

Custody Account Regulations

As at January 2025

1 Scope of application

The Custody Account Regulations apply to the assets and valuables (hereinafter referred to as "Custody Assets") taken into custody by Zuger Kantonalbank (hereinafter referred to as "Bank") and governs the trading in financial instruments (incl. precious metals). Special written agreements between the custody account holder and the Bank prevail over the Custody Account Regulations. In addition, the General Terms and Conditions of the Bank apply.

2 Custody Assets

The Bank will accept the following Custody Assets:

- a) certificated securities, money and capital market investments, book-entry securities as well as other investment instruments and financial instruments (see section 14 in this respect) for custody and administration;
- b) precious metals and coins as well as documents and other valuables for custody, provided they are deemed suitable.
- c) digital assets.

The Bank may at any time and without stating a reason refuse to accept Custody Assets or demand that they be taken back at any time.

This applies in particular if the custody account holder does not comply with the investment restrictions applicable to the custody account holder.

From the mere custody and administration of the Custody Assets in a custody account of the Bank, the custody account holder may not establish any entitlement to advice. Furthermore, no suitability and appropriateness test is carried out. In particular, the Bank is not obliged to monitor the investments of the custody account holder and to inform the custody account holder of possible risks and possible negative developments. For asset management, investment advice as well as services in connection with the investment business, any separate agreements with the Bank apply.

The Bank reserves the right to credit Custody Assets only after their receipt in the custody account.

If accepted Custody Assets do not correspond to the customary quality or if they have other defects, the custody account holder shall be liable to the Bank for any resulting loss.

If the Bank no longer wishes to hold the Custody Assets in custody for legal, regulatory or product-specific reasons, the Bank will ask the custody account holder for instructions as to where the Custody Assets should be transferred. Should the custody account holder fail to inform the Bank, even after a reasonable grace period set by the Bank, where the assets and credit balances deposited with the Bank by the custody account holder are to be transferred to, the Bank may physically deliver the assets or liquidate them.

3 Delivery and examination of the Custody Assets

Upon physical delivery of Custody Assets, the Bank issues the custody account holder with a notice of receipt which is neither transferable nor pledgeable.

For other custody account entries, the confirmations of receipt or account statements serve as notices of receipt. As a rule, the deposit is made for an indefinite period of time or until the deposited financial instrument expires. The agreement does not expire in the event of death, loss of legal capacity to act or bankruptcy of the custody account holder.

The Bank may, but is not obliged to, examine the Custody Assets for authenticity, blocking orders and quality as book-entry securities or have them examined accordingly by third parties in Switzerland or abroad, without thereby assuming the liability. In this case, the Bank executes sale and delivery orders as well as administrative acts only after conclusion of the examination and potential re-registration. If such orders and administrative acts are delayed or not executed, then the custody account holder will be liable for any potential damage, provided that the Bank has exercised the degree of due diligence usual in banking transactions. The examination costs may be charged to the custody account holder.

4 Custody of the Custody Assets

Unless instructed otherwise, the Bank may hold the Custody Assets in collective custody. The Bank is also entitled to hold the Custody Assets segregated or in collective custody with a third-party custodian of its choice in Switzerland or abroad in its own name but for the account and at the risk of the custody account holder. Custody Assets which, by their nature or for other reasons, must be kept separately, remain reserved. Custody assets traded abroad are generally held there as well and, where applicable, transferred there for the account and at the risk of the custody account holder. The custody account holder agrees that his Custody Assets may be deposited with a third-party custodian abroad. The third-party custodians are authorised to transfer the Custody Assets to a third party for custody. The custody account holder hereby agrees that the third-party custodian may transfer the Custody Assets to a third party for custody.

5 Custody Assets held abroad

Custody assets held abroad are subject to the laws and customs of the place of custody. If the return of Custody Assets held abroad or the transfer of sales proceeds by the Bank is rendered impossible or hindered by foreign legislation, then the Bank is only obliged to provide the custody account holder a claim for pro rata restitution or a claim for payment at the place of the foreign custodian or correspondent bank of its choice, to the extent that such claim exists and is transferable. The Bank is not obliged to verify whether the securities held in custody abroad meet the requirements of Swiss law to qualify credits of such securities as book-entry securities.

The Bank bears no responsibility whatsoever with regard to compliance with capital market restrictions under foreign legislation. The custody account holder is obliged to obtain information on the relevant applicable legal provisions and to comply with them.

6 Cancellation of instruments

To the extent permitted by the applicable law, The Bank is authorised to have deposited instruments cancelled and replaced by securities.

7 Disclosure of transaction, portfolio and client data relating to foreign countries

In connection with foreign Custody Assets and/or Custody Assets held abroad, the custody account holder and/or the Bank may be required under applicable domestic and foreign law to disclose transaction, portfolio and client data (in particular name/company name, address, IBAN, and custody account/account number) to foreign stock exchanges, brokers, banks, transaction registries, settlement centres, third-party and central depositories, issuers, authorities or their representatives as well as other involved third parties. Consequently, a conflict between such foreign disclosure requirements and Swiss law (bank client confidentiality) with which the Bank has to comply may arise.

The custody account holder hereby releases the Bank, its employees and delegates in this connection from their confidentiality obligations and waives bank-client confidentiality.

The custody account holder also agrees to sign special declarations as may occasionally be requested for the custody or the execution of transactions with Custody Assets. Otherwise, the Bank may decline the custody or the execution of transactions or take other measures such as liquidating the Custody Assets concerned.

8 Notification requirements

The custody account holder is responsible for the fulfillment of any potential notification requirements vis-à-vis companies, authorities, stock exchanges and other third parties as well as for any potential duties regarding the submission of take-over bids. The applicable domestic and foreign law is decisive. The Bank is not obliged to notify the custody account holder of these duties. The Bank is entitled to fully or partially refrain from performing administrative acts with respect to Custody Assets that would result in a notification requirement on the part of the Bank, subject to notification to the custody account holder.

The custody account holder is solely responsible for complying with possible restrictions, for meeting possible conditions or for obtaining possible necessary authorisations pursuant to applicable domestic and foreign law, if the custody account holder conducts or arranges transactions with Custody Assets.

The collection of information in connection with such notification and information requirements as well as restrictions is the responsibility of the custody account holder.

9 Registration of Custody Assets and exercise of voting rights

Custody Assets in registered form may be entered under the name of the custody account holder in the relevant register (e.g. share register), if

duly authorised. The Bank may also have the Account Assets registered in its own name or in the name of a third party but always for the account and at the risk of the deposit account holder.

The deposit account holder shall be responsible for exercising his voting rights even if the Bank's name is entered in the relevant register.

10 Customary administrative acts

In the absence of specific instructions from the custody account holder, the Bank shall perform customary administrative acts such as:

- a) checking allotted, cancelled, and missing securities according to documents at the Bank's disposal and based on available customary sources of information;
- b) collection or enforcement of due interest, dividends, principal and other disbursements;
- c) sale of unexercised subscription rights;
- d) exchange of certificates without election right of the custody account holder;
- e) effecting any residual payment in respect of financial instruments that are not fully paid up, provided that the time of payment was stipulated at the time they were issued.

The Bank is authorised:

- a) to have existing certificated securities converted into uncertificated securities;
- b) for as long as the administration by the Bank continues, to take the necessary administrative actions;
- c) to give the issuer the requisite instructions and obtain the necessary information from the issuer;
- d) to require the issuer to print and deliver certificated securities if possible.

Otherwise, the provisions of the Swiss Intermediated Securities Act remain reserved.

The Bank does not perform administrative acts for insurance policies, mortgage deeds and items held in sealed custody. It is the responsibility of the custody account holder to assert claims regarding the Custody Assets in judicial or insolvency proceedings and to obtain the necessary information for this purpose.

If the Bank has already credited distributions to the custody account of the custody account holder prior to their receipt, it is entitled to cancel them if not received. Credited distributions which were made erroneously or due to a mistake and are reclaimed can also be cancelled by the Bank at any time.

11 Administrative acts with special instructions

The Bank provides the following services where special instructions are received from the custody account holder in good time:

- a) carrying out conversions;
- b) making residual payment in respect of financial instruments that are not fully paid up;
- c) exercising subscription rights as well as their purchase and sale;
- d) exercising conversion and option rights;
- e) acceptance or rejection of public take-over offers.

Where timing allows, the Bank informs the custody account holder, based on information customarily available in the industry, about

upcoming events and invites the custody account holder to issue instructions.

The Bank is authorised, but not obliged, to act at its discretion if the instructions of the custody account holder are not received in time or at all. The Bank may make the execution of the instruction dependent on evidence of the authority of the person giving the instruction, sufficient cover and compliance with public law regulations.

The custody account holder is solely responsible for assessing, or having a tax specialist of the custody account holder assess, any tax consequences of specific Custody Assets and their effects on the overall tax situation of the custody account holder.

12 Delivery of the Custody Assets

Subject to other agreements and mandatory statutory provisions, the custody account holder may at any time request the delivery or transfer of the Custody Assets, and the Bank shall execute such requests within the customary time and in the customary form and observe the customary delivery times therefore. In addition, termination periods, mandatory statutory provisions, pledges, liens and other rights of retention of the Bank as well as pledges, liens and other rights of retention of third parties are reserved. If by way of exception Custody Assets are physically transmitted, the costs shall be borne by the custody account holder.

13 Risks involved in trading financial instruments

Trading in financial instruments can involve considerable risks. It may not only result in the total loss of an investment, but may also involve an additional funding obligation.

Before the custody account holder places an order with the Bank or concludes a purchase transaction, the custody account holder obtains information about the various conditions and risks associated with trading in financial instruments by means of the Swiss Bankers Association's brochure "Risks Involved in Trading Financial Instruments" and specific product documentation from the Bank. The custody account holder acknowledges that the Bank may execute orders of, or conclude relevant purchase transactions with, the custody account holder without further information about the general or specific risks associated with the financial instrument concerned. The Swiss Bankers Association's brochure "Risks Involved in Trading Financial Instruments" can be obtained from the Bank.

14 Financial instruments

Financial instruments include, but are not limited to:

- a) shares and exchange-traded investment funds (so-called ETFs);
- b) bonds and money market instruments;
- c) certificated derivatives;
- d) structured products;
- e) uncertificated, standardised exchange-traded futures/forward contracts and options (so-called ETD);
- f) uncertificated and non-standardised over-the-counter derivatives; and
- g) units in open-ended investment funds.

Cash transactions or loans are not considered financial instruments under these Custody Account Regulations.

15 Transparency and diligence in respect of orders of the custody account holder when trading in financial instruments

The Bank executes orders of the custody account holder for the account and risk of the custody account holder carefully, accurately and in the interest of the client in accordance with the Bank's execution principles. Orders may be placed as temporary orders or as limit orders. Other types of orders are possible upon agreement with the Bank. The Bank has the right to restrict or not offer individual types of orders. In the case of financial instruments that can be traded on different markets, the Bank shall ensure, in the case of relevant transaction orders and unless the client has given other instructions relating to stock exchanges, that the best execution is implemented, in particular, with regard to price and quality.

The Bank treats different orders from custody account holders equally. Comparable orders from custody account holders relating to the same financial instruments are executed in the order in which they are entered into the Bank's electronic trading systems.

Allocation for public issuances and public placements on the capital market is based on the guidelines of the Swiss Bankers Association which can be obtained from the Bank.

16 Commission and purchase transactions

The Bank arranges commission transactions in financial instruments on behalf of, or concludes respective purchase transactions with, the custody account holder.

In commission transactions, orders of the custody account holder to purchase or sell financial instruments for the account and risk of the custody account holder are executed by the Bank itself or by third parties supervised by the Bank with other market participants. The Bank may also execute the orders of the custody account holder by acquisition for own account at prevailing market prices.

In a purchase transaction, the Bank and the custody account holder conclude a purchase contract for financial instruments at a specific or determinable price. Thereby, the Bank acquires, as buyer, financial instruments from the custody account holder, or it delivers, as seller, financial instruments to the custody account holder. In this case, the rights and obligations of the Bank and the custody account holder are governed by the relevant contractual agreement.

17 Processing, modification and rejection of orders of the custody account holder when trading in financial instruments

Orders of the custody account holder are processed during the trading hours of the Bank. Information on the Bank's trading hours can be obtained from the Bank.

An already executed order of the custody account holder cannot be modified or revoked. Temporary orders lose their validity after the expiry of the deadline.

Insofar as an order has not yet been executed, the Bank accepts modifications or a revocation and endeavours to implement it accordingly. The Bank immediately forwards the modification or revocation issued by the custody account holder to the competent trading partner/stock exchange in Switzerland or abroad.

It may, nevertheless, occur in individual cases that forwarded modifications or revocations are only processed by the competent trading partner/stock exchange at a time when the original order of the custody account holder has already been fully or partially executed. If, as a result and despite all due care of the Bank, the modification or revocation of the original order cannot be processed by the trading partner/stock exchange in time, the modification or revocation of the original order shall be deemed to have been received by the Bank with delay, and the Bank excludes any liability for damages which the custody account holder may incur as a result thereof.

The Bank shall be entitled to process orders of the custody account holder in several partial executions. Such orders may also be executed outside trading places, stock exchanges or other regulated market places. Information on the possible places of execution can be obtained from the Bank.

The Bank may further postpone the execution of an order of the custody account holder to obtain a disclosure consent or to clarify the background. In case of indications of market abuse or other unlawful conduct, the order of the custody account holder will not be executed, and the Bank will assess possible reporting or notification obligations. Without disclosure consent, the order may possibly not be executed or not be executed at the given place of execution.

18 Sufficient cover

The Bank reserves the right not to execute orders of the custody account holder and purchase transactions when trading in financial instruments if there is a lack of cover. The Bank is not obliged to check the cover by account balances or custody account assets of the custody account holder prior to executing the order or concluding a purchase transaction. If it executes the order or purchase transaction despite the lack of cover, it may request the custody account holder to provide cover within a reasonable period of time. If the custody account holder nevertheless fails to provide cover, the Bank may sell financial instruments for the account of the custody account holder (closing out).

19 Applicability of domestic and foreign provisions and customs as well as contractual provisions of third parties for trading in financial instruments

The execution and performance of the orders of the custody account holder are also subject to the provisions and customs applicable at the respective domestic or foreign place of execution, place of performance or place of custody. This also includes contractual provisions which the Bank concludes with third parties for the execution and performance of such orders.

20 Involvement of third parties

If the Bank involves a third party to execute an order of the custody account holder when trading in financial instruments, the Bank shall be liable for the careful selection, instruction and supervision of the third party.

21 Asset statement

The Bank periodically issues the custody account holder with an asset statement, generally as of the end of the year.

These asset statements are deemed to be confirmed as correct and accepted if no written objection is raised against their contents within 30 days from the date sent.

Valuations of the holding of a custody account are based on non-binding approximate rates and market values from sources of information customary in the banking sector, for the correctness of which the Bank does not assume any responsibility and liability.

22 Several custody account holders

If a custody account is established in the name of several persons, they may dispose of it individually, subject to a special agreement. The custody account holders are jointly and severally liable for all claims of the Bank arising from the custody relationship.

23 Remuneration

The remuneration payable to the Bank for its custody account-related services (incl. prices in connection with the trading in financial instruments and custody) is determined based on the currently applicable brochures "Terms and Conditions for Investment Activities" or "Terms and Conditions in the Asset Management" or according to additional price lists of the Bank, which shall be made available to the custody account holder by appropriate means. The Bank reserves the right to modify the conditions at any time, in particular, in case of changed market conditions or for other objective reasons.

Modifications will be made known to the custody account holder by appropriate means and are deemed to be accepted unless a written objection is received within 30 days. The Bank may, in addition, charge expenses, taxes, duties and extraordinary expenditures.

24 Third-party benefits

The Bank may, in the issuing business for structured products, receive rebates that may be considered as a third-party benefit to which the custody account holder is entitled but which he may waive.

For structured products purchased on issue, the Bank shall invoice the custody account holder at the full issue price but without commissions or brokerage. The scale of rebates is set out in the "Terms and Conditions for Investment Activities" brochure.

The custody account holder hereby expressly waives the reimbursement of the rebates granted to the Bank by the issuers of structured products. However, he may at any time request information from the Bank about the rebates relating to the structured products booked on his custody account.

25 Care and liability

The Bank deposits and administers the Custody Assets with the degree of due diligence usual in banking transactions. It is liable for its own acts and those of its auxiliary persons solely in the event of direct losses but not for consequential or special losses.

In the case of third-party custody, the Bank is only liable for taking due care in selecting and instructing a directly succeeding third-party custodian. The Bank is not liable if the custody account holder has requested custody with a custodian not recommended by the Bank.

26 Special conditions for sealed custody accounts

Sealed custody accounts may only contain valuables, documents, and other items suitable for safekeeping in a sealed custody account, but under no circumstances inflammable or otherwise dangerous items or other items unsuitable for storage in a bank building.

The custody account holder is fully liable for any damages if the custody account holder delivers unsuitable items. The Bank is entitled to ask the custody account holder for evidence of the nature of the deposited items or to inspect, in preservation of evidence, the contents of the sealed custody account.

Should the Bank fail to observe the customary degree of care in performing its custody duties, it shall be liable for any damages proven by the custody account holder and culpably caused by the Bank, but only up to the declared value. In particular, the Bank refuses to accept the liability for damages resulting from atmospheric influences, force majeure and elementary events. If the custody account holder withdraws sealed custody items, he must file any complaints immediately when accepting the items. The custody account holder's notice of receipt releases the Bank from all liability.

27 Insurance and delivery

The insurance of Custody Assets against damages for which the Bank is not liable is the responsibility of the custody account holder.

The physical delivery of Custody Assets is made at the expense, cost and risk of the custody account holder. In such a case and in the absence of special written instructions from the custody account holder, the Bank arranges for insurance and makes a declaration of value at its own discretion. The costs incurred for this shall be borne by the custody account holder.

28 Modifications to the Custody Account Regulations

The Bank reserves the right to modify the Custody Account Regulations at any time. Such modifications will be made known to the custody account holder by appropriate means and are deemed to be accepted unless an objection is filed in writing within 30 days. In the event of an objection, the client/custody account holder may terminate the custody account with immediate effect. Notice or withdrawal periods pursuant to special conditions or agreements remain reserved.

29 Applicable law and jurisdiction

All legal relationships between the custody account holder and the Bank are subject to Swiss law. The exclusive place of jurisdiction for all types of proceedings shall be Zug. Zug shall also be the place of performance and, for custody account holders with domicile abroad, the place of debt collection. Mandatory statutory places of jurisdiction remain reserved.

Effective as of 1 January 2025