

## Information Sheet for the clients of Bank Hottinger & Cie AG

### I. CURRENT SITUATION OF BANK HOTTINGER & CIE AG

With a ruling of 23 October 2015 the Swiss Financial Market Supervisory Authority FINMA withdrew the license of Bank Hottinger & Cie AG (hereinafter "Bank Hottinger") as a bank and securities dealer. At the same time FINMA opened bankruptcy proceedings against Bank Hottinger with effect from 26 October 2015, 8:00 am.

The FINMA appointed attorneys-at-law Brigitte Umbach-Spahn and Karl Wüthrich both from Wenger Plattner attorneys-at-law, Seestrasse 39, 8700 Küsnacht, Switzerland as bankruptcy liquidators.

The business of Bank Hottinger was stopped with the opening of the bankruptcy proceedings. Bank Hottinger is no longer authorized to engage in any transactions involving banking or securities trading. The bank's capability of disposal and of entering into commitments regarding its assets have been transferred to the bankruptcy liquidators.

### II. OVERVIEW OF THE PLANNED BANKRUPTCY LIQUIDATION PROCEDURE

#### A) In general

The bankruptcy liquidators are currently trying to get an overview of the financial situation and the client relationships of Bank Hottinger. This will create the pre-conditions for the payment of the secured deposits up to a maximum of CHF 100'000, the segregation of custody account assets as well as for a fast and smooth bankruptcy procedure.

#### B) Execution of transactions involving banking and securities trading

Transactions involving banking and securities trading such as the execution of payments, the purchase and the sale of securities etc. cannot be executed for the time being. Asset management contracts were terminated at the time of the

opening of the bankruptcy proceedings (subject to contrary contractual agreements).

**C) Payment of the secured deposits up to a maximum of CHF 100'000**

The Swiss Banking Act provides that client deposits up to a maximum of CHF 100'000 are privileged in the 2<sup>nd</sup> class. Those deposits will be paid out immediately in case of bankruptcy. The bankruptcy liquidators are currently preparing those payments.

**D) Segregation/Handing out of custody account assets**

Custody account assets held in the custody accounts of clients are not part of the bankrupt estate of Bank Hottinger. Therefore, those custody account assets can be handed out to the clients quickly. The bankruptcy liquidators are currently creating the preconditions for the handing out of the custody assets.

**E) The estate will not enter into continuing agreements**

Provided that the bankruptcy liquidators do not explicitly declare the entry into an existing continuing agreement such as rental or leasing agreements, the estate will not enter into existing continuing agreements.

**F) Information of bank clients**

The bankruptcy liquidators will inform the bank clients about the details regarding the payment of secured deposits up to a maximum of CHF 100'000 and the handing out of the custody account assets as well as about the further course of the bankruptcy procedure.

After the press release concerning the opening of the bankruptcy proceedings by the FINMA a hotline of the liquidators +41 43 222 38 30 (German), +41 43 222 38 40 (French), +41 43 222 38 50 (English) will be available for further information.

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