

**1. SAFE CUSTODY AND ADMINISTRATION - GENERAL****1.1. Scope and acceptance of deposits**

These Regulations govern the custody, management and administration of Safe Custody Assets held with Banque Cantonale Vaudoise, (hereinafter "BCV").

BCV will handle:

- a) all types of securities (standardized paper securities suitable for mass trading, book-entry securities, stocks, bonds, investment fund shares, medium-term notes, annuity bonds, proof of company ownership, prize bonds, mortgage deeds, etc.) and precious metals, for safe custody in an open safe custody account;
- b) the administration of money-market and capital-market investments in dematerialized form and recorded in an open safe custody account, including OTC derivatives, fiduciary deposits and currency transactions;
- c) envelopes, parcels, valuables and other objects for deposit in a sealed safe custody account.

The securities and objects listed in paragraphs a) to c) are hereinafter collectively referred to as the "Safe Custody Assets." When the Safe Custody Assets are recorded as intermediated securities, the Swiss Federal Act on Intermediated Securities of 3 October 2008 shall apply in full, subject to the exceptions contained in these regulations, irrespective of whether BCV's custody statements indicate "intermediated securities."

BCV may refuse all or part of any Safe Custody Assets that may now or in the future be entrusted to it by the customer as defined in BCV's General Conditions (hereinafter the "Customer") for safe custody and administration, without BCV having to justify such refusal. The Customer shall not have access to the deposit area.

**1.2. Verifying the Safe Custody Assets**

BCV shall be entitled, but not obligated, to verify the authenticity of the Safe Custody Assets deposited by the Customer or by a third party on the Customer's behalf, and to verify whether the Safe Custody Assets are subject to a freezing order (owing to sanctions or other applicable restrictions, for example) or a sequestration order. BCV may entrust these tasks to a third party in Switzerland or abroad, and the Customer releases BCV from any obligation of secrecy or confidentiality that could prevent this information from being disclosed to these third parties.

If BCV decides to carry out these tasks with respect to the Safe Custody Assets, it is entitled not to provide administration services (within the meaning of Section 1.6 below) or execute the Customer's instructions until the verifications have been completed.

**1.3. Duty of care**

Relative to the custody and administration of the Safe Custody Assets by BCV or a third party, BCV shall exercise, or shall cause to be exercised, the degree of care required by the circumstances. BCV shall not be liable if the Customer expressly selects a sub-custodian against BCV's recommendation.

**1.4. Forms of safe custody**

BCV is authorized to hold or to deposit the securities and precious metals with a professional custodian of its choice or with a central collective depository **in the form of collective custody, for the account and at the risk of the Customer**. When the Safe Custody Assets are held in collective custody or as a global certificate in Switzerland, the Customer shall have a right of co-ownership based on the ratio of the Customer's Safe Custody Assets to all Safe Custody Assets held in collective custody or in the global certificate.

Safe Custody Assets traded exclusively or primarily in countries other than Switzerland are, as a rule, deposited abroad or, if they are delivered elsewhere, are transferred outside Switzerland at the Customer's expense and risk. **Safe Custody Assets held abroad shall be subject to the laws and established practices of the place of custody, which may differ from those in effect in Switzerland and, in that case, may offer a lower level of protection**, particularly in the event of insolvency, bankruptcy, or a similar event affecting a third-party custodian. Third-party custodians may, in addition, enforce their right of pledge and sale or their right of set-off on the Safe Custody Assets.

If the applicable law of the foreign country renders it difficult or impossible for the Safe Custody Assets to be returned or for the proceeds of their sale to be transferred, BCV shall only be required to procure for the Customer a claim for the return of the Safe Custody Assets or payment of the corresponding sums, provided such a right exists or is assignable.

The foregoing shall not apply to Safe Custody Assets that, because of their nature or for any other reasons, have to be kept separately in safe custody. In such cases, the Safe Custody Assets deposited with BCV shall be held and classified by type and by customer, separately from BCV's own assets. Provided the Customer has expressly requested that such Safe Custody Assets be numbered, the Customer shall receive the same Safe Custody Assets at the time of withdrawal as were originally deposited with BCV (subject to dematerialization of the Safe Custody Assets in the meantime).

Safe Custody Assets in registered form may be recorded in the name of the Customer, and the Customer hereby authorizes BCV to disclose the Customer's name to the third-party custodian. Alternatively, BCV may register the Safe Custody Assets in its own name or in the name of a third party, in either case for the account and at the risk of the Customer, particularly if it is not standard practice or is not possible to register the Safe Custody Assets in the Customer's name.

Some jurisdictions may require Safe Custody Assets held by BCV with a local sub-custodian or broker to be segregated by investor. The Customer accepts the consequences of a segregated safe custody account being opened in the Customer's name, in particular the loss of confidentiality as described in Section 4.1 and a potential increase in fees. BCV is not required to inform the Customer of this ahead of time. The Customer accepts that any administrative procedures needed to comply with this requirement of the local sub-custodian may necessitate the Customer's cooperation and could lead to a delay in the execution of transactions.

Safe Custody Assets redeemable by drawings may also be held according to type in collective custody. BCV shall draw lots to distribute these Assets among the depositors; in case of subsequent drawings, BCV shall use a method that guarantees equal treatment for all owners.

BCV's shares, participation certificates, dividend-right certificates, bonds, medium-term notes and passbooks may be dematerialized and recorded in book-entry form at any time during the safe custody period.

#### 1.5. Printing certificates - deferral or cancellation

If the issuance of certificates is, or may be, deferred or canceled, BCV shall be expressly authorized to:

- a) require the conversion of existing certificates into paperless rights;
- b) perform the usual administrative services throughout the safe custody period (the provisions of Section 1.6. pertaining to certificates shall apply mutatis mutandis), give the issuer necessary instructions, and obtain from the issuer essential information;
- c) execute buy and sell orders, in accordance with the provisions of Section 3, for certificates whose printing is deferred or canceled, acting as principal or agent at its own discretion;
- d) require the issuer, at any time, to print and deliver certificates whose printing has only been deferred, as long as this is provided for under the issuer's Articles of Association or the issue terms and conditions.

#### 1.6. Administration

It is the Customer's responsibility to take all requisite measures to safeguard the rights attached to the Safe Custody Assets, particularly in the case of legal proceedings or bankruptcy, and to obtain all necessary information. Unless otherwise agreed, BCV shall not represent the Customer in legal, administrative, or arbitrage proceedings, including in the event of collective legal action (e.g., class actions). At the Customer's request, however, BCV may, but is not obligated to, transfer or assign to the Customer all or part of its claims relating to the Safe Custody Assets held by the Customer, provided that these claims exist and can be freely assigned to the Customer.

**In the absence of specific and timely instructions from the Customer**, and provided that notices or payments in respect of registered Safe Custody Assets are addressed directly to BCV or domiciled at BCV, BCV shall, from the date of the deposit, perform customary administrative services on behalf of the Customer. Such services include the collection or realization, at the best terms, of interest and dividend payments and principal as they fall due; the supervision of drawings, calls, amortizations of Safe Custody Assets and the collection of Safe Custody Assets that have not yet been redeemed, and other distributions; the renewal of coupon sheets and exchange of interim certificates against final certificates; and transactions involving share splits, reverse splits, and stock dividends. In performing these tasks, BCV shall rely on the customary information channels generally available in the banking sector.

**If specific and timely instructions are received from the Customer**, BCV shall also attend to the purchase, sale, and exercise of subscription rights relating to Safe Custody Assets, in accordance with the provisions of

Section 3; the exercise of convertible and option rights; the payment of calls on partially paid-up securities; the payment of interest and repayment of principal in relation to mortgage securities, as well as related calls and collection. In respect of transactions involving Safe Custody Assets, BCV disclaims all liability for information that is provided to the markets by issuers, custodians, or other third parties and that BCV takes into account in carrying out its administrative services. In particular, BCV shall not be required to request additional information from these parties or to verify any information through publicly accessible sources (newspapers, internet, etc.). Nor is BCV liable for any damage resulting from delays in the receipt of information or instructions or from incomplete information received from the Customer and/or from the aforementioned issuers, custodians or other third parties.

Furthermore, BCV is not required to submit offers in relation to Safe Custody Assets that are unlisted or that are not traded on a regulated trading venue or market, just as it is not required to submit offers that are not regulated by an official entity.

If BCV does not receive the Customer's instructions in keeping with the terms set by BCV, BCV shall act at its own discretion with no obligation, without incurring any liability and at the Customer's expense and risk.

#### 1.7. Shareholders' meetings and Customer representation with regard to the Safe Custody Assets

BCV shall not represent the Customer at shareholders' meetings and shall not exercise voting rights with regard to the Safe Custody Assets.

Customers that wish to exercise their voting rights must inform BCV no later than five days before the shareholders' meeting, so that BCV can provide the Customer with the necessary documents. The Customer consents to BCV temporarily blocking the related shares, if necessary, between the issuance of the documents and the shareholders' meeting itself.

However, BCV shall provide the Customer with the announcements and any links it receives in connection with shareholders' meetings for companies domiciled and listed in a member state of the European Economic Area, in accordance with the European Union's Shareholder Rights Directive (SRD).

BCV reserves the right to charge for these services.

#### 1.8. Transportation insurance

In the absence of any instructions to the contrary, BCV shall contract insurance, at the Customer's expense, for the transportation of Safe Custody Assets by BCV or by third parties, from BCV's premises, provided that such insurance is customary and does not exceed the limits of BCV's guarantee with a Swiss insurance company.

#### 1.9. Receipts

Receipts issued to the Customer by BCV are not securities and cannot be assigned, pledged, or traded.

#### 1.10. Joint accounts

If a safe custody account is held jointly by several people, the Safe Custody Assets may only be disposed of jointly, unless specific provisions are made to the contrary. **The owners shall be jointly and severally liable** for any commitments arising from the account.

### 1.11. Statements

BCV shall provide the Customer with an annual statement (paper or electronic) of Safe Custody Assets, which is generally prepared at the start of the following calendar year. Any discrepancies in the statement must be reported to BCV within one month after the statement is sent, failing which the Customer shall be deemed to have accepted the statement.

The valuation of Safe Custody Assets shown on the statements shall be based on approximate prices and rates taken from information sources customarily used by the banks. The valuations and other information concerning the Safe Custody Assets are indicative and shall not be binding on BCV.

### 1.12. Realizing pledged securities

Where BCV exercises its right to realize the pledges, it may in its sole discretion, providing notice, sell them (at private sale or on a regulated exchange if possible), notwithstanding the formalities set forth under the Federal Law on Debt and Bankruptcy Proceedings and its implementing ordinances, or under a forced sale. If BCV elects a private sale of the pledged securities, it may also, providing notice, take possession of them and deduct them from the secured claims at their estimated value based on market and other conditions; if the proceeds of the sale exceed the amount of the claim, the difference shall be returned to the pledgor. If the pledgor is a qualified investor within the meaning of the Swiss Federal Act on Intermediated Securities (custodian, insurance company subject to prudential supervision, public-law corporation, pension fund, or company with professionally managed treasury), BCV shall be exempted from its duty of providing notice prior to realizing the pledged securities.

### 1.13. Duration, cancellation, and transfer of the Safe Custody Assets

The contract shall generally be for an indefinite period. The contractual relationship between the Customer and BCV shall not cease upon the death, incapacity, or bankruptcy of the Customer, in accordance with generally accepted practice in banking relationships.

Subject to the rights conferred on BCV (e.g., notice period, right of pledge or lien, or any other similar right), the conditions of the issuers or of the markets concerned, and statutes of limitations, the Customer may terminate the contract at any time and require the delivery or transfer of the Safe Custody Assets by or through BCV. BCV must then observe customary forms and time limits.

BCV also reserves the right to terminate the contract at any time and to require the Customer to withdraw or transfer the Safe Custody Assets.

The Safe Custody Assets may only be transferred in keeping with the laws in effect for the Safe Custody Assets in question in the place where they are held, and in accordance with the applicable deadlines and following the normal procedures. The transfer costs are set in accordance with BCV's fee schedule, which is available at [www.bcv.ch/tarifs](http://www.bcv.ch/tarifs) and at BCV offices.

## 2. SEALED SAFE CUSTODY

### 2.1. Delivery of deposits

Any sealed safe custody asset must be assigned a value. The package must show the exact name and address of the Customer and be delivered to BCV

sealed in such a way that it cannot be opened without breaking the seal.

BCV is authorized to entrust any sealed safe custody asset to a professional custodian of its choice, for the account and at the risk of the Customer.

### 2.2. Contents

Sealed safe custody deposits must not contain objects, documents, valuables or materials which are inflammable, dangerous or fragile, or which for other reasons are unsuitable for custody in a bank or whose custody is illegal. The Customer shall be held liable for the consequences of any infringement of this rule. BCV reserves the right to examine the contents of the deposit in the presence of the Customer. For security reasons, BCV shall also be entitled to open the sealed deposit in the Customer's absence, if possible in the presence of a public official.

### 2.3. Liability

BCV shall not be liable for any loss or damage except in the event of gross negligence on its part, the onus of proof being on the Customer. At all events, BCV's liability shall be strictly limited to the value declared by the Customer. In particular, BCV declines all responsibility for loss or damage due to acts of war, terrorism, major civil unrest, or natural phenomena such as weather conditions, ionizing radiation, earthquakes, or floods.

BCV incurs no liability if the customer fails to declare the value as required by Section 2.1 above. When the Customer withdraws the sealed deposit, the Customer must immediately inform BCV of any damage to the seal or packaging. By signing the receipt, the Customer releases BCV from all liability.

### 2.4. Insurance

The Customer is solely responsible for insuring the safe custody deposits.

## 3. ORDERS RELATING TO SAFE CUSTODY ASSETS

### 3.1. General risks associated with the Safe Custody Assets, and best execution

Buying Safe Custody Assets can involve significant risks. It can lead to the total loss of an investment and, in some circumstances, entail an obligation to meet margin call.

Before placing an order with BCV or completing a purchase transaction, the Customer agrees to read the SwissBanking brochure "Risks Involved in Trading Financial Instruments" along with the specific documentation relating to the Safe Custody Assets, in order to learn more about the conditions and risks associated with these Safe Custody Assets. The Customer acknowledges that BCV can execute the Customer's orders or carry out the corresponding buy or sell transactions without providing information on the general or specific risks pertaining to the Safe Custody Assets in question.

This brochure is available at [www.bcv.ch/en/Legal-information](http://www.bcv.ch/en/Legal-information) and at BCV offices.

BCV shall execute its Customers' orders with all due diligence and in their interest, in keeping with its order execution policy. BCV's best execution policy and its policy for managing conflicts of interest are available at [www.bcv.ch/en/Legal-information](http://www.bcv.ch/en/Legal-information).

### 3.2. Execution-only service

If the Customer does not have an asset management agreement or advisory agreement with BCV and does not receive personalized investment recommendations

from BCV, the Customer's orders shall be automatically treated as execution-only transactions. In such situations, BCV shall not be required to verify the appropriateness or suitability of the transaction; this shall be the sole responsibility of the Customer. This information is provided to the Customer only once, in these Safe Custody Regulations, and will not be repeated each time the Customer places an order.

### 3.3. Acceptance of buy and sell orders

BCV shall execute, in accordance with the Customer's specific instructions, and for the account and at the risk of the Customer, buy, sell, subscription or buyback orders (hereinafter "orders") relating to Safe Custody Assets, whether or not the Assets are traded on regulated markets. BCV may act as agent or counterparty in such transactions. Where it acts as an agent, BCV shall execute transactions in its own name but on behalf of the Customer and at the Customer's sole risk. In principle, that approach will be used for transactions involving securities or derivatives listed on a stock exchange or regulated market; the rules, customary practices, and contractual regulations of the stock exchanges or markets in question shall apply. Where BCV acts as a counterparty, it shall enter into a sales contract with the Customer. That approach may be used for currency transactions, for transactions involving OTC derivatives, or when BCV issues a structured product subscribed by a Customer.

BCV may also refuse to execute all or part of any order, without giving a reason.

The Customer shall ensure that their account has sufficient funds and agrees not to engage in short selling.

### 3.4. Trading limits

If no limit is set on buying or selling instructions, orders shall be carried out at best, at BCV's discretion, upon receipt of the Customer's order. BCV will not accept any time limit placed on such orders that exceeds the maximum time limit set by the relevant markets. Notwithstanding the foregoing, the maximum time limit shall not exceed the last business day of the month in which the order is received, if a buy or sell limit is placed on the order.

If the Customer uses stop-loss orders, the Customer accepts that, under certain market conditions, such orders may not be executed, may not be executed at the Customer's desired price, or may be executed under non-market conditions by the counterparty used by BCV, and BCV disclaims all liability in this regard.

Furthermore, in the event of exceptional circumstances in the markets (such as high volatility, non-convertibility, suspended trading, lack of liquidity, etc.), the Customer acknowledges that BCV reserves the right, for transactions in which it acts as a counterparty, to cancel orders or modify them in order to apply market conditions. BCV reserves this same right if its service providers or counterparties modify or cancel orders placed by the Customer or if they inform BCV of their intention to do so. The Customer is therefore solely liable for any transactions that are canceled or executed at prices that differ from those in the Customer's order. BCV shall make every reasonable effort under such exceptional circumstances to inform the Customer as quickly as possible of any modification or cancellation of the Customer's orders.

### 3.5. Legal and contractual regulations

Safe Custody Assets to be traded on behalf of the Customer, whether or not such trades are conducted

in a regulated market, shall be subject to the legal and contractual regulations of the market in which they are traded, as well as to those imposed by or on the issuer. A copy of the relevant regulations may be obtained on request from BCV for a fee, and shall be enforceable against the Customer. Before placing orders, the Customer is responsible for ensuring that the orders comply with any investment restrictions and the eligibility criteria applicable to the Safe Custody Assets. BCV may, without giving a reason, require the Customer to remove Safe Custody Assets from the Customer's securities account. It may set a reasonable deadline for the Customer to transfer them to another custodian bank. If the Customer does not provide transfer instructions, BCV reserves the right to close out the positions at market prices. BCV may also decide to stop providing access to certain markets owing to changes in those markets' regulations. In such cases, BCV reserves the right to require the Customer to transfer or close out the Customer's positions on the market in question.

In the event of a dispute with the seller, buyer, or other obligors, BCV may discharge its obligations to the Customer by assigning to the Customer its rights in respect of the seller, purchaser, or other obligors.

### 3.6. Registration of securities and right to reverse positions

Registration of Safe Custody Assets in the Customer's account is contingent on the actual delivery of such assets to BCV. BCV is authorized to reverse or cancel, at any time, entries or transactions carried out or appearing on the Customer's safe custody accounts and related accounts, for which:

- settlement has not taken place or is not expected to take place owing to an error or a lack of motive,
- there are insufficient funds in the Customer's account;
- the Customer refuses to sign the contractual documents by the deadline set by BCV;
- BCV has doubts concerning the originator's rights of disposal;
- the orders are in breach of legal, regulatory, tax, or BCV's own requirements, administrative decisions, or national or international sanctions or conventions.

## 4. GENERAL PROVISIONS

### 4.1. Sending and disclosing data to third parties or to Swiss or foreign authorities

By holding the Safe Custody Assets and carrying out transactions involving them on the Customer's behalf, BCV may be required to disclose personal information about the Customer, the order originator, the beneficiary, and/or the beneficial owner, pursuant to Swiss and foreign legal and regulatory requirements. Therefore, when the issuer, the custodian bank, the broker, or any other third party involved or a Swiss or foreign authority requests the disclosure of such information, BCV shall be entitled to comply or to refuse to comply in full or in part. **To this end, the Customer authorizes BCV to communicate the Customer's, originator's, beneficiary's, and/or beneficial owner's personal data (including identification information, contact information, nationality, and the transaction's economic background). The Customer releases BCV from its obligation to maintain professional confidentiality for the purposes of providing these data. The**

**Customer shall inform the third parties in question, such as the originator, the beneficiary, or the beneficial owner, of BCV's obligation in this regard. The Customer acknowledges that data transmitted abroad are no longer protected by Swiss law but rather subject to applicable foreign law.** Further information can be found in the Swiss Banking brochure "Risks Involved in Trading Financial Instruments" in the section entitled "Risks attached to buying, selling and custody – particularly abroad".

#### **4.2. Disclosure and reporting obligations**

The Customer is solely responsible for taking the necessary measures to comply with Swiss and foreign legal obligations concerning the Safe Custody Assets held by the Customer with BCV, particularly disclosure obligations toward issuers, stock markets or other trading platforms, and the authorities, including in respect of equity securities acquisitions, major holdings thresholds, and transactions concluded by management. BCV is not required to draw the Customer's attention to these disclosure obligations in advance. BCV is entitled not to carry out or only partially carry out administrative services or other transactions related to the Safe Custody Assets if they are likely to incur reporting or disclosure obligations for BCV.

In addition, the Customer commits to providing BCV with all information necessary for BCV to carry out its services in accordance with these Regulations, and acknowledges that BCV is not required to provide its services (including order execution) and may even suspend them if the Customer has not honored that commitment. In particular, the Customer must obtain and provide BCV with any identification numbers needed for BCV to meet its disclosure obligations, including Legal Entity Identifiers (LEIs).

#### **4.3. Bank charges and tax**

Amounts credited in connection with custody and administration services are generally net amounts.

Bank charges (including commissions, fees, third-party charges, and other compensation) and billing dates are listed in BCV's current schedule of charges which is available at [www.bcv.ch/tarifs](http://www.bcv.ch/tarifs) and at BCV. If the safe custody requires particular care or incurs extraordinary expenses, BCV may pass through the related costs to the Customer (including the costs of the verifications described in Section 1.2) and charge an additional fee, which it will record in accordance with Section 4.4.

Any taxes and stamp duties incurred in the custody, administration, and physical delivery of the Safe Custody Assets shall be debited against the Customer in accordance with Section 4.4, subject to any statutory provisions to the contrary. In particular, the Customer is responsible for paying the withholding taxes and other taxes charged or withheld by issuers, custodians, or other intermediaries. BCV reserves the right to

charge the Customer for any subsequent debits made in connection with these taxes. BCV is not required to determine whether the Customer is eligible for a tax reduction or to request reimbursement for amounts withheld for tax purposes.

The Customer is solely responsible for assessing the tax consequences related to the Safe Custody Assets.

#### **4.4. Credits and debits**

Credits and debits (capital, income, BCV or third-party compensation and charges, taxes, stamp duty, etc.) shall be booked to a Customer account that is, in principle, denominated in Swiss francs, unless other timely instructions are received from the Customer.

The European Union's Regulation on Improving Securities Settlement for Central Securities Depositories (CSDR) sets out late settlement penalties for the participants in the settlement chain. Any such penalties are paid and received by the parties to the transaction in question. BCV shall pay or receive these penalties. However, BCV reserves the right to invoice the Customer for penalties it has paid if the late settlement was caused by the Customer.

#### **4.5. Severability**

If any clause in these Regulations is found to be invalid, it shall not impair the validity of the remaining clauses.

Nevertheless, the invalid clause shall be replaced by provisions to which the parties would have agreed in good faith had they known the initial clause or any part thereof was invalid.

#### **4.6. Application of General Conditions**

**BCV's General Conditions shall apply in conjunction with these Regulations, particularly the clause providing for the application of Swiss law and stipulating that the place of jurisdiction is Lausanne, at the registered office of BCV.**

#### **4.7. Amendments to the Regulations**

**BCV reserves the right to amend these Regulations at any time.** The Customer shall be informed of such amendments by circular or any other means deemed appropriate by BCV, including via BCV's website, before they enter into force. The amendments shall be deemed to have been accepted as soon as the Customer uses a BCV service or product, unless they are contested in writing by the Customer within 30 days of their entry into force. In the event of an objection, BCV and the Customer have the right to terminate the business relationship. The Customer is encouraged to consult the version in force at [www.bcv.ch/en/Legal-information](http://www.bcv.ch/en/Legal-information). The Customer may obtain at any time a hard copy of the Safe Custody Regulations currently in force at one of BCV's branches.