that Relevant Mortgage Loan.
Arrears Adjusted Current Balance	has the meaning given to it on page 157 of this Base Prospectus.
Articles of Incorporation	has the meaning given to it on page 114 of this Base Prospectus.
Asset Coverage Test	has the meaning given to it on page 156 of this Base Prospectus.
Asset Monitor	has the meaning given to it on page 14 of this Base Prospectus.
Asset Monitor Agreement	means the asset monitor agreement dated on or about the Programme Closing Date between <i>inter alios</i> the Issuer, the Guarantor and the Asset Monitor.
Asset Monitor Fee	has the meaning given to it on page 147 of this Base Prospectus
Asset Monitor Report	means the report prepared by the Asset Monitor substantially in the form set out in the Asset Monitor Agreement
Asset Monitor Report Recipients	has the meaning given to it on page 147 of this Base Prospectus.
Asset Percentage	has the meaning given to it on page 158 of this Base Prospectus.
Assigned Mortgage Claims	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Assignee	has the meaning given to it in Condition 19 (<i>Definitions</i>).

Assignor	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Auditors	means in respect of both Cornèr Banca and the Guarantor, Ernst & Young SA, Lausanne branch, Avenue de la Gare 39a, CH-1002, Lausanne, Switzerland or such other auditors appointed by the shareholders of the Issuer and the Guarantor, respectively, from time to time.
Authorised Investments	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Authorised Signatory	means, unless provided for otherwise in any Transaction Document, (i) with respect to the Guarantor, (x) any two Persons authorised to sign for the Guarantor according to the commercial register of the canton of Ticino and (y) each Person which has been duly authorised by the Guarantor to give instructions in relation to a Guarantor Bank Account to the Account Bank and to have access rights to the Account Bank's Online Banking System and whose name and, if applicable, specimen signature is recorded in the Schedule Of Authorised Signatories. If a Person has only been authorised by the Guarantor to give instructions in relation to a Guarantor Bank Account collectively with another Authorised Signatory, such Person shall only be considered an Authorised Signatory if and to the extent it is acting collectively with another Authorised Signatory and (ii) with respect to the Issuer, any two of the signatories as registered from time to time in the commercial registers of the canton of Ticino and any signing officers in rank of vice president or higher of Cornèr Banca to execute and deliver such agreements and documents as may be necessary or appropriate in connection with the Programme and the incorporation of Accent Ipoteche SA.
Available Funds	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Bank	means (i) any Swiss bank, (ii) any branch of a foreign bank which is duly authorised to carry on business as a banking institution in Switzerland and (iii) the Swiss National Bank.
Base Prospectus	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Basel III Framework	means "Basel III: A global regulatory framework for more resilient banks and banking systems" published by the Basel Committee on Banking Supervision.
BIO-FINMA	means the Swiss Federal Ordinance of the Swiss Financial Market Supervisory Authority on the Insolvency of Banks and Securities Dealers of 30 August 2012, as amended from time to time.
Board of Directors	Means the board of directors (<i>consiglio di amministrazione</i>) of the Guarantor.
Board Regulations	has the meaning given to it on page 115 of this Base Prospectus.
Bondholder Community	has the meaning given to it on page 175 of this Base Prospectus.
Bondholder Meeting	has the meaning given to it on page 175 of this Base Prospectus.
Bondholder Provisions	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Bondholders' Representative	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Breakage Cost	means any and all claims for compensation payable by the Mortgage Debtor pursuant to the relevant Mortgage Credit Agreement for (i) early termination of a Mortgage Credit

	Agreement, or (ii) early redemption of an Assigned Mortgage Claim.
Breach of Test Notice	has the meaning given to it on page 156 of the Base Prospectus.
Broken Amount	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Business Day	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Calculation Amount	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Calculation Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Cash Management Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Cash Management Fee	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Cash Management Services	has the meaning given to it on page 143 of this Base Prospectus.
Cash Manager	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Cash Manager Downgrade Event	means a downgrade of the Cash Manager's Fitch Long-Term Issuer Default Rating below 'BBB-'.
Cash Manager Termination Event	means the occurrence of any of the following events: <ul style="list-style-type: none"> (a) default by the Cash Manager in the payment on the due date of any payment to be made by it on behalf of the Guarantor under this Agreement or the other Transaction Documents (subject to funds being available for the same) and such default continues unremedied for a period of three (3) Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Guarantor (copied to the Trustee) or the Trustee requiring the same to be remedied; or (b) default is made by the Cash Manager in the performance of its obligations under the terms of the Master Bank Account Agreement and/or the terms of the Cash Management Agreement and such default continues unremedied for a period of three Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Guarantor (copied to the Trustee) or the Trustee requiring the same to be remedied; or (c) default is made by the Cash Manager in the performance or observance of any of its other covenants and obligations under the Cash Management Agreement or the other Transaction Documents, which in the opinion of the Trustee is materially prejudicial to the interests of the Covered Bondholders and such default continues unremedied for a period of 30 days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Guarantor (copied to the Trustee) or the Trustee requiring the same to be remedied; (d) an Insolvency Event occurs in respect of the Cash Manager, then the Guarantor may at once or at any time thereafter while such default or event continues by notice in writing to the Cash Manager (with a

	copy to the Trustee) terminate its appointment as Cash Manager under this Agreement with effect from a date (not earlier than the date of the notice) specified in the notice; or
	(e) a Cash Manager Downgrade Event.
CC	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Certificate of Shortfall	means a (provisional or definitive) official confirmation of a loss upon the enforcement of a mortgage loan through either a " <i>attestato di insufficienza del pegno</i> " or a " <i>attestato di carenza di beni</i> ", each as defined in the DEBA.
CET	means Central European Time.
Chairman	means the chairman of the board of directors of the Guarantor.
CHF or Swiss Francs	has the meaning given to it in Condition 19 (<i>Definitions</i>).
CHF Equivalent	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Clause	means a clause of the relevant Transaction Document.
CO	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Collateral Differential	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Collateral Holding Agent	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Collateral Holding Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Collected Mortgage Payments	means the combined amount of: <ul style="list-style-type: none"> (a) any Mortgage Payment received, directly or indirectly, by the Assignor or the Assignee by way of wire transfer to the Cover Pool Bank Account on the date falling one Business Day after the next Test Date or in accordance with the terms of the Security Assignment Agreement; and (b) if and to the extent an Assigned Mortgage Claim has been discharged by way of set-off, any wire transfer of a corresponding amount to the Cover Pool Bank Account on the date falling one Business Day after the next Test Date or in accordance with the terms of the Security Assignment Agreement.
Commercial Property	means a property where more than 30 per cent. of the income generated from such property is related to commercial space.
Commercial Register	means the competent commercial register (<i>registro di commercio</i>).
Conditions	means the terms and conditions of the Covered Bonds, as set out in section " <i>Terms and Conditions of the Covered Bonds</i> " of the Base Prospectus.
Construction Loan	means the product type which Cornèr Banca grants for the purpose of financing construction or renovation of real estate.
Cornèr Banca Directors	means the non-independent directors of the Guarantor Accent Ipoteche SA.
Cornèr Banca Group	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Cornèr Banca Restructuring Proceedings	has the meaning given to it in Condition 19 (<i>Definitions</i>)

Corporate Services	has the meaning given to it on page 145 of this Base Prospectus.
Corporate Services Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Corporate Services Provider	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Cover Pool	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Cover Pool Assets	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Cover Pool Bank Account	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Cover Pool Custody Account	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Cover Pool General Ledger	means the ledger where all amounts standing to the credit of the Cover Pool Bank Account will be recorded.
Cover Pool Report	means a report submitted by the Assignor to the Assignee on each Test Date (substantially in the form set out in the Security Assignment Agreement), containing the Minimum Value of Assigned Mortgage Claims and setting out the calculation and further details of the Asset Coverage Test and the Interest Coverage Test or, following the occurrence of a Guarantee Activation Event, the Amortisation Test.
Cover Pool Revenues	means any and all Mortgage Payments and other revenues and profit accruing on the Cover Pool Assets during the relevant Calculation Period.
Cover Pool Swap	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Cover Pool Swap Provider	means the Initial Swap Provider or any Replacement Cover Pool Swap Provider, in each case in its capacity as cover pool swap provider to the Guarantor under a Swap Agreement (if appointed following the date hereof).
Covered Bond Swap	has the meaning given to it in Condition 19 (<i>Definitions</i>)
Covered Bond Swap Provider	means the Initial Swap Provider (if appointed following the date hereof) or any Replacement Covered Bond Swap Provider providing services under a Covered Bond Swap in its capacity as covered bond swap provider to the Guarantor under a Swap Agreement (if any).
Covered Bondholder	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Covered Bonds	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Covered Bond Swap	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Credit Risk	means the risk of a loss that occurs due to default by a business partner or the downgrading of a business partner's credit rating. The term "credit risk" also includes replacement risk and settlement risk
Current Balance	means, for any Relevant Mortgage Loan or any Non Transferred Mortgage Loan, as the case may be, as at any given date, the aggregate (but avoiding double counting) of: <ul style="list-style-type: none"> (a) the current principal amount advanced to the relevant Mortgage Debtor; and (b) any interest due under the Relevant Mortgage Loan or any Non Transferred Mortgage Loan, as the case may be; and (c) any other amount assigned which is due and which has not been paid by the relevant Mortgage Debtor.

Cut-off Date	means the last day of each month and if such day is not a Business Day, the immediately preceding Business Day.
Day Count Fraction	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Dealer or Dealers	has the meaning given to it in Condition 19 (<i>Definitions</i>).
DEBA	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Defaulted Mortgage Claim	means an Assigned Mortgage Claim to which the relevant Mortgage Debtor is in default of payment for more than 90 days.
Deferred Collateral Differential	means the amount of Collateral Differential at any given point in time, which has remained unpaid in accordance with the terms of the Guarantee Mandate Agreement and the applicable Priority of Payments.
Deposit Set-Off Amount	has the meaning given to it on page 158 of this Base Prospectus.
Determination Date(s)	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Determination Period	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Discharge Event	means any discharge in full of all Assigned Mortgage Claims, secured by the same Transferred Mortgage Certificate, by the relevant Mortgage Debtor or any Person acting on its behalf, by way of repayment, set-off, enforcement of Transferred Mortgage Certificates or otherwise.
Discharged Mortgage Certificates	means, upon the occurrence of a Discharge Event, any Related Mortgage Certificate, provided that in relation to the specific Property encumbered by such Related Mortgage Certificate, (i) the aggregate face amount of the remaining Related Mortgage Certificates (excluding such Discharged Mortgage Certificates) shall at all times equal or exceed the aggregate amount of (y) any or all outstanding Assigned Mortgage Claims against the relevant Mortgage Debtor secured by the remaining Related Mortgage Certificates and (z) all Eligible Mortgage Claims which are held by the Originator against the relevant Mortgage Debtor and which are to be transferred by the Originator to the Guarantor in accordance with Clause 4(a) of the Servicing Standards, and (ii) the specific Related Mortgage Certificate shall not rank prior to any remaining Related Mortgage Certificates securing any outstanding Assigned Mortgage Claims against the relevant Mortgage Debtor.
Documents Incorporated by Reference	has the meaning given to it on page 54 of this Base Prospectus.
Due for Payment	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Due for Payment Date	means any of the dates pursuant to the definition of Due for Payment.
Early Redemption Amount	has the meaning given to it in Condition 19 (<i>Definitions</i>).
EEA	has the meaning given to it on page 4 of this Base Prospectus.
Eligibility Criteria	has the meaning given to it on page 128 of this Base Prospectus.
Eligible Investor	means (i) a bank or insurance company incorporated under the laws of Switzerland and regulated by the FINMA, (ii) the Swiss National Bank and/or its Swiss affiliates that are

financial institutions, (iii) the Assignor or (iv) any other Person entitled to acquire Assigned Mortgage Claims and/or Transferred Mortgage Certificates under Applicable Law and the relevant Originator's Standard Mortgage Documentation, from time to time.

Eligible Mortgage Claims

means Mortgage Claims that meet all Eligibility Criteria.

Eligible Nominee System Provider

means any eligible nominee system provider which: (i) is not Cornè Banca; (ii) is incorporated in Switzerland; (iii) is a duly licensed bank under the FBA or a duly licensed central securities depository or similar institution regulated by the FMIA which is, as such, subject to the provisions regarding the segregation (*distraction*) of custody assets pursuant to Art. 16 and 37d FBA; (iv) is authorised to act as administrative fiduciary (*fiduciario*) for Paperless Mortgage Certificates and carry out any other activities necessary to perform the task of the nominee system provider; (v) agrees to be duly registered in the relevant land register(s) as the creditor of the relevant Paperless Mortgage Certificates; and (vi) undertakes to operate a system allowing for the transfer of fiduciary entitlements among system participants by entering into, *inter alia*, agreements substantially on the same terms as the Nominee Participant Agreement, the Paperless MC Custody Agreements and other relevant agreements (if any).

Eligible SPV

means a special purpose vehicle which (i) has been set up for the purpose of acquiring Mortgage Assets and financing such acquisition of Mortgage Assets through the issuance of negotiable debt instruments or other negotiable securities, (ii) is fully legally and beneficially owned by one or several Persons domiciled in Switzerland, (iii) is approved by the Board of Directors, (iv) has received the relevant tax rulings indicating that no Swiss federal withholding tax, Swiss federal issuance stamp tax and Swiss federal and cantonal and communal source income tax on interest payments secured by real property located in Switzerland will be payable in relation to the entering into Securitisation Transactions, and (v) is approved by the FINMA to enter into Securitisation Transactions as contemplated by the Security Assignment Agreement.

EMIR

has the meaning given to it in Condition 19 (*Definitions*).

Enforcement Event

has the meaning given to it in Annex A (*Definitions*) to the Guarantee.

Entitlement

means (i) in case of a Physical Mortgage Certificate (being either a Physical Security Assignment Mortgage Certificate or a Physical Pledged Mortgage Certificate), possession (*possesso*) of the relevant Physical Mortgage Certificate physically transferred (and endorsed in the name of the Guarantor in case of Physical Registered Mortgage Certificates) in a separate Vault of the Guarantor in the premises of Cornè Banca, which can only be accessed by the Guarantor (and, in addition, in case of Physical Pledged Mortgage Certificates, also pledge of the relevant Physical Pledged Mortgage Certificate); and (ii) in case of a Paperless Security Assignment Mortgage Certificate, Fiduciary Entitlement in respect of the relevant Mortgage Certificate and (iii) in the case of a Paperless Pledged Mortgage Certificates, pledge of the relevant Paperless Pledged Mortgage Certificate.

EU	means the European Union.
Event of Default	means an Issuer Event of Default or a Guarantor Event of Default.
Excess Cover Pool Assets	means an amount equal to the amount of the Adjusted Aggregate Relevant Mortgage Loan Amount exceeding the aggregate Principal Amount Outstanding of all Series and Tranches of Covered Bonds.
Excluded Scheduled Interest Amounts	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Excluded Scheduled Principal Amounts	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Excluded Swap Termination Amount	means in relation to a Swap Agreement (if any), an amount equal to the amount of any termination payment due and payable (a) to the relevant Swap Provider as a result of a Swap Provider Default with respect to such Swap Provider; or (b) to the relevant Swap Provider following a Swap Ratings Downgrade Event with respect to such Swap Provider.
Extended Due for Payment Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Extension Determination Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Extraordinary Resolution	has the meaning given to it in Condition 19 (<i>Definitions</i>).
FATCA	has the meaning given to it on page 51 of this Base Prospectus.
FBA	has the meaning given to it in Condition 19 (<i>Definitions</i>).
FFIs	has the meaning given to it on page 51 of this Base Prospectus.
Fiduciary Entitlement	means any and all fiduciary entitlements (<i>diritti fiduciari</i>) the Guarantor has against the Collateral Holding Agent with respect to a Paperless Security Assignment Mortgage Certificate for which the Collateral Holding Agent is registered as creditor in the relevant Land Register(s) in its own name but on behalf of the Guarantor (including, but not limited to, the right to request that the Guarantor be inscribed as creditor of the relevant Paperless Security Assignment Mortgage Certificate in the relevant Land Register(s)).
Final Maturity Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Final Redemption Amount	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Final Redemption Date	means, in relation to any Series of Covered Bonds, the final redemption date given in the Applicable Final Terms.
Financial Market Infrastructure Act or FMIA	means the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading of 19 June 2015 which entered into force on 1 January 2016 or any similar or successor law applicable to financial institutions such as the Collateral Holding Agent in Switzerland.
FINMA	has the meaning given to it in Condition 19 (<i>Definitions</i>).
First Issue Date	means the date on which the Issuer issues a Series of Covered Bonds for the first time pursuant to the Programme.
FISA	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Fitch	has the meaning given to it on page 2 of this Base Prospectus.

Fitch Long-Term Issuer Default Rating	means in respect of any entity, the long-term issuer default rating assigned to such entity by Fitch or any equivalent long-term rating which may be assigned by Fitch in the future.
Fitch Short-Term Issuer Default Rating	means in respect of any entity, the short-term issuer default rating assigned to such entity by Fitch or any equivalent short-term rating which may be assigned by Fitch in the future.
Fixed Rate Mortgage Claims	means each Mortgage Claim under a Mortgage Credit Agreement where the interest rate is fixed for the entire term of the Relevant Mortgage Loan.
Floating Rate Mortgage Claims	means each Mortgage Claim under a Mortgage Credit Agreement where the interest rate is fully or partially variable based on a benchmark rate.
FMIA	has the meaning given to it in Condition 19 (<i>Definitions</i>).
FSMA	means the Financial Services and Markets Act 2000.
GED Guarantee Activation Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
General Bank Account	has the meaning given to it in Condition 19 (<i>Definitions</i>).
General Conditions	has the meaning given to it in Condition 19 (<i>Definitions</i>).
General Custody Account	has the meaning given to it on page 141 of this Base Prospectus
General Indemnity Pre-funding Notice	has the meaning given to it in Condition 19 (<i>Definitions</i>).
General Indemnity Recourse Notice	has the meaning given to it on page 127 of this Base Prospectus
General Meeting of Shareholders	has the meaning given to it on page 115 of this Base Prospectus
General Recourse and Indemnity Obligation	has the meaning given to it in Condition 19 (<i>Definitions</i>).
General Recourse and Indemnity Pre-funding Obligation	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Governmental Authority	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Grace Period	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Guarantee	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantee Activation Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantee Activation Notice	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantee Expenses	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantee Extension Table	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Guarantee Fee	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantee Mandate Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantee Mandate Pre-funding Obligation	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantee Pre-funding Notice	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantee Pre-funding Obligation	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantee Priority of Payments	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantee Recourse and Indemnity Obligation	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantee Recourse Notice	has the meaning given to it on page 125 of this Base Prospectus.

Guaranteed Amounts	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantor	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantor Acceleration Notice	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantor Bank Account	means the General Bank Account, the General Custody Account, the Cover Pool Bank Account, the Cover Pool Custody Account and any additional or replacement account designated as a Guarantor Bank Account by the Guarantor (excluding, for the avoidance of doubt, any safe deposit box).
Guarantor Event of Default	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantor Liquidation Event	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Guarantor Paperless MC Custody Account	means the custody account for Paperless Mortgage Certificates, which is maintained by Cornèr Banca in the name and on behalf of the Guarantor
Guarantor Payment Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Guarantor Payment Period	means the period from (and including) a Guarantor Payment Date to (but excluding) the immediately succeeding Guarantor Payment Date with the first Guarantor Payment Period commencing on the first Issue Date.
Guarantor Profit Amount Ledger	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Guarantor Profit Ledger Balance	means, from time to time, the reserve standing to the credit of the Guarantor Profit Amount Ledger.
Guarantor Share Capital Bank Account	means the account, denominated in CHF, which had been established in the name of the Guarantor on or about the Programme Closing Date for the purposes of the incorporation of the Guarantor, and which was closed after the incorporation of the Guarantor. Any reference made to the Guarantor Share Capital Bank Account in this Base Prospectus and any of the other Transaction Documents shall be read as a reference to the General Bank Account to the extent applicable.
Guarantor Spread Amount	means an amount equal to two basis points per annum, calculated on an act/360 basis on the weighted average amount of Covered Bonds issued in the relevant month.
2025 Cornèr Banca Annual Report	has the meaning given to it in section "About this Base Prospectus-Documents Incorporated by Reference".
Higher Ranking Creditors	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
IED Guarantee Activation Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
IGA	has the meaning given to it on page 51 of this Base Prospectus.
Income Receipts	means payments of interest (excluding accrued interest and interest in arrears as at the relevant Transfer Date or Retransfer Date of a Assigned Mortgage Claim) and other fees due from time to time under the Relevant Mortgage Loans other than the Principal Receipts.
Increased Corporate Service Provider Or Cash Manager Expenses	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Increased Services Provider Expenses	has the meaning given to it in Condition 19 (<i>Definitions</i>).

Increased Services Provider Expenses Pre-funding Notice	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Increased Services Provider Expenses Pre-funding Obligation	has the meaning given on page 136 of this Base Prospectus.
Increased Services Provider Expenses Recourse and Indemnity Obligation	has the meaning given to it on page 137 of this Base Prospectus.
Increased Services Provider Expenses Recourse Notice	has the meaning given to it on page 137 of this Base Prospectus.
Independent Directors	has the meaning given to it on page 49 of this Base Prospectus.
Initial Asset Monitor	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Initial Cash Manager	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Initial Collateral Holding Agent	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Initial Corporate Services Provider	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Initial Dealer	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Initial Swap Provider	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Initial Third Party Services Provider	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Insolvency Event	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Insolvency Proceedings	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Instruction of the Extension of the Guarantee	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Intercreditor Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Interest Accumulation Ledger	means the interest accumulation ledger opened and maintained in the books of the Guarantor in respect of the Cover Pool Bank Account for each Accumulation Series of Covered Bonds by the Corporate Services Provider upon instruction of the Cash Manager upon the occurrence of an IED Guarantee Activation Date pursuant to the Cash Management Agreement.
Interest Commencement Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Interest Coverage Test	means an interest coverage test carried out as described on page 159 of this Base Prospectus.
Interest in Insurance Policy	means (i) any contractual or statutory Security Interest the Guarantor may acquire by operation of law or agreement in any claim payable by an insurance provider under or in connection with an insurance policy covering a Property to the owner of relevant Property, and (ii) any right of the Guarantor to consent to a payment under an insurance policy relating to a Property pursuant to article 822 CC.
Interest Payment Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Intermediary	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Investment Manager Report	means the report prepared by the Cash Manager and made available to the Guarantor, the Trustee and the Rating Agency substantially in the form set out in the Cash Management Agreement.
Investor	has the meaning given to it on page 3 of this Base Prospectus.
Investor Report	has the meaning given to it on page 140 of this Base Prospectus.

IRS	has the meaning given to it on page 51 of this Base Prospectus.
ISDA Master Agreement	means the 1992 ISDA Master Agreement (Multicurrency – Cross Border), as published by ISDA.
Issue	means the issue and purchase of Covered Bonds pursuant to and in accordance with the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s) in respect of an Issue Date.
Issue Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Issue Price	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Issuer	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Issuer Default Notice	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Issuer Event of Default	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Joint Liability	means any joint liability of each of the Issuer and the Guarantor for fees, commissions and expenses payable provided for in the Agency Agreement and the Trust Agreement.
Land Register	means the Swiss land register according to article 942 et seq. CC.
Lead Manager	means, in relation to any Tranche of Covered Bonds, the person named as the Lead Manager in the applicable Subscription Agreement or, when only one Dealer signs such Subscription Agreement, such Dealer.
Ledgers	means the Liquidity Reserve Fund Ledger together with the General Ledger, the Guarantor Profit Amount Ledger, the General Investments Ledger, the Cover Pool General Ledger, the Cover Pool Investments Ledger, the Interest Accumulation Ledger and, if relevant, the Swap Cash Collateral General Ledger, the Swap Collateral General Ledger.
Lex Koller	means the Swiss Federal Act on Acquisition of Real Estate by Non-Residents of Switzerland (<i>legge federale sull'acquisto di fondi da parte di persone all'estero</i>) of 16 December 1983.
Liabilities	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Liquidity Reserve Fund	means the reserve fund that the Guarantor will be required to establish.
Liquidity Reserve Fund Ledger	means the ledger against which are recorded debits and credits in respect of the Liquidity Reserve Fund.
Liquidity Reserve Fund Required Amount	is an amount which will be determined on each Test Date and will be equal to the aggregate amount of (i) items (a) (i) to (iv) of the Pre-Guarantee Priority of Payments which will become due on or before each of the next three following Guarantor Payment Dates, (ii) the aggregate amount of all interest payments which will become due under any Covered Bond (or Swap payment in the event that a Swap has been entered into in respect of one or more Series of Covered Bonds), on or before each of the next three following Guarantor Payment Dates, <i>plus</i> any required amount to be paid by the Guarantor as taxes (including the <i>imposta di bollo</i> under the Subordinated Loan Agreement.
List of Transferred Mortgage Assets	means the list of Transferred Mortgage Assets delivered pursuant to the Security Assignment Agreement.

listed	has the meaning given to it on page 2 of this Base Prospectus.
Listing Agent	means, in relation to any Covered Bonds which are, or are to be, listed, quoted and/or traded on or by a Stock Exchange, the listing agent appointed by the Issuer from time to time for the purposes of liaising with that Stock Exchange.
Liquidation Date	has the meaning given to it on page 118 of this Base Prospectus.
Margin	has the meaning given to it on page 140 of this Base Prospectus.
Master Bank Account Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Master Definitions Schedule	has the meaning given to it in Condition 19 (<i>Definitions</i>).
MCAA	has the meaning given to it on page 180 of this Base Prospectus.
Meetings	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Merger Act	means Swiss Federal Act on Merger, Demerger, Conversion and Transfer of Assets of 3 October 2003.
Minimum Account Bank Rating	means, in respect of the Account Bank, <i>either</i> a short-term deposit rating of 'F1' by Fitch <i>or</i> long-term deposit rating of 'A-' by Fitch. If no deposit rating is available, then Minimum Account Bank Rating shall mean <i>either</i> a Fitch Short-Term Issuer Default Rating of 'F1' <i>or</i> a Fitch Long-Term Issuer Default Rating of 'A-'. The Minimum Account Bank Rating is subject to change pursuant to the Rating Agency Condition.
Minimum Mortgage Interest Rate	has the meaning given to it on page 140 of this Base Prospectus.
Minimum Value of Assigned Mortgage Claims	means the amount of Assigned Mortgage Claims required to pass together with the other Cover Pool Assets the Asset Coverage Test on the preceding Cut-off Date or any later date, which amount shall take into account the retransfer of Excess Cover Pool Assets in the form of Substitute Assets as per the most recent Test Date and any transfer of Substitute Assets since the date on which the Asset Cover Pool Test had to be passed, as evidenced on the respective Cover Pool Report
Moody's	means Moody's Investors Service Limited or any successor to its rating business.
Mortgage Assets	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Mortgage Certificate	means a mortgage certificate (<i>cartella ipotecaria</i>) pursuant to articles 842 et seq. CC, which may be in the form of a Physical Mortgage Certificate or a Paperless Mortgage Certificate.
Mortgage Certificate Claim	means the claim represented by the relevant Mortgage Certificate.
Mortgage Certificate Enforcement Proceeds	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Mortgage Certificate Excess Enforcement Proceeds	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Mortgage Certificate Payments	has the meaning given to it in Condition 19 (<i>Definitions</i>).

Mortgage Claims	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Mortgage Credit Agreement	means a <i>Contratto di prestito ipotecario</i> (or a translation thereof) entered into between the Originator and the relevant Mortgage Debtor, which formalizes all the terms and conditions of the credit, the associated securities and the proposed pricing (fixed, floating or mixed rates), including any amendment to such contract documenting, from time to time, any change to any of its terms and conditions.
Mortgage Debtor	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Mortgage Loan Expenses	means in relation to a Related Mortgage Loan, the amount of any expense, charge, fee, premium or payment (excluding, however, any interest in arrears).
Mortgage Payments	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Mortgage Product	means a mortgage product, the terms and conditions of which have been formalized in a Mortgage Credit Agreement;
Mortgage Security	has the meaning given to it in Condition 19 (<i>Definitions</i>).
NA	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Negative Carry Factor	has the meaning given to it on page 158 of this Base Prospectus.
New Dealer	has the meaning given to it in Condition 19 (<i>Definitions</i>).
New Relevant Creditor	means any person which becomes a Relevant Creditor (other than a Covered Bondholder) pursuant to, and in accordance with, the Intercreditor Agreement by entering into an Accession Undertaking or an Intercreditor Agreement Supplement
Nominal Amount	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Nominee	has the meaning given to it in Clause 18 of the Programme Agreement.
Nominee System Provider	means SIX SIS or any other Eligible Nominee System Provider duly retained by the Assignee in accordance with the Security Assignment Agreement.
Non-Related Ancillary Rights	means: <ul style="list-style-type: none"> (a) any pledges serving as security for a Mortgage Claim assigned to the Assignee (including but not limited to pledges created under the General Conditions of the Assignor and pledges of life insurance policies, claims in second or third pillar pension fund schemes); (b) any and all statutory and contractual retention rights (<i>diritti di ritenzione contrattuale</i>) and similar rights, whether they are obligatory rights or rights in rem, which serve as a security for a Mortgage Claim that is assigned to the Assignee; and (c) any and all sureties/surety bonds (<i>fideiussione</i>) and similar security undertakings serving as security for a Mortgage Claim that is assigned to the Assignee.
Non-Restructuring Protective Measures	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Non Transferred Mortgage Loan	means each Mortgage Credit Agreement with a Mortgage Debtor under which no claim has been assigned to the Guarantor.

Notice		means, in respect of notice to be given to Covered Bondholders, a notice validly given pursuant to Condition 12 (<i>Notices</i>).
Notice to Pay		has the meaning given to it in Condition 19 (<i>Definitions</i>).
Notification Event		has the meaning given to it on page 131 of this Base Prospectus.
Offeror		has the meaning given to it on page 3 of this Base Prospectus.
Optional Redemption Amount		has the meaning given to it in Condition 19 (<i>Definitions</i>).
Optional Redemption Date		has the meaning given to it in Condition 19 (<i>Definitions</i>).
Original Due for Payment Date		has the meaning given to it in Condition 19 (<i>Definitions</i>).
Originator		has the meaning given to it in Condition 19 (<i>Definitions</i>).
Originator's Documentation	Standard	Mortgage means (i) any Mortgage Credit Agreement, (ii) any Security Transfer Agreement and (iii) any General Terms and Conditions.
Outstanding or outstanding		means, in relation to the Covered Bonds of all or any Series, all the Covered Bonds of such Series issued other than: <ul style="list-style-type: none"> (a) those Covered Bonds which have been redeemed pursuant the Conditions; (b) those Covered Bonds in respect of which the date (including, where applicable, any deferred date) for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest payable thereon) have been duly paid to the Trustee or to the Principal Paying Agent in the manner provided in the Agency Agreement (and where appropriate notice to that effect has been given to the relative Covered Bondholders in accordance with Condition 12 (<i>Notices</i>)) and remain available for payment of the relevant Covered Bonds; (c) those Covered Bonds which have been purchased and cancelled in accordance with Conditions 6.6 (<i>Redemption and Purchase – Purchases</i>) and 6.7 (<i>Redemption and Purchase – Cancellation</i>); and (d) those Covered Bonds which have become void or in respect of which claims have become prescribed, in each case under Condition 8 (<i>Prescription</i>).
Paperless Mortgage Certificate		has the meaning given to it in Condition 19 (<i>Definitions</i>).
Paperless Security Assignment Certificate	Mortgage	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Paperless Pledged Mortgage Certificate		has the meaning given to it in Condition 19 (<i>Definitions</i>).
Parties		means the parties to the relevant Transaction Document, each being a Party .
Paying Agents		means, in relation to all or any Series of the Covered Bonds, the several institutions (including, where the context permits, the Principal Paying Agent and any additional Paying Agents as and when appointed) at their respective specified offices initially appointed as paying agents in relation to such Covered Bonds by the Issuer and the Guarantor pursuant to the Agency Agreement (and in the case of any additional Paying Agents, pursuant to any

	supplemental agency agreement) and/or, if applicable, any Successor paying agents at their respective specified offices in relation to all or any Series of the Covered Bonds.
Payment Day	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Payment Due Date	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Person	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Physical Bearer Mortgage Certificate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Physical Bearer Security Assignment Mortgage Certificate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Physical Bearer Pledged Mortgage Certificate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Physical Mortgage Certificate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Physical Pledged Mortgage Certificate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Physical Security Assignment Mortgage Certificate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Physical Registered Mortgage Certificate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Physical Registered Security Assignment Mortgage Certificate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Physical Registered Pledged Mortgage Certificate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Pledge Type Security Transfer Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Post-Insolvency Priority of Payments	has the meaning given to it on page 161 of this Base Prospectus.
Pre-Event Tests	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Pre-Event Test Date	means the third Friday of each calendar month or if such day is not a Business Day, the immediately following Business Day or such other day as agreed by the parties to the Security Assignment Agreement.
Pre-funding Claim	means each claim under a Pre-funding Obligation.
Pre-funding Notice	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Pre-funding Obligations	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Pre-Guarantee Priority of Payments	has the meaning given to it on page 161 of this Base Prospectus.
Premium	means any amount payable to or by the Guarantor with a view to inducing the Guarantor or the relevant Replacement Swap Provider to enter into a Swap on commercial terms similar to those of an early terminated Swap (if any).
Prescribed Cash Limit	means 20 per cent.
Principal Amount Outstanding	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Initial Principal Paying Agent	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Principal Receipts	means: <ul style="list-style-type: none"> (a) principal repayments under the Relevant Mortgage Loans (including Mortgage Loan Expenses and Arrears); (b) recoveries of interest or principal under the Relevant Mortgage Loans being enforced

	(including the proceeds of sale of the relevant Property);
	(c) any payment pursuant to any insurance policy in respect of a Property in connection with a Relevant Mortgage Loan in the Cover Pool;
	(d) any cash proceeds received by the Guarantor from the Assignor in respect of any re-transfer of an Affected Mortgage Asset pursuant to the Security Assignment Agreement; and
	(e) other amounts received by the Guarantor or the Originator as the case may be in respect of the Relevant Mortgage Loans other than Income Receipts.
Priorities of Payments	has the meaning given to it on page 161 of this Base Prospectus.
Priority of Payments	has the meaning given to it on page 161 of this Base Prospectus.
Priority Security Rights	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Property Value	means the property value resulting from most recent valuation in accordance with the Servicing Standards.
Pro Rata Share Other Creditors	has the meaning given to it in Annex A (Definitions) to the Guarantee.
Programme	has the meaning given to it on page 2 of this Base Prospectus.
Programme Agreement	has the meaning given to it on page 182 of this Base Prospectus.
Programme Closing Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Property	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Prospectus	has the meaning given to it on page 1 of this Base Prospectus.
Prospectus Regulation	has the meaning given to it on page 4 of this Base Prospectus.
Protective Measures	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Rate(s) of Interest	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Rating Agency	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Rating Agency Condition	means a confirmation in writing by the Rating Agency that the then current ratings of the Covered Bonds will not be adversely affected by or withdrawn as a result of the relevant event or matter, provided that if: (a) a confirmation or affirmation of rating or other response by the Rating Agency is a condition to any action or step under any Transaction Document; and (b) a written request for such confirmation, affirmation or response is delivered to the Rating Agency by any of the Guarantor, the Issuer or the Trustee, as applicable (each a Requesting Party) and the Rating Agency indicates that it does not consider such confirmation or response necessary in the circumstances, the Requesting Party shall be entitled to assume that the then current ratings of the Covered Bonds in issue will not be downgraded or withdrawn by the Rating Agency as a result of such action or step.
Rating Agency Modification	has the meaning given to it in Condition 19 (<i>Definitions</i>).

Ratings Modification	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Reassigned Mortgage Claims	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Recourse and Indemnity Obligations	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Recourse Claim	means a claim under a Recourse and Indemnity Obligation.
Recourse Notice	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Reference Rate	has the meaning given to it on page 140 this Base Prospectus.
Registration Event	means the occurrence of any of the following events (unless all Independent Directors in office at that time notify the Collateral Holding Agent in writing within two (2) Business Days after receipt of a notice by the Guarantor that a Registration Event shall not be deemed to have occurred: <ul style="list-style-type: none"> (a) The Collateral Holding Agent fails to maintain its status as a licensed bank under the FBA or a duly licensed central securities depository or similar institution regulated by the Financial Market Infrastructure Act which is, as such, subject to the provisions regarding the segregation (<i>separazione</i>) of custody assets pursuant to Art. 16 and 37d FBA. (b) An Insolvency Event occurs in relation to the Collateral Holding Agent.
Regulation S	means Regulation S under the Securities Act.
Regulatory Event	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Related Ancillary Rights	means any and all Ancillary Rights associated with Assigned Mortgage Claims other than (i) Non-Related Ancillary Rights and (ii) Priority Security Rights.
Related Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Related Paperless Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Related Paperless Pledged Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Related Paperless Security Assignment Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Related Physical Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Related Physical Pledged Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Related Physical Registered Pledged Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Related Physical Registered Security Assignment Mortgage Certificate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Related Physical Security Assignment Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Related Security Transfer Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Relevant Creditor	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
relevant Dealer	has the meaning given to it on page 2 of this Base Prospectus.
Relevant Mortgage Loan	means each Mortgage Credit Agreement with a Mortgage Debtor, the claims under which the Assignor has assigned

	to the Guarantor pursuant to the Security Assignment Agreement.
Relevant Payment Date	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Replacement Account Bank	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Replacement Asset Monitor	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Replacement Cash Manager	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Replacement Collateral Holding Agent	means any successor Collateral Holding Agent designated in accordance the Collateral Holding Agreement.
Replacement Corporate Services Provider	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Replacement Cover Pool Swap Provider	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Replacement Covered Bond Swap Provider	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Replacement Servicer	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Replacement Servicer Agreement	means any replacement servicer agreement in accordance with the Security Assignment Agreement.
Replacement Servicer Fee	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Replacement Swap Provider	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Replacement Third Party Services Provider	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Repo Transaction	has the meaning given to it on page 133 of this Base Prospectus.
Required Sale Amount	has the meaning given to it on page 122 of this Base Prospectus.
Requisite Percentage	means the percentage of Covered Bondholders required to pass an Extraordinary Resolution as determined in accordance with the Bondholder Provisions.
Reservations	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Restructuring Proceedings	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Restructuring Protective Measures	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Retransfer Date	means the means the third Thursday of each calendar month, or if such day is not a Business Day, the immediately following Business Day, or such other date as the relevant parties shall agree, as specified in a Retransfer Deed on which a retransfer of Mortgage Assets is designated to take effect.
Retransfer Deed	means any retransfer deed substantially in the form set out in Annex 4 of of the Security Assignment Agreement.
Retransferred Mortgage Certificates	means any and all Mortgage Certificates Entitlement to which has been retransferred to the Originator or any third party designated by the Guarantor from time to time.
S&P	means Standard & Poor's Credit Market Services Europe Limited or any successor to its rating business.
Schedule	means a schedule to the relevant Transaction Document.
Schedule Of Authorised Signatories	means any schedule of authorised signatories in relation to a Guarantor Bank Account (including the Account Bank's form " <i>Specimen Signatures of the company</i> " and similar

	forms) duly agreed by the parties to the relevant Account Agreement.
Scheduled Interest	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Scheduled Payment Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Scheduled Principal	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Secured Obligations securities act	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Securitisation Transaction	has the meaning given to it on page 133 of this Base Prospectus.
Security Assignment Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Security Interests	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Security Provider	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Security Transfer Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Series	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Serviced Mortgage Assets	means, from time to time, (i) any and all Assigned Mortgage Claims, (ii) any and all Transferred Mortgage Certificates and (iii) any and all Interests in Insurance Policies.
Servicer	has the meaning given to it on page 15 of this Base Prospectus.
Servicer Downgrade Event	means a downgrade of the Fitch Long-Term Issuer Default Rating of the Servicer to below 'BBB-'.
Servicing Standards	has the meaning given to it on page 137 of this Base Prospectus.
Servicing Termination Event	means the occurrence of any of the following events: <ul style="list-style-type: none"> (a) breach of the representations and warranties made by the Assignor/Servicer under Clause 13.1.1(b) (<i>Representations and Warranties of the Assignor – General Representations and Warranties</i>) of the Security Assignment Agreement; (b) default is made by the Assignor/Servicer in the performance or observance of its obligations under Clause 11 (<i>Servicing of Serviced Mortgage Assets</i>) of the Security Assignment Agreement and such default continues unremedied for a period of ten Business Days after the earlier of the Assignor/Servicer becoming aware of such default and receipt by the Assignor/Servicer of written notice from the Assignee or the Trustee requiring the same to be remedied; (c) an Insolvency Event occurs in respect of the Assignor/Servicer; (d) the Assignor/Servicer's Fitch Long-Term Issuer Default Rating is downgraded below 'BBB-'.
Set-off Waiver Mortgage Loan	means a mortgage loan which includes a contractual waiver of set-off by the Mortgage Debtor against Cornèr Banca in the form of the standard form Cornèr Banca – Mortgage Contract " <i>contratto quadro di credito ipotecario</i> " with contract numbers 2022-1A and 2022-1B or any other standard mortgage contract which includes a contractual waiver of set-off by the Mortgage Debtor against Cornèr

	Banca, the inclusion of which has been agreed by the Parties in writing.
Shareholder	means each shareholder of the Guarantor.
Shareholders Agreement	has the meaning given to it on page 118 of this Base Prospectus.
Shortfall	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
SIC	means Swiss Interbank Clearing system.
SIX Listing Rules	has the meaning given to it on page 2 of this Base Prospectus.
SIX SIS	has the meaning given to it on page 19 of this Base Prospectus.
SIX Swiss Exchange	has the meaning given to it on page 2 of this Base Prospectus.
Initial Sole Arranger	has the meaning given to it on page 15 of this Base Prospectus.
SPE	has the meaning given to it on page 49 of this Base Prospectus.
SPE Covenants	has the meaning given to it on page 49 of this Base Prospectus.
Specified Currency	has the meaning given to it on page 16 of this Base Prospectus.
Specified Denomination(s)	has the meaning given to it in the Applicable Final Terms.
Specified Interest Payment Date	has the meaning given to it in the Applicable Final Terms.
Spot Rate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Stock Exchange	means the SIX Swiss Exchange or any other or further stock exchange(s) on which any Covered Bonds may from time to time be listed or admitted to trading and references to the Relevant Stock Exchange shall, in relation to any Covered Bonds, be references to the Stock Exchange on which such Covered Bonds are, from time to time, or are intended to be, listed or admitted to trading.
Subordinated Loan Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Subordinated Loan Provider	Cornèr Banca SA
Subscription Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Subsidiary	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Substitute Assets	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Substitution Event	means in relation to a Mortgage Asset the occurrence of one or several of the following events: <ul style="list-style-type: none"> (a) non-compliance of a Mortgage Asset or a Relevant Mortgage Loan with any of the Eligibility Criteria; (b) breach of any of the representations and warranties given by the Assignor in Clause 13.1.2 (<i>Representations and Warranties regarding the Mortgage Credit Agreements and the Related Security Transfer Agreements</i>) and 13.1.3 (<i>Representations and Warranties regarding the Mortgage Assets</i>) of the Security Assignment Agreement in relation to an Assigned Mortgage Claim, a Transferred Mortgage Certificate or a

relevant Mortgage Credit Agreement or Security Transfer Agreement, provided that the Assignor has been notified in writing by the Assignee prior to the relevant Test Date that such breach of representations and warranties has occurred;

- (c) full or partial invalidity, which has been credibly alleged, of (i) an Assigned Mortgage Claim, (ii) a Transferred Mortgage Certificate, (iii) the relevant Mortgage Credit Agreement and/or (iv) the relevant Security Transfer Agreement.

Sub-unit

has the meaning given to it in Condition 19 (*Definitions*).

Successor

means, in relation to the Principal Paying Agent, the other Paying Agents and the Calculation Agent, any successor to any one or more of them in relation to the Covered Bonds which shall become such pursuant to the provisions of the Trust Agreement and/or the Agency Agreement (as the case may be) and/or such other or further principal paying agent, paying agents and calculation agent (as the case may be) in relation to the Covered Bonds as may (with the prior approval of, and on terms previously approved by, the Trustee in writing (such approval not to be unreasonably withheld or delayed)) from time to time be appointed as such, and/or, if applicable, such other or further specified offices (in the case of the Principal Paying Agent being within the same city as those for which they are substituted) as may from time to time be nominated, in each case by the Issuer and the Guarantor, and (except in the case of the initial appointments and specified offices made under and specified in the Conditions and/or the Agency Agreement, as the case may be) notice of whose appointment or, as the case may be, nomination has been given to the Covered Bondholders.

Successor Trustee

means any Successor Trustee appointed pursuant to the Trust Agreement.

Swap

means a Cover Pool Swap or a Covered Bond Swap (if any).

Swap Agreement

has the meaning given to it in Condition 19 (*Definitions*).

Swap Collateral

means, at any time, any asset (including, without limitation, cash and/or securities) which is paid or transferred by a Swap Provider to the Guarantor as collateral to secure the performance by such Swap Provider of its obligations under the relevant Swap Agreement (if any) together with any income or distributions received in respect of such asset and any equivalent of such asset into which such asset is transformed.

Swap Collateral Available Amounts

means, at any time, any amount of Swap Collateral which under the terms of the relevant Swap Agreement (if any) may be applied at that time in satisfaction of the relevant Swap Provider's obligations to the Guarantor to the extent that such obligations relate to payments to be made in connection with the relevant Priority of Payments.

Swap Collateral Bank Account

means any bank account governed by English law to be opened in order to post cash Swap Collateral, with an institution located in England:

- (a) which has a Minimum Account Bank Rating; and

	(b) which is an English bank, or the English branch of a foreign bank, and is authorised and regulated by the U.K. Financial Conduct Authority.
Swap Collateral Custody Account	means any bank account governed by English law to be opened in order to post non-cash Swap Collateral, with an institution located in England:
	(a) which has a Minimum Account Bank Rating; and
	(b) which is an English bank, or the English branch of a foreign bank, and is authorised and regulated by the U.K. Financial Conduct Authority.
Swap Collateral Excluded Amounts	means, at any time, any amount of Swap Collateral which may not be applied under the terms of the relevant Swap Agreement (if any) at that time in satisfaction of the relevant Swap Provider's obligations to the Guarantor.
Swap Early Termination Event	means a Termination Event or Event of Default (each as defined in the relevant Swap Agreement (if any)), including, but not limited to, a Swap Ratings Termination Event.
Swap Payments	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Swap Provider	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Swap Provider Default	means the occurrence of an Event of Default or Termination Event (each as defined in the relevant Swap Agreement (if any)) where the relevant Swap Provider is the Defaulting Party or the sole Affected Party (each as defined in the relevant Swap Agreement (if any)), as applicable, including, but not limited to, a Swap Ratings Termination Event.
Swap Ratings Downgrade Event	means the downgrade of the relevant rating(s) of a Swap Provider or its guarantor (as applicable) by the Rating Agency below the rating(s) specified in the relevant Swap Agreement (if any).
Swap Ratings Termination Event	means, upon the occurrence of a Swap Ratings Downgrade Event with respect to a Swap Provider, the failure of the Swap Provider to comply with the requirements of the applicable ratings downgrade provisions contained in the Swap Agreement (if any).
Swap Required Amount	has the meaning given to it on page 122 of this Base Prospectus.
Swap Termination Payment	means the Nominal Amount of any and all sums paid or payable to or by the Guarantor to or by any incoming or outgoing Swap Provider as Premium or Termination Amount under any Swap Agreement (if any).
Swap Termination Payment Pre-funding Obligation	has the meaning given to it on page 126 of this Base Prospectus.
Swap Termination Payment Pre-funding Notice	has the meaning given to it on page 126 of this Base Prospectus.
Swap Termination Payment Recourse and Indemnity Obligation	has the meaning given to it on page 126 of this Base Prospectus.
Swap Termination Payment Recourse Notice	has the meaning given to it on page 126 of this Base Prospectus.
Swiss Code of Best Practice for Corporate Governance	means the Swiss Code of Best Practice for Corporate Governance published by <i>economiesuisse</i> and first introduced in 2002.

Swiss Corporate Income Tax	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Swiss GAAP	means the accounting principles applicable to Swiss corporations under the CO.
Swiss Federal Withholding Tax	means the Swiss withholding tax under the Swiss Federal Withholding Tax Act of 13 October 1965 (<i>legge federale sull'imposta preventiva</i>).
Swiss Resolution Authority	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Swiss Resolution Power	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Systems	means the internal IT, accounting and other systems (including hardware, software and documentation) of the Collateral Holding Agent used to record, administer and transfer Transferred Mortgage Certificates.
Tax Authority	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Taxes	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Termination Amount	means any amount payable by or to the Guarantor under a Swap Agreement (if any) pursuant to Section 6 thereof following an early termination of the Cover Pool Swaps and/or Covered Bond Swaps entered into under such Swap Agreement (if any).
Test	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Test Date	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Third Party Services Provider	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Total Liabilities to Relevant Creditor and Pari Passu Creditors	has the meaning given to it in Annex A (<i>Definitions</i>) to the Guarantee.
Tranche	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Transaction Documents	means each of: <ul style="list-style-type: none"> a. the Guarantee; b. the Guarantee Mandate Agreement; c. the Security Assignment Agreement; d. the Collateral Holding Agreement; e. the Intercreditor Agreement; f. the Cash Management Agreement; g. any Swap Agreement; h. the Master Bank Account Agreement; i. the Corporate Services Agreement; j. the Trust Agreement; k. the Agency Agreement; l. any supplemental agency agreement; m. the Programme Agreement; n. any Replacement Servicer Agreement; o. the Asset Monitor Agreement; p. the Conditions; q. each set of Applicable Final Terms (as applicable in the case of each issue of listed Covered Bonds subscribed pursuant to a subscription agreement);

	<ul style="list-style-type: none"> r. the Master Definitions Schedule; s. each Series and/or Tranche of Covered Bonds; t. the Subordinated Loan Agreement; u. each document, agreement or indenture ancillary or supplemental to any of the documents specified in paragraphs (a) to (u) (inclusive) above; and <p>any other agreement or document from time to time designated as such by the Issuer, the Guarantor and the Trustee.</p>
Transfer Date	means the third Thursday of each calendar month, or if such day is not a Business Day, the immediately following Business Day, or such other date as the relevant parties shall agree, or the transfer date as agreed pursuant to clause 2.1(b) or clause 2.1(c) of the Security Assignment Agreement, as specified in a Transfer Deed on which a transfer of Mortgage Assets is designated to take effect.
Transfer Deed	has the meaning given to it on page 129 of this Base Prospectus.
Transfer of Title Type Security Transfer Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Transfer Reference Date	means a date not more than three Business Days prior to a respective Transfer Date as specified in the relevant Transfer Deed.
Transferred Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Transferred Paperless Mortgage Certificate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Transferred Paperless Pledged Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Transferred Paperless Security Assignment Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Transferred Physical Mortgage Certificate	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Transferred Physical Pledged Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Transferred Physical Registered Pledged Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Transferred Physical Security Assignment Mortgage Certificates	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Trust Agreement	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Trustee	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Uncertificated Covered Bonds	has the meaning given to it in Condition 19 (<i>Definitions</i>).
Undertaking to Provide Additional Cover	has the meaning given to it on page 128 of this Base Prospectus.
VAT	means any ad valorem tax, value-added tax, sales tax, goods and services tax, purchases tax, " <i>imposta sul valore aggiunto</i> " or other similar taxes or duties in respect of any payment.
Vault	has the meaning ascribed to it in Clause 3.2.2 (<i>Place of Storage of Collateral Physical Mortgage Certificates</i>) of the Collateral Holding Agreement.
Vice-Chairman	means the vice-chairman of the board of directors of the Guarantor.

ISSUER

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Switzerland

GUARANTOR

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CH-6900 Lugano
Switzerland

TRUSTEE

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INITIAL PRINCIPAL PAYING AGENT

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