

# Organizational Regulations

of

## EEII AG

with its registered office at Alpenstrasse 15, 6304 Zug, Switzerland

### 1. GENERAL

#### 1.1. Legal Basis

These Organizational Regulations (the "Regulations") are enacted by the Board of Directors of EEII AG (the "Company") pursuant to Art. 716a Para 2 and Art. 716b of the Swiss Code of Obligations ("CO") and Art. 20 seq. of the Company's Articles of Association.

#### 1.2. Executive Bodies and Management

These Regulations govern the internal organisation as well as the powers, duties and responsibilities of the Company's executive bodies. The executive bodies of the Company are:

- the Board of Directors;
- the Chairman of the Board;
- the CEO ("Geschäftsführer")
- the Management Company.

#### 1.3. Executive Regulations and Charters

Powers and duties that are delegated to executive bodies or third parties based on these Regulations may be governed by separate executive regulations or annexes to these Regulations.

## **2. BOARD OF DIRECTORS**

### **2.1. Powers and Duties**

#### **2.1.1. General**

The Board of Directors is the ultimate executive body of the Company. It shall be competent to delegate to corporate bodies or third parties all and any powers and duties which are not reserved by law or by the Articles of Association to the Board of Directors or to the general meeting of shareholders ("General Meeting of Shareholders") or submitted to the same.

#### **2.1.2. Powers and Duties Which the Board of Directors May Not Delegate**

The following powers and duties must be exercised, or, as it may apply, assumed, by the Board of Directors itself:

- a) the ultimate direction of the Company, including, without limitation, the promulgation of the required resolutions and the giving of the necessary instructions;
- b) the determination of the organization of the Company;
- c) the structuring of the accounting system and of the financial controls as well as the financial planning;
- d) the appointment and removal of the persons entrusted with the management and the legal representation of the Company;
- e) the ultimate supervision of the persons entrusted with the management of the Company, specifically in view of their compliance with the law, the Articles of Association, these Regulations and other applicable regulations and instructions;
- f) the preparation of the annual reports as well as the preparation of the General Meeting of Shareholders and the execution of the resolutions adopted by the General Meeting of Shareholders;
- g) the notification of the court if liabilities exceed assets;
- h) the adoption of resolutions concerning an increase of the share capital to the extent that such power is vested in the Board of Directors (Art. 651 Para 4 of the Swiss Code of Obligations), as well as the adoption of resolutions concerning the confirmation of capital increases and the respective amendments to the Articles of Association.

### 2.1.3. Further Powers and Duties

The Board of Directors shall further have the following powers and duties:

- a) the determination of those persons who shall have signatory power for the Company and the manner in which such persons may sign on behalf of the Company;
- b) the determination of the investment guidelines and regulations (the "Investment Regulations") of the Company, including, without limitation, the promulgation of the required resolutions and the giving of the necessary instructions.

The Board of Directors shall resolve all business matters which are not explicitly reserved by law, by the Articles of Association or by these Regulations to the authority of the General Meeting of Shareholders (or submitted to the same) or to other corporate bodies.

## 2.2. Delegation of Management

The Board of Directors shall delegate the management of the business of the Company to the CEO ("Geschäftsführer") pursuant and subject to the Articles of Association of the Company and these Regulations.

The Board of Directors, after prior consultation with the CEO, may further delegate specific duties (such as the management of the Company's assets and/or certain administrative tasks) to one or several other persons or legal entities.

## 2.3. Committees of the Board of Directors

The Board of Directors shall be competent to form one or several committees which shall be composed out of members of the Board of Directors and to which the Board may delegate any powers and duties as may be required by applicable law, the Articles of Association of the Company or as desired by the Board of Directors, always provided that it may not delegate any of the matters mentioned in Art. 2.1.2 hereinabove. Decisions of the Board of Directors to this effect shall be annexed to and form an integral part of these Regulations. To the extent that authority over business management is delegated to such committees, the duty of the Board of Directors shall be limited to the supervision of said committees. Committees shall regularly (at least once per business year) report to the Board of Directors.

---

## 2.4 Organization and Meetings

### 2.4.1. Constitution

The Board of Director constitutes itself. It elects the Chairman and the Vice Chairman of the Board from among its members. The Chairman of the Board appoints a secretary who needs not be a member of the Board of Directors.

### 2.4.2. Meetings

The Board of Directors shall meet as often as may be required, but shall hold at least four (4) ordinary meetings per business year. The location of the meeting shall be determined by the Chairman.

Meetings shall be called by the Chairman or, in his absence, by the Vice Chairman or the Secretary of the Board. Each member of the Board of Directors may cause the (immediate) calling of a meeting by request; any such request shall mention the reasons for calling the meeting.

Invitations shall be issued by the Chairman in writing, per telefax or per e-mail, and shall set forth the agenda for the meeting. Invitations shall be issued at least 5 business days in advance, except in urgent matters. Each member of the Board of Directors may cause the inclusion of a certain item on the agenda.

Provided that all members of the Board of Directors agree, meetings of the Board of Directors may be held without formal invitation.

The CEO and third parties at the discretion of the Board may participate at any such meetings at the invitation of the Chairman, but without the right to vote.

### 2.4.3. Meetings by Telephone or Video Conference and Circular Resolutions

In urgent matters (as defined by the Chairman), or provided that no member of the Board of Directors raises any objections to the contrary, meetings may be held in form of telephone or video conferences.

Meetings may also be held and resolutions may be adopted by means of a written document circulated among all members of the Board of Directors ("Circular Resolution"), unless a member requests oral deliberation.

#### 2.4.4. Quorums, Majority Requirements

Pursuant to Art. 19 of the Articles of Association and unless stated otherwise in these Regulations, a quorum shall exist for all meetings of the Board of Directors if the majority of its duly elected members is present. Meetings held solely for the adoption of publicly notarized formal resolutions required by Swiss stock corporation law shall not require a presence quorum. A presence quorum of 2/3 of the duly elected members shall be required for the adoption of resolutions regarding proposals to the General Meeting of Shareholders.

Resolutions of the Board of Directors (including resolutions adopted at teleconference or videoconference meetings or by means of Circular Resolution) require the affirmative vote of the majority of the votes cast. In the event of a tie vote, the Chairman shall decide the issue.

Members of the Board shall abstain from voting on matters which affect, or reasonably might affect, the interests of such members or of a person close to such members. The Board of Directors (excluding the affected member) shall decide whether a member affected by the conflict of interest shall be permitted to participate in the relevant deliberations.

#### 2.4.5. Minutes

The secretary of the Board of Directors, or the CEO if present, shall keep the minutes of all meetings (including meetings held by means of teleconference or videoconference). The minutes shall contain all resolutions adopted at the meeting, shall be signed by the Chairman (or, if he is absent, by the Vice Chairman) and the person who kept the minutes, and shall be approved during the next meeting. If resolutions are passed in writing by Circular Resolution, the secretary shall communicate the outcome to the members of the Board of the Directors as soon as practicable, and shall include the respective resolution(s) in the next minutes.

### 2.5. Right to Request Information

The members of the Board of Directors shall have the right to request information and inspection pursuant to Art. 715a of the Swiss Code of Obligations. With regard to regular information of the Board of Directors and information in case of extraordinary and important events and developments, reference is made to Art. 4.4. "Reporting" hereunder.

## **2.6. Compensation**

The Board of Directors shall determine the compensation of the members of the Board of Directors, including its Chairman.

## **3. CHAIRMAN OF THE BOARD**

### **3.1. Powers and Duties**

In addition to the powers and duties reserved to the Chairman by law, the Company's Articles of Association or other articles of these Regulations, the Chairman of the Board shall take the chair during meetings of the Board of Directors and during the General Meeting of Shareholders. He generally represents the Board towards the shareholders.

## **4. CEO**

### **4.1. Powers and Duties**

The Powers and Duties of the CEO shall be regulated in a separate agreement.

### **4.2. Annual Report**

The CEO shall submit to the Board of Directors the draft annual report for the Company's past business year at the latest by May 15 of each calendar year.

### **4.3. Limitations of Powers and Duties**

Notwithstanding all and any regulations to the contrary elsewhere, the following matters shall require explicit approval by the Board of Directors:

- a) the determination of the investment selection and decision process;
- b) all and any decisions about investments, expenditures, obligations and liabilities exceeding CHF 5'000.-- (five thousand Swiss francs). Several single

---

expenditures (which each may or may not exceed the threshold of CHF 5'000) which are correlated shall be lumped together for this purpose;

- c) the taking on of contingent liabilities on behalf of the Company;
- d) the investment in or divestment from companies;
- e) the entering into or canceling of contracts with third parties which may be of particular importance to the Company;
- f) the entering into legal, tax or arbitrary proceedings or litigation in matters of particular importance to the Company or with an amount in controversy exceeding CHF 5000 (five thousand Swiss francs), and the nomination of legal representative(s);
- g) the hiring and dismissal of employees of the Company;
- h) all matters of employee social security and pension plans.

#### **4.4. Reporting**

The CEO shall report to the Board of Directors pursuant to the Articles of Association of the Company, these Regulations and the separate agreement with the CEO about the regular business activities of the Company, any deviations from the budget and all material incidents and developments affecting the Company.

As soon as practicable after a business reporting period has ended, the CEO shall send to each member of the Board an interim report.

In addition, the CEO shall immediately notify all members of the Board of Directors about all and any extraordinary and/or important events and developments by way of e-mail; in urgent matters, the Chairman (in his absence, the Vice Chairman) of the Board shall be informed by telephone.

## **5. COMMON PROVISIONS**

### **5.1. Signatory Rights**

All members of the Board of Directors (including the Chairman of the Board) and the CEO shall be authorized to sign on behalf of the Company by joint signature.

The Board of Directors shall determine any and all other persons who shall have signatory power for the Company; all signatories shall sign jointly.

### **5.2. Duty of Care and Loyalty**

The members of all executive bodies of the Company shall at all times safeguard and further the interests of the Company, and shall take such steps as are necessary to best protect the interests of the Company.

### **5.3. Confidentiality**

The members of all executive bodies of the Company shall at all times keep strictly confidential all information - except information which is already in the public domain - relating to the Company which such members have learned during the exercise of their duties. Matters discussed during meetings and all minutes thereof shall be kept strictly confidential. Business documents of the Company shall be returned by such members at the latest at the expiry of their term of office.

### **5.4. Conflicts of Interest**

The members of all executive bodies of the Company shall immediately inform the Chairman of the Board if a material conflict of interest arises. In such case, the Board of Directors (excluding the affected member, if applicable) shall decide upon appropriate measures.

The members of all executive bodies of the Company shall abstain from the vote on or the execution of matters which affect, or reasonably might affect, the interests of such members or of a person close to such members. The Board of Directors (excluding the affected member, if applicable) shall decide whether the member affected by a conflict of interest shall be permitted to participate in the relevant deliberations.



Business transactions and contracts between the Company and any and all members of its executive bodies or persons close to such members shall be concluded at arm's length. If need be such transaction or contract shall be appraised by a neutral expert.

#### **5.5. Further Regulations**

From time to time, the Board of Directors may issue additional separate regulations concerning a specific subject as required by law or as may seem fit. Such regulations may have the effect of amending these Organizational Regulations and may supersede the provisions hereof, provided that the conditions of Art. 6.3 hereunder are met when such regulations are issued.

### **6. FINAL PROVISIONS**

#### **6.1. Information of the Public about the Organization of the Company**

Shareholders and Company creditors asserting a legitimate interest shall, upon request, be informed in writing by the Chairman of the Board about the Company's organization.

#### **6.2. Entry into Force**

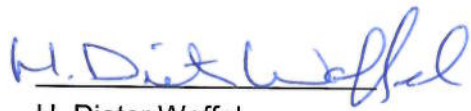
These Regulations were approved by the Board of Directors on October 27, 2015; they shall become effective with immediate effect and supersede and replace all previous organizational regulations of EEII AG.

#### **6.3. Amendments**

These Regulations may be amended, superseded, cancelled or replaced by resolution of the Board of Directors, such resolution requiring the affirmative vote of the majority of the duly elected members.

The Board of Directors may at any time regulate the execution of these Regulations by resolution or adoption of further regulatory statutes or charters.

Zug, October 27, 2015



H. Dieter Waffel  
Chairman of the Board



Beat Imwinkelried  
Secretary of the Board