



# General Terms and Conditions

Effective as from January 1, 2008

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### 1. Power of Disposal

The power of disposal in transactions with VP Bank shall be governed exclusively by the rules on signing authority submitted to VP Bank in writing, notwithstanding any statements to the contrary in the Commercial Register or other published documents and until a written notice of revocation has been received.

### 2. Verification of Signatures and Identity

Any loss or detriment arising from forgeries or failure to detect defects with regard to identification shall be borne by the Client, unless VP Bank has failed to exercise customary commercial diligence.

### 3. Lack of Capacity to Act

Any loss or detriment arising from the Client's lack of capacity to act shall be borne by the Client, unless VP Bank has failed to exercise customary commercial diligence.

Any loss or detriment arising from lack of capacity to act on the part of a representative of the Client shall be borne by the Client, unless the Client has informed VP Bank in writing of that representative's lack of capacity.

### 4. Execution of Orders / Reservation Regarding Clarification

Orders shall be executed by VP Bank with due diligence. The processing of orders relating to financial instruments shall be pursuant to the principles for the execution of transactions in financial instruments and in accordance with best execution policy. **If VP Bank requires further information or instructions for the purpose of executing an order of the Client and is unable to obtain such information or instructions from the Client in good time, whether because the Client has requested VP Bank not to contact him or because VP Bank is unable to reach him at short notice, VP Bank reserves the right in doubtful cases to refrain from executing the order.**

The Client shall be responsible for the timely placing of orders that are tied to a specific execution date.

The liability of VP Bank for non-execution or faulty or delayed execution of duly placed orders shall be limited to the timely payment of interest (liability for loss of interest), unless VP Bank was expressly informed in writing of the risk of additional loss or detriment in a specific case.

VP Bank is not obliged to execute orders for which no cover or credit line is available. If the Client places several separate orders for a total amount that exceeds his available credit balance or the credit facilities extended to him, VP Bank shall have the right to decide at its own discretion which orders are to be executed in full or in part.

VP Bank cannot be made liable for any delay in the execution of orders that arises in connection with compliance with regulatory provisions.

In the event of incoming payments of unusual amounts, VP Bank shall have the right to decide at its own discretion, after clarification of the precise circumstances and having regard to the obligations imposed upon it by supervisory regulations, whether to credit the amount to the Client's account or to reverse the transfer.

VP Bank furthermore reserves the right, in compliance with the relevant supervisory regulations, to transfer assets back to the originating bank even after the assets have been credited to the Client's account, if VP Bank does not receive adequate documentation regarding the background and origin of the assets within a useful period.

Furthermore, VP Bank is not obliged to execute orders placed by electronic means unless a special agreement has been made for the placing of orders in this way.

### 5. Data Processing

In executing funds transfer orders (payment orders), VP Bank is obliged to ensure that the transfer is accompanied by personal

data relating to the originator of the transfer, namely the originator's **name, address and account number**. These data thereby become known to the banks and system operators involved in the transaction (for example SWIFT or SIC) and as a rule also to the beneficiary.

The use of funds transfer systems can mean that orders are executed through international channels and that the originator's data are thereby communicated to a foreign country. **The Client hereby expressly notes** that the data are thereby no longer protected by Swiss law, in particular by legislation on data protection, and that there is no assurance that the level of protection for these data will correspond to that provided by Swiss law. Moreover, foreign laws and official regulations may oblige the banks and system operators involved to disclose these data to third parties.

#### 6. Complaints / Confirmation of Accuracy

If a Client wishes to make a complaint regarding a confirmation of an executed order, an account statement, a securities account statement or any other communication from VP Bank, this must be done immediately upon receipt of the relevant advice and at the latest within the time specified by VP Bank.

Otherwise, the advice shall be regarded as approved. Express or tacit approval of an account statement or securities account statement includes approval of all items that the statement contains and of any reservations made by VP Bank.

If an advice is not received, the complaint must be lodged as soon as the Client ought to have received the advice in the normal course of business.

#### 7. Communications by VP Bank

Communications by VP Bank shall be deemed to have been delivered to the Client if they have been sent to the last address specified by the Client. The date shown on copies or mailing lists held by VP Bank shall be deemed to be the time of dispatch.

Correspondence retained by VP Bank on the instructions of the Client shall be deemed to have been delivered on the date shown upon it.

#### 8. Obtaining Information from the Client / Communications by the Client

In order to provide its services, VP Bank must in certain circumstances obtain specific information from the Client. It is in the interests of the Client to provide VP Bank with this information, because otherwise the provision of services by VP Bank can be rendered impossible (rules relating to avoidance of dormant accounts, QI, EU withholding tax, MiFID requirements and the like).

VP Bank is entitled to rely on the accuracy of the information obtained from the Client, unless it knows or should know that such information is obviously outdated, inaccurate or incomplete. The Client undertakes to inform VP Bank immediately in writing in the event of changes in the information that he has made available to VP Bank.

Dormant accounts will be maintained and the charges incurred will be applied to the account. Dormant accounts that show a debit balance may be closed immediately.

#### 9. Errors in Transmission

Any loss or detriment arising in the course of postal, electronic or telephonic transmission or through the use of courier services or transport providers, particularly as a result of loss, delay, misunderstandings, mutilations or duplications, shall be borne by the Client, unless VP Bank has failed to exercise customary commercial diligence.

#### 10. Right of Lien and Right of Set-off

VP Bank has a right of lien on all assets that it holds for the account of the Client at its own premises or elsewhere and on all claims of the Client against VP Bank. It also has a right of

set-off with regard to all claims of VP Bank arising from the business relationship with the Client, irrespective of their maturity or currency. This also applies to loans and advances granted with or without collateral.

In the event of default by the Client, VP Bank shall be authorized at its own discretion to realize freely or by enforced sale the current and future assets on which it has a right of lien.

#### **11. Account Transactions**

Closing entries and the crediting and debiting of agreed or customary interest, commissions and expenses shall be carried out quarterly, half-yearly or annually at VP Bank's discretion.

VP Bank reserves the right at any time to adjust its interest and commission rates to changed market conditions and to inform the Client accordingly by suitable means.

#### **12. Foreign Currencies / Foreign Currency Accounts**

Clients' deposits in foreign currency are deposited in the same currency in the name of VP Bank but for the account of and at the risk of the Client either in the country of that currency or elsewhere. The Client shall bear, in proportion to the amount of his deposit, all economic and legal consequences of any official measures affecting the entire balances held by VP Bank in the country of the currency or investment concerned. The Client may dispose of foreign currency credit balances by means of sale of such balances, drawing of checks, withdrawal by check, purchase of securities or funds transfer, but not otherwise without the consent of VP Bank. Crediting and debiting of amounts in foreign currency shall be carried out in Swiss francs at the exchange rate effective on the day on which the amount concerned is credited or debited to VP Bank, unless the Client has issued instructions to the contrary in good time or holds an account in the foreign currency concerned. If the Client holds accounts only in foreign currencies, VP Bank may credit or debit the amount in one of these currencies at its own discretion.

#### **13. Bills of Exchange, Checks and Other Instruments**

VP Bank shall be entitled to re-debit bills of exchange, checks and other instruments after they have been discounted or credited, if they are not paid or if the proceeds are not freely disposable. This shall also apply if bills of exchange, checks or other instruments that have already been paid are subsequently shown to have been lost, forged or defective. However, until an amount due to VP Bank has been paid, VP Bank shall retain all rights to payment of the full amount of the bill, check or other instrument, including any ancillary claims, against all persons liable in connection with the instrument and in accordance with the law on bills of exchange, checks and other instruments.

#### **14. Stock Exchange Transactions, Trading and Brokerage**

When executing orders for the purchase and sale of securities, derivative products or other assets, VP Bank shall act in relation to the Client as an agent or as principal. The customary practices of the stock exchange or trading venue concerned and the rules of the issuer and counterparty concerned shall apply.

#### **15. Remunerations (Inducements/Retrocessions)**

VP Bank reserves the right to grant remunerations to third parties for the acquisition of clients and/or the provision of services.

The calculation basis for such remunerations is normally the amount of the commissions, fees etc. charged to the Client and/or the amount of the assets placed with VP Bank. The remuneration is calculated as a percentage of the calculation basis applied.

On request, VP Bank will at any time disclose further particulars of agreements made with third parties in this regard. **The Client hereby waives any right to demand more extensive information than this from VP Bank**, with the particular effect that VP Bank has no obligation to provide a detailed statement of the remunerations actually paid. The Client notes and accepts that third parties (including other companies in the VP Bank

Group) may grant to VP Bank remunerations in the form of service fees and execution fees (payable, for example, out of issue and redemption commissions) in connection with the acquisition/sale of collective capital investments, certificates, notes, etc. (hereinafter referred to as products; these may include products managed and/or issued by other companies in the VP Bank Group). The size of such remunerations varies according to the product and the provider. Service fees in this connection are usually calculated on the basis of the volume of a product or product group held by VP Bank. Their amount is usually a percentage of the management fees charged to the product concerned and paid periodically while the product is held. Execution fees are non-recurring payments. Their amount is a percentage of the issue and/or redemption price concerned. Additionally, sales fees may be paid by issuers of securities in the form of percentage discounts from the issue price or in the form of non-recurring payments in an amount expressed as a percentage of the issue price. Subject to rules to the contrary, the Client may at any time before or after receipt of the service (purchase of the product) demand that VP Bank furnish further particulars of the agreements made with third parties concerning such remunerations. However, the right to receive information concerning further particulars of executed transactions is limited to transactions during the 12 months preceding the request.

**The Client expressly waives any right to demand more extensive information than that stated above.** If the Client demands no further particulars before availing himself of the service or if he avails himself of the service after further particulars have been provided, he thereby waives any right to restitution under the applicable laws.

#### 16. Termination of Business Relationships

VP Bank reserves the right at any time and at its own discretion to terminate existing business relationships and in particular to

cancel agreed or granted lines of credit and to demand immediate payment of all its claims without further notice. This provision is subject to any written agreements to the contrary.

#### 17. Saturdays Equivalent to Public Holidays

Saturdays are regarded as equivalent to official public holidays in respect of their legal consequences for the business relationship and transaction of business with VP Bank.

#### 18. Recording of Conversations

VP Bank may record telephone conversations on business matters for purposes of providing evidence.

#### 19. Outsourcing

VP Bank may, in accordance with the Swiss Federal Banking Commission Circular on Outsourcing, outsource individual business sectors and services (e.g. payment transactions, securities processing, credit administration, IT) to a service provider within Switzerland or to its parent company, Verwaltungs- und Privatbank Aktiengesellschaft, Principality of Liechtenstein.

#### 20. Transmission of Client Data to the parent company, Verwaltungs- und Privat-Bank Aktiengesellschaft, Vaduz, Principality of Liechtenstein

The client herewith gives his explicit consent that all client data processed by VP Bank in connection with his business relationship with VP Bank, in particular his personal client data and data relating to accounts / securities accounts, checks and cards, may be forwarded regularly to the parent company, Verwaltungs- und Privat-Bank Aktiengesellschaft, Vaduz, Principality of Liechtenstein, and may there be stored, administered and processed in central computer systems.

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**21. Amendments to the General Terms and Conditions and Other Regulations.**

VP Bank reserves the right to amend its General Terms and Conditions and other regulations at any time. The Client shall be informed of such amendments by suitable means and shall be deemed to have approved them unless a notification to the contrary is received within a period of one month.

**22. Applicable Law and Jurisdiction**

All legal relationships between the Client and VP Bank are governed by Swiss law.

Insofar as the provisions of the law allow, the exclusive venue for proceedings at law and the place of performance shall be the domicile of VP Bank in Zurich, which shall also be the place of enforcement against clients resident outside Switzerland or having their registered office outside Switzerland. However, VP Bank also has the right to take legal action against the Client before the competent court or authority at his place of residence or at the place of his registered office.

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