

General Terms and Conditions of Business

The business relationship with the Pillar 3 pension foundation of Zürcher Kantonalbank (hereinafter referred to as the "Foundation") is governed on the basis of specific legal principles and implementing provisions. In addition, the following is agreed:

1. Orders to the Foundation and verification of their execution by the pension fund member/beneficiary¹

The Foundation shall verify the identity and entitlement of the pension fund member/beneficiary on the basis of their signature and any other means of identification (such as certification, apostille, extract from the family register) which the pension fund member/beneficiary must submit to prove their identity and entitlement in accordance with the instructions of the Foundation.

The pension fund member and the Foundation may communicate by email and the pension fund member may use the electronic channels offered by the Foundation if the pension fund member has concluded an agreement to this effect with Zürcher Kantonalbank (hereinafter referred to as "ZKB") or the Foundation.

When the pension assets are paid out, the Foundation may require the pension fund member/beneficiary to designate an account in their name held with a Swiss bank.

If, in individual cases, the Foundation deviates from the above provisions at the request of the pension fund member/beneficiary, the pension fund member/beneficiary shall bear the loss arising from unrecognised inadequacies with respect to proof of identity and forgeries, unless the Foundation has breached the customary degree of care.

The pension fund member/beneficiary checks immediately upon receipt, but at the latest within 30 days of the date of dispatch of the relevant statement, whether the Foundation has duly carried out the order and informs the Foundation of any errors. After expiry of this period, the statement shall be regarded as approved. If the pension fund member/beneficiary has not received a statement/confirmation of receipt from the Foundation within 10 days of the order being placed, they shall make further representations to the Foundation.

2. The pension fund member's duty to inform the Foundation

The pension fund member is obliged to notify the Foundation without delay of any changes in their address, personal details (in particular civil status), continued gainful employment after reaching ordinary pension age or the termination of this employment, the details of persons receiving substantial support from them, their life companion or any change in the designation of beneficiaries.

The Foundation's communications to the pension fund member/beneficiary shall be deemed legally valid if they have been sent to the last address it has been provided with.

Communications shall be sent to the Foundation in using the forms and languages provided by the Foundation for this purpose. If the pension fund member/beneficiary submits the original or a certified copy (with an apostille if need be) of required documents in another language, the Foundation may also request an officially certified translation from the pension fund member/beneficiary.

The costs for certification or translation shall be borne by the pension fund member/beneficiary. The Foundation may reject communications and documents that do not comply with this requirement. The Foundation is free to answer enquiries from foreign-language pension fund members/beneficiaries in German.

3. Data protection and exchange of information between the Foundation, ZKB and third parties

The Foundation is entitled to use any information available at ZKB from a banking relationship maintained between the pension fund member and ZKB to determine the beneficiaries in the event of death and to update client data.

In addition to ZKB, which provides the services of the Foundation and where the funds of the nominal value savings are invested, the Foundation may also instruct third parties to perform the administrative tasks associated with account management and investments on its behalf. The pension fund member is aware of this and agrees

¹ In order to facilitate readability, only the masculine form is used in these General Terms and Conditions of Business, which, however, also includes the feminine form.

- that their data such as personal details, account number, investment orders, balance notifications may be stored and processed by ZKB and third parties insofar as this is necessary within the framework of this pension scheme agreement.
- that ZKB, as managing director of the Foundation, may on a case-by-case basis use data collected within the framework of the pension relationship within the framework of a banking business relationship maintained by the pension fund member with ZKB, provided the corresponding use of data appears to be necessary for regulatory or administrative reasons and the Foundation informs the pension fund member of the corresponding use of their data by ZKB prior to collection thereof.

4. Claims to the pension assets and assertion thereof

Benefits in the event of death shall be based on the provisions of Article 2 of the Ordinance on the tax deduction for contributions to recognised pension plans (BVV3/OPP3) or, if applicable, on a change notified to the Foundation in accordance with paragraphs 2 and 3 of this regulation, whereby the pension fund member shall use the form prepared by the Foundation for this purpose. Where there is more than one beneficiary within a category, each beneficiary is entitled to equal shares, unless otherwise instructed by the pension fund member. The pension fund member declares Article 2 BVV3/OPP3 to be an integral part of their pension agreement and authorises the Foundation to make payments with discharging effect to the persons known to it at the time of the pension fund member's death. The pension fund member is responsible for ensuring that, if necessary, they are informed about the flexibility and legal consequences of a change in the order of beneficiaries, and they acknowledge that the Foundation will not check the admissibility and clarity of the arrangement they have made.

If, in the dutiful judgement of the Foundation, the entitlement of the pension fund member/beneficiary is not sufficiently proven, the Foundation may demand the submission of further proof before payment is made. In this case, the Foundation may also carry out its own clarifications or have them carried out by third parties and charge the costs for these special expenses to the pension assets.

If several presumed beneficiaries assert competing claims to pension assets and the shares to which they are entitled are disputed and/or not clearly determined, the Foundation may wait until the presumed beneficiaries have agreed on the distribution or a court has ruled on the individual claims before making a payment.

5. Asset investment and securities orders

In addition to or as an alternative to nominal value saving, the pension fund member may invest their vested pension capital in securities investments offered by the Foundation. All securities investments meet the investment guidelines of the Ordinance

on Occupational Retirement, Survivors' and Disability Pension Plans (BVV 2). If the pension fund member makes use of a risk disclosure or product-specific advice offered by the Foundation, the Foundation shall base its decision exclusively on the information provided by the pension fund member to the Foundation in this connection. The choice of a suitable securities investment, and thus the investment decision, is always made personally by the pension fund member. The pension fund member is aware of the opportunities and risks of their chosen investment and is able and willing to bear any associated risk of loss. The pension fund member is also aware that – particularly in the event of a subsequent withdrawal – the securities must be sold upon (partial) termination of the pension relationship and that any price losses must therefore be realised, which can lead to a reduction in the pension assets.

If the pension fund member issues the Foundation with a subscription or redemption order for securities investments, the Foundation shall carry out the transaction in its own name, debiting or crediting the pension fund member's pension account. The pension fund member shall not issue subscription and redemption orders to the Foundation in respect of investments by fax and/or email.

The Foundation may refuse to execute subscription orders and liquidate the securities investment held in its own name but acquired for the account of the pension fund member, if the Foundation, in its dutiful judgement, deems itself obliged to do so. In addition to investment-specific restrictions, this may also be the case if the securities investment proves to be unsuitable for the pension fund member due to the pension fund member's domicile and/or belonging to a foreign country. However, the Foundation is not obliged to carry out a corresponding check. The pension fund member acknowledges that the Foundation in particular prepares documentation and information in accordance with Swiss law and is therefore responsible for checking whether these documents/information enable them to fulfil their declaration obligations under any foreign legal systems applicable to them.

The pension fund member is aware that in the case of securities investments issued by Swisscanto, there may be greater added value with Zürcher Kantonalbank as the founder than with securities investments from other providers. The pension fund member accepts this potential conflict of interest in the securities investments available to them. The Foundation has implemented the measures required within the framework of the statutory loyalty requirements so that there are no concrete conflicts of interest to the detriment of the pension fund member or, in the case of unavoidable conflicts of interest, these do not have a detrimental effect on the pension fund member.

6. Interest and fees

The pension assets bear interest until termination of the pension agreement.

The Foundation may charge fees and demand reimbursement of external costs to cover its expenses and as compensation for the management and administration of pension assets, both nominal value and securities-based savings. These are charged directly to the pension account. The pension fund member is responsible for ensuring that their account balance is sufficient to cover the costs and fees. Otherwise, the Foundation is authorised to sell any securities held by the pension fund member in order to create the necessary liquidity, as if the pension fund member had ordered the Foundation to that effect. If the pension fund member holds several securities investments at the time of the sale initiated by the Foundation, these are sold proportionately, based on the respective equivalent value in CHF.

The pension fund member is notified of the currently valid fee tariff by means of the "Schedule of Fees" appendix. The interest rate and the schedule of fees are also published on the ZKB website and adjusted in the event of a change. The pension fund member recognises and acknowledges that the current version of the interest rate and schedule of fees shall apply.

7. Termination of the pension agreement

The pension fund member may terminate the pension agreement prematurely within the scope of the statutory grounds for termination. Furthermore, the pension agreement is terminated upon the death of the pension fund member or – in the event of survival – no later than five years after reaching the normal retirement age and the credit balance due for repayment. In the event that the pension fund member/beneficiary does not claim the due pension assets, the Foundation is authorised to transfer the assets to a non-committed account of the pension fund member/beneficiary with ZKB with releasing effect for the Foundation.

The pension fund member may transfer a not-yet-due pension balance to a retirement benefit plan (pension fund) or a pension scheme/other institution of committed 3a pension provision. In the event that the Foundation wishes to terminate the pension agreement at its dutiful discretion, the pension fund member commits himself to liquidate the investments and to transfer the not-yet-due credit balance to a pension scheme/other institution of committed 3a pension provision. The Foundation may reduce the interest until this obligation has been met.

The request for payment includes the order to the Foundation to sell the investments in order to create the necessary liquidity. The Foundation may sell the investments at the time of the death of the pension fund member – or in the event of survival no later than five years after reaching the normal retirement age – without the pension fund member or beneficiary having to instruct it to do so.

8. Amendments to the General Terms and Conditions of Business

The Foundation reserves the right to amend the General Terms and Conditions of Business at any time. Amendments shall be notified to the pension fund member in good time and in a suitable manner so that, if they do not accept the amendments, the pension fund member may switch to a different foundation before the new General Terms and Conditions of Business come into effect.

These General Terms and Conditions of Business integrally replace the previous General Terms and Conditions of Business of the Pillar 3 pension foundation of Zürcher Kantonalbank.

9. Applicable law and place of jurisdiction

All legal relationships between the Foundation and the pension fund member or their beneficiaries are governed by **Swiss law**. Subject to mandatory jurisdiction, the parties agree that the exclusive **place of jurisdiction is Zurich 1**. However, the Foundation also reserves the right to pursue legal proceedings against the pension fund member through the relevant competent court of their place of residence or any other competent court.

Zurich, November 2019

The Board of Trustees

Schedule of fees

All-in fee

The all-in fee is the price that includes all fees for frankly with the exceptions listed below:

	Fee
Opening an account	included in all-in fee
Account administration	included in all-in fee
Closing an account	included in all-in fee
Investments/sales	included in all-in fee
Custody of the securities portfolio	included in all-in fee
Advance withdrawal for home ownership assistance programme	included in all-in fee
Pledging for home ownership assistance programme	included in all-in fee
Flat fee of the investment product	included in all-in fee

The all-in fee does not include any issue and redemption fees for indexed investment products or any fees and additional costs charged directly to the investment product (e.g. bid-ask spreads, commissions, taxes, duties and the total expense ratio (TER) of exchange-traded real estate funds). Detailed explanations in this regard can be found in the generally binding documents of the investment products and the FAQs at frankly.ch.

The all-in fee is calculated based on the daily determination of the account balance and the equivalent value of the securities investments in CHF and is charged as a rounded amount to the pension account per quarter at the beginning of January, April, July and October for the respective previous period. In the event of account closure before the regular quarterly due date, the all-in fee may be charged immediately on a pro rata basis.

The Foundation may, at its own discretion, grant discounts on the all-in fee (e.g. a frankly Community discount) in favour of the customer. The customer has no legal claim to the granting of any discount and the Foundation may revoke the latter in whole or in part at any time or amend its terms and conditions.

If a frankly Community discount is granted, it will be calculated on the basis of the total assets of frankly (the sum of all account and securities balances of all customers). The at the end of the quarter exceeded level in the discount level plan determines back-dated the frankly Community discount to be applied for that billing period.

The frankly Community discount may be lower or revoked altogether in the following billing period if a reduction in the total assets of the frankly Community means a relevant level at the end of the quarter is no longer reached.

For billing within a quarter, the last available balance of the frankly total assets will be used to determine the frankly Community discount.

The next levels and discounts are listed in the frankly app.

Other fees

	Fee
Re-order of banking documents	CHF 3 per document (minimum CHF 10 per order)
Address searches/enquiries for dormant pillar 3 credit balances	CHF 50 per enquiry

In the case of special expenses incurred by the Foundation (such as time-consuming correction postings or disproportionately many transactions caused by the pension fund member), fees may be charged at standard bank rates.

The pension fund member is notified of the currently valid fee tariff on the website of Zürcher Kantonalbank and in the frankly app. The published tariff applies in each case.