

Version 3 June 2020

Articles of Association

Art. 1 Name and legal form

¹ An association is established for an unlimited duration pursuant to Articles 60-79 of the Swiss Civil Code (ZGB) under the name “esisuisse” (hereinafter referred to as “the Association”).

² The Association has its registered office in Basel and is entered in the commercial register.

Art. 2 Purpose of the Association

¹ The purpose of the Association is to protect protected deposits held by the clients of banks and securities dealers in Switzerland, thereby strengthening confidence in Swiss banks and securities dealers and contributing to the stability of the Swiss financial system.

² The Association constitutes the self-regulation provided for in the Federal Act on Banks and Savings Banks (BA), the Federal Act on Stock Exchanges and Securities Trading (SESTA), the associated implementing ordinances and applicable other ordinances (“the Agreement by Swiss Banks and Securities Dealers on Deposit Insurance”, hereinafter referred to as “the Agreement”).

Art. 3 Obligation to pay out protected deposits

¹ The Association assumes the obligation duty to pay out protected deposits to depositors.

² Any expenses and costs incurred in cases under Article 13 hereof, shall be deducted from the liquidation assets of the member in question. Where the Association has provided advance funding for such costs and expenses, these shall be deducted from the liquidation dividend and/or payments on account before they are passed on to the other members.

Art. 4 Activities to achieve the purpose of the Association

¹ The Association shall communicate with members, authorities, members' clients and the general public in Switzerland and abroad with the aim of familiarising them with how deposit insurance functions in Switzerland. The Association may use all common means of communication to do so, including direct contact.

² The Association shall be involved in the preparatory work for legislation (such as laws and ordinances) and shall play an active part in organisations concerned with deposit insurance and financial stability (e.g. the European Forum of Deposit Insurers (EFDI) and the International Association of Deposit Insurers (IADI)).

Art. 5 Governing bodies

The governing bodies of the Association are:

- a) The General Meeting of Members (Article 9 below)
- b) The Board of Directors (Article 10 below)
- c) The Auditor (Article 11 below)
- d) The Executive Board (Article 12 below)

Art. 6 Membership

¹ All banks and securities dealers that have signed the Agreement are members of the Association. Banks and securities dealers that belong to a group are each members individually. Raiffeisen Schweiz Genossenschaft is deemed one bank in place of all its members.

² Institutions that do not hold either a banking or securities dealer's licence may be accepted as members. Applications must be submitted to the Board of Directors for consideration by the General Meeting of Members. Where applications are made by institutions that do not hold either a banking or securities dealer's licence the General Meeting of Members must consider whether they satisfy (i) requirements comparable to the statutory special liquidity rules and (ii) requirements comparable to the statutory obligation to hold domestic covered assets in Switzerland. The decision of the General Meeting of Members shall be final; no grounds need be stated. Membership shall commence once the Agreement has been signed.

Art. 7 Association funds, especially member contributions

¹ The funds required by the Association to perform its duties shall come from:

- a) Annual member contributions
- b) Voluntary donations
- c) Contribution towards expenses for special services

² Total member contributions shall be broken down by member based on each one's share in the total privileged assets held by all banks and securities dealers as most recently reported by FINMA. Member contributions shall be due in full, even if membership ceases before the end of a financial year. Membership shall cost a minimum of CHF 20,-- per year.

³ Should FINMA impose protection measures or compulsory liquidation on a member and depositor protection be triggered in respect of that member, their membership shall cease immediately. The Board of Directors may issue implementing provisions hereon.

⁴ The General Meeting of Members may expel a member. The decision of the General Meeting of Members shall be final; no grounds need be stated.

⁵ FINMA must be notified in advance when a motion of expulsion is placed on the agenda or when a member leaves.

⁶ Membership shall cease upon announcement of the withdrawal of a banking or securities dealer's licence.

Art. 8 Liability

¹ The liabilities of the Association shall be limited to its assets (Article 75a ZGB). Members shall not have any further liability or obligation to contribute additional funds for the liabilities of the Association.

² This shall be without prejudice to any obligations by statute or agreement not covered by these Articles of Association.

Art. 9 General Meeting of Members

¹ The General Meeting of Members is the supreme governing body of the Association. It consists of all the members of the Association.

² The powers of the General Meeting of Members shall include:

- a) Passing resolutions on all issues placed on the agenda of the General Meeting of Members by the Board of Directors;
- b) Electing the members of the Board of Directors (and subsequently the Chairman from among them) and the Auditor;
- c) Receiving the Auditor's report and receiving and approving the annual report and financial statements;
- d) Passing resolutions on amendments to the Articles of Association and on dissolution of the Association. In the latter case the General Meeting of Members shall rule on the appropriation of the Association's assets in accordance with Article 15 (4) hereof;
- e) Granting discharge to the members of the Board of Directors and the Executive Board.

³ The ordinary General Meeting of Members shall be held once a year. It shall be convened by the Board of Directors, accompanied by the agenda.

⁴ Extraordinary General Meetings of Members shall be held when requested in writing with a statement of reasons, by members who between them hold one-fifth of the votes, or when the Board of Directors so decides. Invitations shall be sent out by the Board of Directors, accompanied by the agenda.

⁵ Invitations to General Meetings of Members must be sent out to members by post or e-mail accompanied by the agenda at least 21 days before the meeting. Any duly convened General

Meeting of Members shall be authorised to deal with the business on the agenda, regardless of the number of votes represented.

⁶ Members may apply to the Chairman in writing for further items to be placed on the agenda up to 14 days before the meeting. Where this right is exercised, the Association shall inform members of the extended agenda at least seven days before the meeting.

⁷ Members may decide who they wish to have represent them at General Meetings of Members. They may grant proxies to external parties or the Board of Directors.

⁸ Votes shall be based on the amount of protected deposits held by each member. One vote shall be granted for each CHF 100 million of protected deposits. Members with less than CHF 100 million of protected deposits shall have one vote each. Votes shall be calculated using the most recent data from FINMA.

⁹ General Meetings of Members shall be chaired by the Chairman of the Board.

¹⁰ The General Meeting of Members shall pass motions and elect by a simple majority of the votes represented, with the exception of amendments to the Articles of Association, dissolution of the Association according to Article 15 below and the election of the Chairman, all of which require a majority of two-thirds of the votes represented.

Art. 10 Board of Directors

¹ The Board of Directors shall manage the Association and take the necessary measures to achieve its purpose. All matters not expressly reserved for the General Meeting of Members shall be decided by the Board of Directors.

² The Board of Directors shall comprise a maximum of thirteen members elected by the General Meeting of Members. The composition of the Board of Directors shall be representative. Members shall be elected for a term of one year. Re-election is permitted without restriction.

^{2bis} Anyone who is proposed to the General Meeting of Members by the Board of Directors or whose candidacy is submitted to the Board of Directors by the end of January of any calendar year or within a different period communicated by the Board of Directors shall be eligible for election as Chairman and member of the Board of Directors.

³ The Board of Directors shall elect a Deputy Chairman from among its members. The Deputy Chairman represents the Chairman when he is unable to act or if the office of Chairman is vacant. In all other respects the Board of Directors constitutes itself. It may appoint members to committees with special duties.

⁴ The Chairman must convene a meeting when requested by three members of the Board of Directors.

⁵ The Board of Directors shall perform the following tasks:

- a) Convening the General Meeting of Members and setting the agenda;
- b) Approving the Association's budget annually and setting the member contributions;

- c) Appointing the CEO and the other members of the Executive Board;
- d) Monitoring the activities of the Executive Board;
- e) Controlling the signatory powers for the Association (two signatures are always required);
- f) Issuing internal regulations where necessary.

⁶ The Chairman shall report to the General Meeting of Members on the activities of the Association.

⁷ The Board of Directors shall be quorate provided at least 60% of its members take part in the meeting.

⁸ The Board of Directors shall normally take its decisions in meetings. However, individual items may be discussed and decided by circular motion or in conference calls.

⁹ As far as possible the Board of Directors shall take decisions by consensus. A formal resolution shall be put to the vote if no consensus can be reached or the Chairman so instructs. Each member shall have one vote. Resolutions shall be passed by the absolute majority of the votes represented. In the event of a tie, the Chairman shall have the casting vote. In the event of binding statutory provisions to the contrary, those provisions shall apply.

Art. 11 Auditor

¹ The General Meeting of Members shall elect an Auditor for a term of one year. Re-election is permitted.

² The Auditor shall conduct a proper audit of the annual financial statements of the Association as required by the Code of Obligations for joint-stock companies.

³ The Auditor shall submit a written report to the General Meeting of Members.

Art. 12 Executive Board

¹ The Executive Board is led by the CEO, who is appointed by the Board of Directors.

² The Executive Board shall perform the following tasks as set down in organisational regulations issued by the Board of Directors:

- a) Preparing business to be submitted to the Board of Directors and implements resolutions passed;
- b) Compiling the Association's reports and filings;
- c) Conducting the Association's ongoing business in Switzerland and abroad and managing its assets;
- d) Following consultation with the Chairman it may appoint external agents.

Art. 13 Use of deposit insurance

¹ If deposit insurance is triggered in respect of a member, the Executive Board may transfer transactions that fall to the Association (specifically, calling contributions from members and issuing payment instructions) to a suitable external party.

² This shall be decided by the Board of Directors in consultation with FINMA, subject to law and agreement.

³ The Board of Directors, Executive Board and any external parties appointed shall observe statutory bank-client confidentiality and all other forms of legally protected secrecy in dealings with both members and outsiders. Neither the Board of Directors nor any committees or working parties set up shall be informed of the detailed data of individual members or their customers, with the exception in the specific case of the members of the Board of Directors who are neither employed nor mandated by a member. esisuisse takes technical and organisational precautions to guarantee confidentiality.

The calculation of member contributions, contributions when protection is triggered and processing of applications shall be audited by a recognised auditor, which shall report its findings to the Board of Directors.

Art. 14 Financial year

The financial year commences on 1 January and ends on 31 December. The ordinary General Meeting of Members shall be held within six months of the close of the financial year.

Art. 15 Amendments to the Articles of Association and winding the Association up

¹ Only the General Meeting of Members may amend these Articles of Association or decide on the dissolution of the Association.

² It may only do so if the invitation expressly refers members to this agenda item.

³ A majority of two-thirds of the votes represented is required to amend the Articles of Association or dissolve the Association.

⁴ If the Association is dissolved, its assets shall pass to another tax-exempt institution with a similar purpose and shall not be returned to either its founders or the members. This provision may not be changed.

⁵ Client deposits protected by the Association that have not yet been paid out when the Association is dissolved shall not form part of the Association's assets for the purposes of Article 15 (4). The Association shall ensure during its dissolution that all necessary measures are taken to compensate the bank clients affected. Any costs of such measures must be deducted from the Association's assets in advance.

Art. 16 Entry into force

These Articles of Association shall enter into force on the day following their approval by the General Meeting of Members, but not before they have been approved by FINMA.

Zürich, 03.06.2020

Urs Gauch
Chairman

Bruno Meier
Deputy Chairman

Only the German-speaking version of this document is legally binding.