

## Rules of Procedure

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Liberty Foundation for Vested Pension Benefits

The independent pension platform

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## Rules of Procedure

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Relying on Article 9 of its Charter, Liberty Foundation for Vested Pension Benefits (the "Foundation") has adopted the following Pension Scheme Regulations:

### Art. 1 Foundation Board: composition and term of office

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- 1 The Foundation Board (the "Board") consists of at least two members. The members of the Board are appointed by the Founder.
- 2 The Board meets whenever required, at the invitation of its Chairman. Any member of the Board may ask the Chairman in writing to convene a Board meeting. The Board meets at least four times a year.
- 3 The Board is appointed for a three-year term of office. Board members may be re-elected.

### Art. 2 Quorum and minutes

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- 1 Resolutions are adopted by a simple majority of the members present. In case of a tie, the Chairman has the casting vote.
- 2 Minutes shall be kept of the proceedings.

### Art. 3 Representation/signing powers

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- 1 The Board is the Foundation's highest governing body. It represents the Foundation vis à vis third parties.
- 2 Members of the Board always sign jointly. The Board may grant signing powers to persons responsible for the executive management of the Foundation or for asset management. Third parties also always sign jointly with another authorised signatory.

### Art. 4 Remit

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- 1 The Foundation Board regulates all the Foundation's business activities. It appoints an auditor to carry out the annual audit of the Foundation's governance, book-keeping and asset management. It may delegate executive management and asset management to third parties.
- 2 Powers delegated by the Board to third-parties shall be regulated by a contract.
- 3 Where powers are delegated to third parties, the Board shall periodically verify compliance with legal requirements and investment guidelines.

### Art. 5 Initiation and termination of contractual relations with clients

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- 1 Membership of the Foundation starts with the filing of an application to open a retirement savings account or securities deposit and ends when the account is liquidated.
- 2 The decision to accept or refuse an application for membership lies with the Foundation Board. The Board shall adopt the appropriate guidelines (regulations, forms, etc.).
- 3 The Board is responsible for ensuring the smooth and proper functioning of the Foundation's business relationship with its clients. The relationship relies on the data produced by partner banks to which the Foundation shall have unrestricted access.

### Art. 6 Relations with contractual partners

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Relations with contractual partners shall be regulated in writing.

### Art. 7 Responsibilities of account-holding and custodian banks

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- 1 Partner banks act as account-holding and custodian banks for the Foundation. They shall grant the Foundation unrestricted access to all its clients' accounts and securities deposits.
- 2 The partner banks hold the accounts and securities deposit accounts either as individual sub-accounts or sub-deposits of the Foundation specifying the relevant client reference, or in the form of collective accounts or securities deposit accounts. In the latter case, the individual client accounts and securities deposits will be kept by the Foundation.
- 3 Account-holding and custodian banks are responsible for the proper administration of the accounts. They shall send the corresponding account and securities deposit statements to the Foundation on a monthly basis.

### Art. 8 Responsibilities of asset managers

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- 1 Asset managers are in charge of investment strategies and decisions. They are responsible for all asset management-related tasks and duties on behalf of the Foundation.
- 2 Asset managers are responsible for the performance of the accounts managed by them. They shall send the Foundation the corresponding performance statements as at 31.12.

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- 3 The asset managers shall periodically report to the Foundation documenting the results of the compliance and controlling procedures which they are required to conduct in the scope of their duties on behalf of the Foundation.

### Art. 9 Investments under asset management mandates

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- 1 Pursuant to Art. 19a FZV/OLP, the Foundation may only grant asset management mandates to asset managers (e.g. banks, securities brokers, managers of investment funds and asset managers of collective investment foundations) that are subject to FINMA regulatory oversight. Asset management mandates shall stipulate the obligation to comply with Articles 49 to 58 BVV2/OPP2. Asset managers are responsible for ensuring that assets are properly managed in accordance with BVV2/OPP3. Investment decisions are made exclusively by the asset manager. Asset managers are empowered to undertake all customary transactions in connection with the purchase and sale of securities, term deposits, money market instruments, fiduciary deposits, forward exchange contracts, alternative investments and any other standard banking forms of investment. Instruments involving additional payment obligations are excluded.
- 2 Asset managers shall comply with the guidelines stipulated in the Foundation Regulations, and with Article 71 BVG/LPP, Articles 49 to 58 BVV2/OPP2 and Article 19 and 19a FZV/OLP in particular. They shall make the necessary adjustments to restore compliance with legal requirements of their own accord.
- 3 The executive management of the Foundation may undertake any necessary corrections in the deposits directly.

### Art. 10 Omissions

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If there are any omissions in these Regulations on any specific point, the Foundation Board shall adopt an appropriate rule.

### Art. 11 Language

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All Regulations shall be construed and interpreted in the German-language version.

### Art. 12 Jurisdiction and governing law

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This Agreement is governed by Swiss law. Place of jurisdiction is Schwyz. Notwithstanding, the Foundation may bring proceedings before the courts of a partner's place of domicile or any other competent jurisdiction.

### Art. 13 Validity

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These Regulations are effective from 1 January 2011.

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Schwyz, 16 March 2011

Foundation Board of Liberty Foundation for Vested Pension Benefits