

- (iii) **Alternative.** The provisions of Paragraph 5 will apply, except to the following extent: (A) pending the resolution of a dispute, Transfer of the undisputed Value of Eligible Credit Support or Posted Credit Support involved in the relevant demand will be due as provided in Paragraph 5 if the demand is given by the Notification Time, but will be due on the second Local Business Day after the demand if the demand is given after the Notification Time; and (B) the Disputing Party need not comply with the provisions of Paragraph 5(II)(2) if the amount to be Transferred does not exceed the Disputing Party's Minimum Transfer Amount.

(g) **Holding and Using Posted Collateral.**

- (i) **Eligibility to Hold Posted Collateral; Custodians.** Party A and its Custodian will be entitled to hold Posted Collateral pursuant to Paragraph 6(b).

Initially, the **Custodian** for Party A is: Deutsche Bank AG, New York Branch.

- (ii) **Use of Posted Collateral.** The provisions of Paragraph 6(c) will apply to Party A.
- (iii) **Collateral Account.** All Eligible Collateral received by Party A from Party B (other than Contract Rights and Eligible Accounts) shall be credited to one or more accounts (each, a "Collateral Account") at Party A, or its Custodian, each of which may include property of other parties but will bear a title indicating that the property in such Collateral Account is held as security.

Party A shall cause statements concerning the Posted Collateral held in each Collateral Account to be delivered to Party B on request, ~~which may not be made more frequently than once in each calendar month.~~ Nothing in this Paragraph 13(g)(iii) shall be constructed as limiting the right of Party A to use or otherwise dispose of Posted Collateral pursuant to Paragraph 6(c). [need to modify this to clarify that client, in this case, maintains control of the collateral in that it is not pooled the way an institutional prime brokerage client's collateral is pooled]

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Party A shall have no responsibility for ascertaining or informing Party B with respect to, and shall not be required to take any action concerning, any maturities, calls, conversions, exchanges, offers, tenders, redemptions or similar matters relating to any of the Posted Collateral, regardless of whether Party A has or is deemed to have knowledge of any thereof.

- (iv) **Eligible Accounts.** Party B may close, or withdraw funds or property from, an Eligible Account provided as Eligible Collateral only if (i) such close or withdrawal is part of a substitution effected in accordance with Paragraph 4(d) of this Annex or (ii) after giving effect to such close or withdrawal, the value of the remaining Posted Collateral for purposes of this Annex will be equal to or greater than that required hereunder.

Party B hereby irrevocably authorizes Party A and its affiliates to disregard any instruction from Party B relating to an Eligible Account established with such entity which violates the provisions of this Paragraph 13(g)(iv).

Party B hereby irrevocably authorizes Party A to originate entitlement orders (within the meaning of Article 8 of the New York Uniform Commercial Code) with respect to each Eligible Account maintained with an affiliate of Party A, and each such affiliate agrees that (x) it will comply with such entitlement orders originated by Party A without further consent by Party B and (y) it is acting as agent for Party A with respect to such Eligible Account.