

Regulations on Vested Benefits

Preliminary Remarks

The term *account holder* as used in these regulations refers to both men and women.

A partner registered in accordance with the Federal Act on Registered Partnerships of June 18, 2004 is treated the same as a spouse.

1 Purpose

The vested benefits account is set up to maintain and continue occupational benefits insurance coverage.

The vested benefits account is governed by the provisions of the Federal Act on Vesting in Pension Plans of December 17, 1993 (FZG) and the Ordinance on Vesting in Pension Plans of October 3, 1994 (FZV).

2 Conclusion and Execution of the Agreement

The Credit Suisse Vested Benefits Foundation – 2nd Pillar, hereinafter referred to as the *Foundation*, invests in its name with its custodian bank, Credit Suisse (Switzerland) Ltd., the assets held in the vested benefits account of the account holder, and has the assets assigned as the entitlement of the account holder. In connection with depositing the assets, the Foundation is entitled to pass on to Credit Suisse AG and Credit Suisse (Switzerland) Ltd. all data in its possession concerning the account holder. The Foundation, Credit Suisse AG, and Credit Suisse (Switzerland) Ltd. are permitted to use this data for providing customer care and support, for marketing purposes, and for keeping statistics.

3 Receipt of Capital

The previous employee pension fund or vested benefits institution transfers the vested benefits to the Foundation.

Subsequent payments are possible, provided that these represent vested benefits from an occupational pension fund or retirement capital from another vested benefits institution. Any unlawfully transferred vested benefits capital is returned to the previous occupational benefits institution.

The account holder him/herself may only make payments into the account if a payment represents the repayment of advance withdrawals or realized pledges under the promotion of home ownership scheme pursuant to Art. 30d of the BVG.

4 Vested Benefits Account and Investment in Securities

Vested benefits held in an account earn interest. This account is closed as of December 31 every year and enjoys the saver's privilege as defined in the Swiss Federal Banking Act. The interest rate is continuously adjusted to market conditions.

If instructions are received from the account holder, the capital received by the Foundation can be invested in one of the available investment groups or in other investment products (e.g. collective investments, certificates, structured products). All investment products offered by the Foundation meet the statutory requirements stipulated by the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (BVV 2). The Foundation buys the required number of units in the investment product selected by the account holder on the latter's instructions and behalf.

The Board of Trustees decides which investment products are offered by the Foundation. The account holder has no claim to either interest payments or maintenance of capital value on the vested benefits invested in units of an investment product. The account holder bears the investment risk. The account holder is aware that investments in securities may also incur losses due to market fluctuations. Any such losses are borne by the account holder, and the Foundation cannot be held liable.

The investment products are credited to a vested benefits account with Credit Suisse (Switzerland) Ltd. held in the name of the Foundation. In relation to the provision of services, Credit Suisse (Switzerland) Ltd. may receive retrocessions, payments, fees, commissions incl. trailer fees, reimbursements, discounts, rebates, distribution remuneration, inducements and other monetary or non-monetary benefits (collectively referred to hereinafter as "remuneration") from third parties (including other banks and legal

entities within Credit Suisse Group). Remuneration is usually measured as a percentage of the total investment volume for an investment product held by the bank. In the case of collective capital investments, including products from investment foundations, the compensation collected by the bank may move within the following bandwidth: 0% to a maximum of 2% per year. The maximum amount of remuneration per client is calculated by multiplying the maximum percentage rate by the value of the investment volume in the respective product category. Credit Suisse (Switzerland) Ltd. may receive the full annual remuneration as per the bandwidth described above even in incomplete years. If, in the absence of a corresponding agreement, there is a statutory duty to surrender this remuneration to the Foundation and the account holder, respectively, the account holder waives the right to receive such remuneration, in particular if the corresponding remuneration exceeds the costs for the services rendered by Credit Suisse (Switzerland) Ltd. to the Foundation. Mandatory statutory requirements remain reserved.

5 Obligation to Notify and Communication

The Foundation sends the account holder a confirmation of the opening of the vested benefits account and the purchase of the securities. Subsequently, in January of the following year, the account holder receives an annual statement of his/her vested benefits account and/or safe-keeping account as per December 31 every year.

In cases where benefits are paid incorrectly because the insured person has allowed unauthorized parties to gain possession of these documents and/or the information contained therein, the foundation is liable only if the case involves gross negligence or intent.

The account holder must inform Credit Suisse (Switzerland) Ltd. or Credit Suisse AG for the attention of the Foundation, or inform the Foundation directly, of any changes in circumstances, including for example changes in address, name, and civil status, in writing. If the account holder is married, he/she must inform the Foundation of the date of marriage. The Foundation accepts no liability for anything that happens as a consequence of receiving insufficient, late or incorrect information pertaining to the account holder's address or personal data.

Changes in name or marital status must be confirmed by an official document.

Communications from the Foundation or from Credit Suisse (Switzerland) Ltd. or from Credit Suisse AG on behalf of the Foundation will be deemed to have been duly served if they have been sent to the last address notified by the account holder.

Dormant vested benefits are transferred to the Security Fund ten years after the account holder reaches the regular retirement age.

6 Correspondence from the Account Holder

The account holder must send all correspondence directly to the Foundation.

7 Retirement Benefits

The account holder is entitled to retirement benefits. In general, retirement benefits are paid out when the account holder reaches the regular BVG retirement age.

The benefits may be paid out at the earliest five years prior to the regular retirement age, and must be drawn at the latest five years after this date. The account holder must request payment of the retirement benefits in writing by submitting the applicable form to the Foundation.

The retirement benefits can be paid to the account holder at an earlier date if the account holder receives a full disability pension from the Federal Disability Insurance (IV).

8 Death Benefits

If the account holder dies before the retirement benefits fall due, the vested benefits amount is deemed to be a sum payable at death and is paid to the following persons in the order listed below:

- a) the surviving spouse and, to the extent that they have a claim to survivors' benefits in accordance with the BVG, the orphans and foster children and, if applicable, the divorced spouse; if none
- b) natural persons supported to a considerable extent by the account holder or the person with whom the account holder lived in a domestic partnership without interruption during the five years preceding his/her death, or the person responsible for the maintenance of one or more joint children; if none
- c) children who do not have a claim to survivors' benefits in accordance with the BVG; if none
- d) the parents; if none
- e) the siblings; if none
- f) the other legal heirs, to the exclusion of the community.

The account holder has the right to stipulate the amounts to be paid to each of the beneficiaries and to extend the group of people mentioned under a) to include those under b). The account holder also has the right to change the order of beneficiaries under c), d), and e).

If the entitlement of the individual beneficiaries is not described in detail, beneficiaries in the same category will receive equal parts of the sum payable at death.

When there is evidence of unworthiness to inherit according to the Swiss Civil Code (SCC), the Foundation reserves the right to deny payment to the persons listed under a) – f).

9 Transfer of Vested Benefits

The vested benefits can be transferred to an occupational pension fund or a vested benefits institution at any time. Partial transfers are allowed only if the funds are earmarked for the purchase of benefits from an occupational pension fund.

However, the vested benefits can only be transferred to another vested benefits institution.

10 Early Cash Payment

Early cash payment of vested benefits is possible if

- a) the balance of the vested benefits account is less than the account holder's annual contribution to his/her previous pension fund;
- b) the account holder permanently leaves the Switzerland/Liechtenstein economic area; cash payment of the BVG vested benefits, i.e. the mandatory portion, is no longer possible when leaving Switzerland permanently if the account holder continues to be insured against the risks of old age, disability and death in accordance with the legislation of an EU (or EFTA) member state;
- c) the account holder takes up self-employment and is no longer subject to the mandatory insurance. Payment is possible within one year after taking up self-employment.

11 Payment of Benefits

Benefits are paid only in the form of a lump sum. Payment falls due 30 days after receipt of the complete application. The benefit amount equals the balance of the vested benefits account plus interest and/or the proceeds from the sale of units in investment groups. Benefits that were paid incorrectly or unlawfully must be repaid to the foundation.

12 Withdrawal of Benefits

1. In order to withdraw vested benefit assets or retirement benefits, the account holder must, depending on the situation, submit the relevant form containing exact information about the reason for the payment

and the payment instructions and listing the documents required to substantiate the payment. The account holder must have the spouse or registered partner cosign according to the requirements in the withdrawal request and must have certified the spouse's or registered partner's signature on the form. All forms are available from the Foundation. All formal prerequisites set out in the forms constitute an integral part of these regulations.

2. When paying vested benefits and retirement benefits, the Foundation will usually sell the units in investment products within five working days of approving the account holder's application for payment. Upon the death of the account holder, the order will be issued as soon as the Foundation has been informed of the death in a civil status document.
3. The Foundation reserves the right to request any further certificates it may deem necessary to verify the situation.

13 Transfer of Some or All of the Benefits

1. If an account holder instructs the Foundation to transfer some of the vested benefits, which can be done only if he/she purchases additional retirement benefits, divorces or makes an advance withdrawal to finance home ownership, the Foundation sells only the amount invested in investment groups required to cover the partial amount as requested.
2. If the account holder joins a new occupational pension fund (e.g. when he/she starts a new job), the vested benefits must be transferred. The account holder must inform the Foundation if he/she joins a new occupational pension fund.

A form is not required for a transfer to a new occupational pension fund, but the application must be signed by the account holder and a payment slip for the new occupational pension fund must be enclosed.

3. The new occupational pension fund may also instruct the Foundation directly to transfer the vested benefits.

14 Assignment and Pledging

Claims to benefits can be neither legally assigned nor pledged before they fall due. Art. 15 remains reserved.

15 Promotion of Home Ownership

The account holder may make an advance withdrawal of or pledge his/her vested benefits up to the statutory maximum to purchase residential property for own use. The advance withdrawal and pledge of retirement assets are governed by the legal provisions as well as the *Regulations on the Use of Vested Pension Accruals for Home Ownership*.

16 Divorce

In the event of divorce, the court may rule that part of the vested benefits accrued by the account holder during the course of the marriage must be transferred to the spouse and deducted from claims under divorce law that are intended to protect retirement assets.

The Foundation transfers these funds to the occupational pension fund or vested benefits institution of the spouse in accordance with the divorce decree.

Until proof that the pension entitlements of the entitled spouse have been satisfied, the Foundation reserves the right to demand additional documents to assess the situation. For as long as such additional documents are not received, the Foundation may reject a payment request made by the account holder.

17 Fiscal Treatment

The vested benefits and income earned on this capital are exempt from tax until they fall due. The benefits are taxed in accordance with the provisions of federal and cantonal law.

18 Processing Fees

1. In order to cover its administrative costs, the Foundation may charge the account holder and the beneficiaries processing fees and debit their vested benefits account or deduct these processing fees from a payment. The fees shall be regulated in a separate fee schedule.

2. If contact with the account holder breaks off due to missing or incomplete information (see para. 5(3)) and as a result the assets left with the Foundation become contactless, the Foundation shall debit the account holder for the investigation as well as for the special handling and supervision of contactless assets.

19 Liability

The Foundation is not liable to the account holder for any consequences of the account holder's non-compliance with statutory, contractual or regulatory obligations.

20 Place of Jurisdiction

Any disputes arising from this contract can be brought only before a Swiss court. The place of jurisdiction is the defendant's place of residence in Switzerland.

21 Entry into Force, Amendments

These regulations enter into force on February 11, 2019, and supersede all previous regulations.

Amendments to the relevant legal provisions underlying these regulations remain reserved. Any such amendments will apply to these regulations from the date on which they enter into force.

The Board of Trustees is authorized to amend these regulations at any time. Such amendments require the approval of the supervisory authority, and will be notified to the account holder in an appropriate manner.