

Comparison between former and new Bank Cler AG General Conditions

Former General Conditions 2017	New General Conditions 2019
<p>General Conditions</p> <p>These conditions govern the relationship between the client and Bank Cler Ltd (hereinafter referred to as the Bank). Special agreements remain reserved. Certain categories of business are subject to the Bank's special regulations as well as to established rules of banking practice. The German language version is authoritative.</p>	<p>General Conditions 2019 Version</p> <p>These conditions serve to govern clearly the relationship between the client and the Bank. Special agreements remain reserved. Certain categories of business are subject to the Bank's special regulations as well as to established rules of banking practice.</p> <p>For ease of comprehension, the masculine form is used throughout these conditions; these references are intended to include also female clients of the Bank.</p> <p>In case of differences between the German and English version of this document the German version shall prevail.</p>
<p>1. Power of disposition</p> <p>Instructions pertaining to authorized signatures communicated to the Bank in writing shall be valid until revoked in writing, regardless of any other entries in the Commercial Register or public announcements.</p>	<p>1. Power of disposition</p> <p>Instructions pertaining to authorized signatures communicated to the Bank shall be valid until explicit communication of change and regardless of any other entries in the Commercial Register or public announcements. Accounts or custody accounts for which multiple persons are authorized can be disposed of only by the authorized persons jointly.</p>

Former General Conditions 2017

2. Responsibility for risk in the event of inadequate proof of identify and insufficient legal capacity to act

Damage resulting from the failure to recognize forgeries or inadequate proof of identity, especially such arising from signature and document forgeries (e.g. fax documents), shall be borne by the client unless the Bank has acted in a grossly negligent manner.

The client shall bear all damage relating to any insufficient incapacity to act unless such incapacity has been published in an official gazette. In any case the client shall be responsible for damage resulting from insufficient capacity to act on the part of his/her authorized agent or other third party.

New General Conditions 2019

2. Verification of authorization and due-diligence obligations

The Bank will exercise the verification of authorization with the customary due diligence.

Damages or other disadvantages resulting from the failure to recognize inadequate proof of identify, especially such arising from signature and document forgeries or the manipulation of electronic transmissions, shall be borne by the client, provided that the Bank has exercised the verification of authorization with the customary due diligence.

In particular, the Bank is not obligated to compare information and instructions transmitted to the Bank by the client or an agent to other information and instructions from the client.

The client is obligated to store his banking documentation securely so that unauthorized persons cannot access the information contained therein. If he issues instructions, the client will take all safety precautions that reduce the risk of fraud. He will keep electronic means of authentication (incl. passwords and codes) secret, store them separately from each other, and follow any safety recommendations from the Bank regarding electronic services/products in order to prevent misuse. If the client determines any irregularities, he will notify the Bank immediately. The client will be responsible for damage resulting from a breach of these due-diligence obligations.

The Bank will take reasonable measures to detect and prevent fraud. If it infringes the customary due diligence in doing so, it will assume the damage incurred.

If damages or other disadvantages are incurred without the Bank or the client having infringed their due diligence, then the party into whose area of influence the action causing the damage was placed shall be responsible. The Bank is not responsible for damages or other disadvantages arising from errors in transmission, technical disruptions, and illegal intervention in the client's hardware/software.

The Bank is authorized at any time in the course of interaction with the client and his authorized agents to take measures for verification of authorization. The client will be responsible for damages resulting from any delays caused by such measures.

Former General Conditions 2017	New General Conditions 2019
	<p>3. Insufficient capacity to act</p> <p>The client will notify the Bank immediately in writing in case of insufficient capacity to act on the part of his authorized agents or other third parties acting on his behalf. If he fails to do so, or if the incapacity to act is on the part of the client himself, he will be responsible for the damage resulting from insufficient capacity to act, provided that the Bank, its employees, or agents have not infringed the customary due diligence.</p>
<p>3. Information about clients</p> <p>The Bank shall be entitled to obtain information about the client deemed necessary for the purpose of the business relationship, especially in the case of credit or financing transactions.</p>	<p><i>(Deleted)</i></p>

Former General Conditions 2017

4. Communications from the Bank

Communications from the Bank shall be deemed to have been delivered if sent to the latest address or correspondence address provided in writing by the client. The date on the copies or mailing lists held by the Bank shall be considered the mailing date.

New General Conditions 2019

4. Communication from the Bank and errors in transmission

The Bank is authorized to communicate by surface mail, telephone, electronic channels (e.g., email, fax, SMS, online banking, mobile apps, and other electronic communications channels), as well as other transmission and transport means, to the contact data used in connection with the Bank or provided explicitly to the Bank by the client or his authorized agents.

The client is obligated to keep the Bank informed of updates to the information provided regarding himself or his authorized agents, such as name, address, place of residence, email address, phone number, etc.

Communications from the Bank shall be deemed to have been delivered in a legally effective manner if sent in accordance with the latest contact data provided by the client or otherwise deposited according to the instruction from the client.

The date on the copies or mailing lists held in physical or electronic format by the Bank shall be considered the mailing date.

The Bank may make legally relevant information, conditions, and documents available to the clients, as well as meet its obligations of information, disclosure, and publication (e.g., contained in financial market regulations governing investor protection and transparency), by means of publication on the Internet (at www.cler.ch).

The Bank will exercise the customary due diligence in the use of postal services, telephone, electronic or other means of forwarding or transport. It shall be responsible for damages specifically from loss, delays, irregularities, duplication, or technical disruptions and business interruptions, if it has infringed the customary due diligence. If the Bank has exercised the customary due diligence, then the customer shall be responsible for these damages.

Former General Conditions 2017

5. Dormancy

To avoid dormancy as defined by the relevant provisions and/or statutory regulations, any change to the client's address or name (e.g. as a result of marriage) must be communicated to the Bank in writing immediately, even if the change was publicly announced. For longer absences, the Bank should be provided with a delivery address for Bank communications.

In the event of dormancy, the Bank is required to report the business relationship to a central reporting office unless contact is resumed within the specified periods.

In the event of dormancy, the Bank shall be entitled to debit a special charge plus the costs of enquiries, special handling and monitoring of dormant assets.

6. Transmission errors and system failures

Any damage arising from the use of postal services, telephone, fax, telex, electronic or other means of transmission, or transport and courier companies, and especially from loss, delay, misunderstandings, distortion, illegibility or duplicates, shall be borne by the client, unless the Bank has acted in a grossly negligent manner.

The Bank shall not be liable for damage arising as a result of malfunctions and interruptions in telephone, Internet or Bank systems, regardless of the cause, provided it has acted with the usual due diligence.

The Bank shall not be required to execute instructions or orders issued via unencrypted e-mail messages. Unencrypted e-mail messages notifying the termination of Bank agreements shall not be accepted by the Bank.

7. Inadequate execution of orders

If damage is incurred as a result of non-execution, insufficient or late execution of orders (excluding stock-market orders), the Bank shall be liable only for the loss of interest, except in those cases where its attention had already been drawn to the risk of more extensive damage.

New General Conditions 2019

(Now Number 17)

(Regulation now integrated in Number 4)

(Now Number 6)

Former General Conditions 2017

8. Client complaints

Complaints from a client relating to the execution or nonexecution of orders of any kind or objections to communications must be lodged immediately, and no later than the deadline specified by the Bank. If no immediate or timely objection is received, the execution or non-execution as well as the relevant statements and communications shall be deemed to have been approved. If the Bank fails to send an advice relating to a transaction, the client must lodge an objection as soon as he/she should have received said advice in the course of normal business.

If account or custody account statements sent by the Bank are not contested within one month they shall be deemed to have been approved, even if the Bank has not received the certificate of correctness to be signed by the client. Express or tacit acknowledgement of the account statement implies approval of all items contained therein and of any reservations on the part of the Bank.

New General Conditions 2019

5. Complaints

Complaints from a client relating to the execution, non-execution, or incorrect execution of orders or objections to communications must be lodged immediately, and no later than the deadline specified by the Bank.

If documents or communications that the client expects (e.g. account or custody account statements, trading statements) are not received, the client must notify the Bank immediately.

Account and custody account statements must be contested within one month after being sent by the Bank.

If no complaints are duly lodged, the execution or non-execution and the relevant communications and statements shall be deemed to have been approved.

In any case the client is responsible for damages arising from a delay in the lodging of a complaint.

6. Execution of orders

If the client issues one or multiple orders that exceed his available balance or the loan granted to him, the Bank may determine at its own discretion, without regard to the date or time of receipt, which instructions should be executed in part or in full.

If damage is incurred as a result of non-execution insufficient or late execution of orders (excluding stock market orders), the Bank shall be liable only for the loss of interest.

In cases involving the risk of more extensive damage, the client must draw the Bank's attention to this risk in advance; otherwise he shall be responsible for the damage.

Former General Conditions 2017

9. Conditions

Credits and debits of agreed or customary interest, commissions, fees and taxes shall be made either quarterly, semiannually or annually, at the discretion of the Bank. The Bank reserves the right to adjust its interest and commission rates at any time, especially if money market conditions change. Such adjustments shall be brought to the client's attention in a circular letter, by posting a notice in the customer lobby or in another suitable form.

For services not included in a fee schedule which are performed on the client's instructions or are presumed to be in the client's interest and which, given the circumstances, can only be performed for a fee, the Bank may determine the amount of said fee at its own discretion.

10. Account transactions

The Bank may refuse to execute an order that exceeds the client's available balance or a loan granted to him/her. In the event of various instructions issued by the client that exceed the total of his/her available balance or loan granted to him/her, the Bank is entitled, without regard to the date or time of receipt, to determine at its own discretion which instructions should be executed in part or in full.

11. Right of lien and set-off

The Bank has a right of lien on all the client's assets and on all assets it holds for the client's account, either at its own premises or elsewhere, and a right of set-off relating to all receivables for all claims arising from the banking relationship, irrespective of the due date or currency. However, the right of lien arises only in conjunction with the amount receivable. This also applies to credits and loans with special collateral or without collateral. If the client is in arrears with his/her obligations, the Bank may choose to liquidate the pledged items either by enforcement or freely, or to initiate proceedings against the client for distraint or bankruptcy, in accordance with the right of lien.

New General Conditions 2019

(Now Number 8)

(Regulation now integrated in Number 6)

7. Right of lien and offset

The Bank has a right of lien on all the client's assets and on all assets it holds for the client's account, either at its own premises or elsewhere, and a right of offset relating to all receivables for all existing or future claims, irrespective of the due date or currency or whether these claims are specifically secured.

This right of lien and offset applies also for any indemnification or exemption claims of the Bank, particularly if they are asserted in connection with transactions executed for the client or assets held for the client by third parties (including issuers, liquidators, trustees, receivers, institutions, and authorities).

If the client is in arrears with his obligations, the Bank may, at its discretion, including in terms of the sequence, liquidate the pledged items either by enforcement or freely, or to initiate proceedings against the client for distraint or bankruptcy, in accordance with the right of lien.

Former General Conditions 2017

New General Conditions 2019

8. Conditions, taxes, and charges

Agreed or customary conditions (interest, fees [including balance fees], commissions, and charges) and taxes will be charged to the client promptly, monthly, quarterly, semiannually or annually, at the discretion of the Bank. If multiple persons are named on the account, these shall bear liability jointly and severally.

The current conditions and other charges are based on available fee schedules and product data sheets. Changes are possible at any time, specifically in case of changes in money market conditions or the costs and reevaluation of business risks, through adjustment of the lists and product data sheets. The client will be advised of the changes in advance by appropriate means.

Changes or new conditions shall be deemed to have been approved if the client does not terminate the affected product or the affected service within 30 days from communication. Notice or withdrawal periods according to separate conditions or agreements shall remain in effect.

For services not included in a fee schedule or product data sheet that are performed by the Bank on the client's instructions or are presumed to be in the client's interest and that can usually only be performed for a fee, the Bank may determine the amount of said fee at its own discretion.

Any taxes and charges that are imposed at or by the Bank in connection with the client's relationship to the Bank or that the Bank must collect due to Swiss or foreign law, international agreements, or contractual agreements with foreign entities (e.g. 30 % withholding tax in accordance with the U.S. Foreign Account Tax Compliance Act, or FATCA), as well as charges incurred at the Bank, shall be charged or passed on to the client.

Former General Conditions 2017	New General Conditions 2019
<p>12. Foreign currencies</p> <p>Bank assets that correspond to the client's foreign currency assets shall be invested in the same currency either in or outside the country of the currency in question. The client shall bear the proportionate share of all economic and legal consequences affecting the Bank's total assets in the country of that currency or of the investment as a result of statutory or official provisions. The client may dispose of funds in foreign currencies by sale or transfer as well as by drawing or purchasing cheques. Any other methods require the approval of the Bank.</p> <p>Credits and debits of amounts in foreign currencies shall be made in Swiss francs, unless the client issued instructions to the contrary in good time or holds an account in the relevant foreign currency. If the client holds accounts in other currencies, the Bank may credit or debit the amounts in one of these currencies at its own discretion.</p>	<p>9. Foreign currencies</p> <p>Bank assets that correspond to the client's foreign currency assets shall be invested in the same currency either in or outside the country of the currency in question in the name of the Bank but at the expense and risk of the client. The client shall bear the proportionate share equivalent to his balance of the risk affecting the total investment, particularly from statutory or official restrictions and taxes and other charges in all affected countries.</p> <p>The client may dispose of funds in foreign currencies by sale or transfer. Other methods require the approval of the Bank.</p> <p>In the absence of instructions stipulating otherwise, the Bank is entitled to credit or debit foreign currency amounts in Swiss francs – and namely at the exchange rate of the date of receipt or processing – unless the client holds an account in the relevant foreign currency. If the client holds accounts only in other currencies, the Bank may credit or debit the amount in one of these currencies at its discretion.</p>
<p>13. Drafts, cheques and similar instruments</p> <p>The Bank reserves the right to debit the client's account with drafts, cheques or similar instruments previously credited or discounted in the event of their non-payment or if the proceeds are not freely available. Pending the payment of any balance resulting, however, the Bank retains a claim to payment of the total amount of the draft, cheque or similar instrument, including ancillary claims, against all obligors associated with said instruments.</p>	<p>10. Bills of exchange, cheques, and similar instruments</p> <p>The Bank is entitled to debit the client's account with bills of exchange, cheques, or similar instruments previously credited or discounted in the event of their non-payment. This applies also if previously paid cheques are subsequently determined to be stolen or otherwise lost, forged, or defective. Pending the payment of any balance resulting, however, the Bank retains a claim to payment of the total amount of the bill of exchange, cheque, or similar instrument, including ancillary claims, against all obligors associated with said instruments.</p>
<p>14. Termination of the business relationship</p> <p>The Bank reserves the right to discontinue existing business relationships with immediate effect, in particular in the event of promised or utilized loans. In such cases, any outstanding receivables shall be due for immediate payment, subject to other written agreements.</p>	<p>11. Termination of the business relationship</p> <p>The client and the Bank may at any time discontinue existing business relationships with immediate effect or at a later date. In particular, the Bank can cancel credit limits at any time and declare their balances due for immediate payment, subject to separate agreements and terms of cancellation in effect for specific products.</p>

Former General Conditions 2017

New General Conditions 2019

12. Limitation of services, liquidation

In order to comply with legal, regulatory, or contractual requirements, to adhere to the customary due diligence, or to assure irreproachable business conduct, the Bank may limit services to the client, either partly or completely. This applies irrespective of supplemental rules governing individual bank services. In particular, the Bank may block the account and custody account relationship, the execution of orders of any type (e.g., orders for deposits or payments, for transfers or assignment of balances, securities, and other assets, or for offset), as well as generally refuse to accept assets or balances.

In the event of a termination or if stored assets or balances can no longer be stored by the Bank due to legal, regulatory, product-specific or other reasons, the client shall be obligated to advise the Bank if requested as to where these assets and balances should be transferred.

If, after a reasonable period set by the Bank due to termination of the business relationship or limitation of services, the client fails to advise the Bank as to where the assets and balances held by the Bank should be transferred, the Bank may physically deliver or liquidate the assets. The Bank may deposit, with discharging effect, the proceeds and remaining balance of the client to the location designated by the judge or in the form of a cheque to the client's last known delivery address.

15. Saturdays on a par with public holidays

In all business transactions with the Bank, Saturday shall be treated as an official public holiday.

13. Holidays

In all business transactions with the Bank, Saturdays are treated the same as an official public holiday.

16. Outsourcing of specific Bank activities

In accordance with the relevant regulations, the bank may delegate specific services to third parties either wholly or in part. This concerns mainly payments, administration of securities, handling commercial transactions, information technology, legal advice, supervision and internal controls, asset management, invoicing, loan processing and risk management, data management and storage, printing and mailing of bank documents as well as product and sales management. Within the scope of outsourcing, it may be necessary to transmit data to third parties. All service providers are bound to appropriate confidentiality requirements.

14. Outsourcing of specific Bank activities

In accordance with the relevant regulations, the Bank may delegate specific services to third parties either wholly or in part. This concerns mainly payments, administration of securities, printing and mailing of bank documents, information technology and loan risk management. Within the scope of outsourcing, it may be necessary to transmit data to third parties. All service providers are bound to appropriate confidentiality requirements.

Former General Conditions 2017

New General Conditions 2019

15. Compliance with legal and regulatory requirements

The client is responsible for compliance with legal requirements applicable to him as well as to other persons involved in the bank relationship or the assets (including tax laws and disclosure and reporting obligations). He shall adhere to the legal requirements applicable to him at all times. On request of the Bank, the client will document that he and other persons involved in the relationship have complied with the respective applicable regulations.

Former General Conditions 2017

16bis. Data Security and Banking Secrecy

Governing bodies, employees, and agents of the Bank are subject to legal obligations regarding the protection and confidentiality of data relating to the business relationship with the client ("Client Data"). The client acknowledges that the Bank is authorized to disclose Client Data to group companies in Switzerland with a view to group-wide risk management. To this extent, the client releases the Bank from the obligations of secrecy. The Bank will ensure that the recipient of Client Data is obligated to appropriate secrecy and data security obligations.

The client acknowledges that the Bank is authorized to disclose Client Data domestically and abroad in the fulfilment of legal or regulatory information or reporting obligations and for safeguarding of legitimate interests. This applies, for instance, in connection with services performed by the Bank for the client, such as account and custody-account management or processing of payments, securities, currency, and other client transactions (which may have international connection; further information on this subject is available at www.swissbanking.org), in case of impending or initiated proceedings of the client against the Bank, for securing and enforcement of claims or other rights of the Bank against the client, for exercise of securities furnished for the client, or objections of the client against the Bank in public, to the media, or to authorities.

The Bank is authorized to store, process, and create profiles from Client Data and data from third-party sources. These data will be used by the Bank in particular to provide the client with individual advice, if applicable, personalized offers, and information regarding products and services of the Bank, as well as for market research, marketing, and risk management purposes. This applies in particular to the following data: master data, financial data, and client requirements.

New General Conditions 2019

16. Data protection and banking secrecy

Governing bodies, employees, and agents of the Bank are subject to legal obligations regarding the protection and confidentiality of data relating to the business relationship with the client.

The Bank stores and processes such data and data from third-party sources and may create profiles from such data. These profiles are used by the Bank mainly to inform and advise the client about products and services and for purposes of market research, marketing, and risk management.

The Bank publishes the basic principles regarding the processing of personal data and any updates on the Internet (at www.bkb.ch/privacy-statement).

The obligation of the Bank to preserve banking secrecy does not apply in the event of legal or regulatory obligations of disclosure or reporting by the Bank, in case of consent by the client, or in the presence of other legal justifications, such as in particular the safeguarding of legitimate interests of the Bank. This applies in particular in connection with:

- Services performed by the Bank for the client, such as account and custody account management or processing of payments, securities, currency, and other client transactions (which may have international connection; further information on this subject is available at www.swissbanking.org);
- Impending or initiated proceedings against the Bank by the client or other persons involved with the banking relationship or the assets either domestically or abroad (including as third party);
- Securing and enforcement, domestically or abroad, of claims or other rights in respect of the client and exercise of securities furnished for the client;
- Objections of the client or other persons involved with the banking relationship or the assets against the Bank in public, to the media, or to authorities;
- Provision of comprehensive and efficient customer service and information regarding services offered by group companies, as well as compliance and other risk management reasons within the group relating to group companies in Switzerland.

Former General Conditions 2017

New General Conditions 2019

17. Dormancy

The client is obligated to take necessary measures to prevent the business relationships existing between him and the Bank from becoming dormant in accordance with the pertinent regulations. In particular, the client is obligated to notify the Bank promptly of any change of address or name (e.g., due to marriage).

The client acknowledges that the Bank is obligated to report the business relationship to a central reporting office as soon as the relationship has become dormant.

In addition to the conditions and other charges according to the schedule of fees/product data sheets, which continue to apply in the case of dormancy, the Bank is entitled to debit to the client a special charge plus compensation for all expenses incurred in connection with the dormancy.

18. Amendments to the General Conditions

The Bank may amend the General Conditions at any time. The client shall be notified of any amendments by means of circular letter or other suitable means. If the client does not contest the amendments within one month they shall be deemed to have been approved.

18. Amendments to the General Conditions

The Bank may amend the General Conditions at any time. The changes will be communicated to the client in advance by appropriate means and shall be deemed to have been approved if not contested within one month.

17. Applicable law and place of jurisdiction

All legal relationships between the client and the Bank are subject to **Swiss law exclusively**. The place of performance, place of debt collection for clients with a foreign domicile and **the sole place of jurisdiction for all legal proceedings shall be the registered office of the Bank branch operating the account**. The Bank shall also be entitled to initiate legal proceedings against the client at the competent court of his/her domicile or at any other competent court; Swiss law shall, however, remain applicable.

Binding stipulations as to the place of jurisdiction under Swiss law shall take precedence.

19. Applicable law and place of jurisdiction

All legal relationships between the client and the Bank are subject to **Swiss law exclusively**. The place of performance, place of debt collection for clients with a foreign domicile, and **the sole place of jurisdiction for all disputes shall be Basel**. The Bank shall be entitled to initiate legal proceedings against the client at the competent court of his domicile or at any other competent court; Swiss law shall, however, remain applicable.

Mandatory provisions as to the place of jurisdiction under Swiss law shall take precedence.