



Articles of Incorporation

Edition 18th December 2007

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I. Name, Place of Incorporation, Duration and Purpose of the Corporation

Art. 1 Name, Place of Incorporation - Duration

Under the name of:
Cornèr Banca S.A.
Cornèr Banque S.A.
Cornèr Bank AG
Cornèr Bank Ltd.

a corporation exists with place of incorporation in Lugano.

The corporation's duration shall be unlimited.

Art. 2 Purpose

The corporation's purpose is the operation of a bank. The field of activity extends to all kinds of banking and financial operations, consultancy, business services in Switzerland and abroad, offered to Swiss and foreign, private, business and institutional customers.

The corporation may purchase, mortgage or sell real estate both in Switzerland and abroad.

The corporation may set up branches, other subsidiaries and agencies both in Switzerland and abroad, as well as create and manage banks, finance companies and other enterprises or acquire shares of interest therein.

II. Share Capital

Art. 3 Share Capital

The share capital amounts to 12 million francs and is divided into 120,000 registered shares with a nominal value of CHF 100.00 each, fully paid in.

In lieu of shares the corporation may issue certificates representing a specific number of shares. Such certificates may be exchanged at any time against others representing less shares or against a corresponding number of shares.

The ownership of or beneficial interest in a share or a share certificate, as well as any exercise of a shareholder's rights, shall imply acceptance of the corporation's articles of incorporation.

By amending the articles of incorporation the general meeting may at any time convert registered shares into bearer shares and vice versa.

Art. 4 Limitations on the Transferability of Shares

The board of directors keeps a share register listing names and addresses of the owners and usufructuaries of registered shares.

For corporations only the persons entered in the share register are considered to be shareholders or usufructuaries.

The transfer of registered shares requires in any event the board of directors' approval; the board may delegate this prerogative to an executive committee as defined in the articles of incorporation.

Such approval may be denied on serious grounds, and specifically for the purpose of:

- a) excluding acquirers who manage, have an interest in or are in the running of an enterprise which is in competition with the object of this corporation; or
- b) rejecting the acquisition or holding of shares on behalf or in the interest of third parties; or
- c) precluding a transfer of shares that would jeopardize the corporation's license to carry on a banking activity.

The board of directors, or the executive committee if any, may also reject a request for approval - without stating the reasons for its rejection - if it offers to take over the shares (on behalf of the corporation, of other shareholders or of third parties) at their real value at the time of the request.

No entries shall be made into the shares register from the day when the notice calling a general meeting is issued to the day following the meeting itself.

The owners and usufructuaries of a registered share must notify any change of their address. Until such notice has been received, all relevant correspondence will be properly communicated to the last address entered in the share register.

III. Corporate Bodies

Art. 5 Corporate bodies

The corporate bodies are:

- a) the general meeting
- b) the board of directors
- c) the general management
- d) the auditors

A. General meeting

Art. 6 Powers

The general shareholders' meeting is the supreme corporate body.

It is endowed with the following inalienable powers:

- a) Approving and amending the articles of incorporation;
- b) Appointing directors and the members of the auditors;
- c) Approving the annual report and consolidated financial statement;
- d) Approving the annual financial statements and resolving upon the use of balance sheet profits, especially with respect to the determination of any dividends and profit-sharing;
- e) Granting release to the board of directors from all liability for the administration of the company;
- f) Resolving on issues reserved to it by the law or the articles of incorporation.

Art. 7 Authority to Call Meetings

The general meeting is called by the board of directors and, if need be, by the auditors, subject to the provisions of Art. 699 par. 3 Code of Obligations.

The regular shareholders' meeting is held every year within the 4 months following the close of the fiscal year. Shareholders are called to special meetings whenever the board of directors or the auditors deem it necessary. One or more shareholders representing together at least ten percent of the share capital may also - in writing and by stating the reasons - ask that a general meeting be called.

Art. 8 Procedure for Calling Meetings

General meetings are called by giving written notice to the holders of registered shares at least 20 days prior to the date set for the meeting. The notice shall list the agenda and the proposals to be discussed as well as - in the event of an ordinary general meeting - the indication that the management report and the auditors report may be inspected and perused at the head offices of the corporation.

Matters that have not been properly listed in the agenda may not be debated, except for proposals to call a special general meeting or to perform a non-ordinary audit. There shall, however, be no need to communicate in advance any motions tied to items on the agenda nor any matters to be discussed without an ensuing vote.

The owners or representatives of all shares may, so long as no one objects, hold a general meeting even without complying with the formalities required to call such a meeting. So long as they are in attendance, such a meeting is entitled to validly resolve and rule on any issues that are within the competences of the general meeting.

Art. 9 Chairman, Officers of the Meeting and Minutes

The general meeting is chaired by the chairman of the board of directors or, if he is unavailable, by a vice chairman or by another director designated by the board.

The meeting chairman designates a vote-teller and the meeting's recording secretary.

The minutes of the general meeting shall be signed by the chairman and by the meeting's recording secretary.

Art. 10 Voting Rights

Each share entitles the holder to one vote.

Art. 11 Decision-Making Powers

Subject to the mandatory provisions of law or the articles of incorporation, a general meeting is properly entitled to act if the number of shareholders who are present or represented reaches one third of the share capital.

If a first general meeting does not fulfill these requirements, another meeting may be called no earlier than 8 days following the first one. This second general meeting shall have full authority to pass resolutions even if the attendance quorum called for in the preceding paragraph is not met.

Unless the law or the articles of incorporation provide otherwise, the general meeting adopts its resolutions and elects its officers by an absolute majority of the votes cast by the shares represented at the meeting. In the event of a tie, the motion is deemed to have been rejected.

Unless the law or the articles of incorporation provide otherwise, the general meeting adopts its resolutions and elects its officers by an absolute majority of the votes cast by the shares represented at the meeting. In the event of a tie, the motion is deemed to have been rejected.

Voting procedures shall be set by the meeting.

B. Board of directors

Art. 12 Powers

The board of directors is in charge of running the company's affairs as well as of supervising and monitoring management.

In addition, the board of directors may rule on all matters which do not by law or under the articles of incorporation fall within the jurisdiction of the general meeting or of another corporate body.

However the board of directors may delegate management and/or supervisory/monitoring tasks to individual directors or to others as per the organization rules.

Art. 13 General Running of Affairs

The general running of affairs consists in particular of

- a) examining and preparing the proposals to be submitted to the general meeting;
- b) issuing the rules and regulations needed to run the bank, to delimit jurisdictions, on issues of information and reporting, and more particularly the organization rules;
- c) issuing the rules and regulations needed to run the bank, to delimit jurisdictions, on issues of information and reporting, and more particularly the organization rules;

- d) instituting any committees that are entrusted to support it, notably the executive committee and the audit committee, and instituting the general management by appointing and revoking its members;
- e) appointing and revoking any other persons authorized to manage and represent the corporation, subject to the right of the board of directors to delegate such authorities under the organization rules to an executive committee of board members or to the general management;
- f) appointing and revoking the internal auditors;
- g) defining the general investment, risk and credit policy, upon proposal by the general management;
- h) regulating, instituting, maintaining, monitoring and checking regularly on the existence of an adequate internal auditing structure that takes into account, in particular, the bank's size, complexity and risk profile and that will ensure that all significant risks to which the corporation is exposed are identified, limited and monitored;
- i) designating the auditors required by the Federal Law on Banks and Savings Banks

Art. 14 Supervision and Monitoring

The board of directors is responsible for regulating, instituting, maintaining, monitoring and checking regularly on the existence of an adequate internal auditing structure.

By setting up a structure for internal auditing based on the systematic analysis of risks and conducting the necessary monitoring and supervision, the board of directors ensures that all significant risks to which the bank is exposed are identified, limited and monitored.

Art. 15 Election and Term of Office

The board of directors consists of at least 7 members elected by the general meeting for a three year term.

Directors may be re-elected.

With regard to professional competence, experience and availability, as well as independence, prevailing banking regulations apply.

The board of directors designates among its members the chairman and at least one vice chairman, as well as the secretary of the board who is not required to be a member thereof.

Art. 16 Executive Committee

The board of directors may set up within itself an executive committee made up of at least three members and endow it, through the organization rules, with specific powers and/or rights.

Art. 17 Audit Committee

The board of directors sets up within itself an audit committee made up of at least three members and endow it, through the organization rules, with specific powers and/or rights.

Art. 18 Call to Meetings

The board of directors meets - whenever business requires, but at least once every 3 months - on the invitation of the chairman or at the request of a member.

Art. 19 Decisions and Minutes

The board of directors may not rule if a majority of its members is not present. Decisions may be adopted by written consent so long as no director demands an oral debate.

Meetings of the board of directors may also be held by teleconference, videoconference or using similar means of communication. In such events, the identification of the participants must be guaranteed and the possibility of their viewing documents and participating in the debate in real time must be ensured. Meetings are deemed to have been held in the place where the chairman or acting chairman is located.

The board of directors adopts decisions and makes appointments by an absolute majority of the votes cast.

Every director is entitled to one vote.

In the event of a tie the chairman's vote shall prevail.

Decisions and elections/appointments must be recorded in writing and the relevant minutes must be signed by both the chairman and the secretary.

Art. 20 Conflicts of Interest

Directors must refrain from participating in debates and voting during board meetings on issues which concern them personally or a close relative of theirs or a company in which they have a direct or indirect interest.

Art. 21 Fees

Directors shall receive an adequate fee that is to be charged to the corporation's profit and loss account.

The board of directors sets the amount of the fee, taking into consideration the time devoted to the corporation's business, the services rendered and the responsibilities of each director.

C. General Management

Art. 22 Organization and Powers

The general management consists of at least two members. One of its members ranks as chief executive officer, while the others are ranked as executive vice presidents.

This body is responsible for running the business affairs and represents the corporation toward third parties.

The prerogatives of this body are defined in the organization rules issued by the board of directors.

Art. 23 Duties

In particular, the general management shall:

- a) submit to the board of directors, and to the executive committee - if any - appointed by the latter, its proposals concerning the management of the corporation's affairs in general and of those within the jurisdiction of the aforesaid bodies specifically;
- b) carry out the decisions of the board of directors;
- c) work out the directives needed to run the affairs of the main office and of branches, agencies or representative offices;
- d) keep the board of directors informed of the corporation's affairs on a regular basis.

D. Auditors

Art. 24 Auditors

The board of auditors consists of one or more members elected by the general meeting for a one-year term. It may be re-elected.

The auditors must comply with the provisions of Art. 728 et seq. of the Code of Obligations.

IV. Signature Authority

Art. 25 Signature Authority

As a rule, the corporation is bound by the joint signature of two authorized signatories.

In the organization rules the board of directors regulates any exceptions and determines the manner and form of the corporate signature.

V. Closing of Accounts, Distribution of Profits, Reserve Funds

Art. 26 Annual Accounts

The annual and consolidated accounts close as of December 31st and must be drawn up consistently with Art. 662 et seq. of the Code of Obligations, with the Federal Commercial and Savings Bank Act and with the directives of the proper federal bank monitoring body regarding the preparation of the accounts.

Intermediate book closings are made consistent with banking laws.

Art. 27 Distribution of Profits

The balance-sheet profit is made available to the general meeting which resolves on its use subject to compliance with the provisions on appropriations to the general legal reserve fund

Art. 28 Reserve Funds

Five percent of the net profit of the fiscal year shall be assigned to the general legal reserve so long as the said reserve fund has reached twenty percent of the share capital. Subject to the provisions of law and especially of Art. 5 par. 1 of the Federal Commercial and Savings Bank Act, any remaining balance shall be at the disposal of the general meeting.

The board of directors decides with respect to the reserves set up under the articles of incorporation that may be assigned in compliance with the law (Art. 672 and 673 CO).

VI. General Provisions

Art. 29 Official Notices and Communications

The official publication organ for corporate notices is the Swiss Official Gazette of Commerce (SOGC).

Calls to meetings and notices to the owners and usufructuaries of registered shares shall be communicated in writing to the addresses shown in the shares register.

Art. 30 Bank Secrecy and Professional Secrecy

Members of the corporate bodies and all of the corporation's employees shall, both during their employment and upon leaving the company, be bound to maintain the utmost secrecy with respect to the affairs of the bank and of its clients as well as with regard to all of the corporation's inside information that may have come to their knowledge.

VII.Liquidation

Art. 31 Liquidation

If a decision is made to dissolve the corporation, the board of directors shall be in charge of the liquidation unless others are entrusted with the task by resolution of the general meeting.

After the settlement of liabilities and the reimbursement of paid-in capital, the balance of the wind-up proceeds shall be distributed to the entitled parties in a manner proportionate to their respective rights.

These Articles of incorporation were adopted by the extraordinary shareholders' meeting held on 14th December, 2007 and approved by the Federal Banking Commission on 18th December, 2007. They replace and supersede those dated 6th May, 1997.