



General Terms and Conditions

Vaduz, November 2009

General Terms and Conditions

1.

Duration and Charges

Generally, legal relationships between the Client and VP Bank are for an unspecified term. VP Bank charges the Client the appropriate considerations for its services.

2.

Power of Disposal

Notwithstanding any statements to the contrary in the Commercial Register or other published documents and until a written notice of revocation has been received, the power of disposal in transactions with VP Bank shall be governed exclusively by the list of signatures of persons authorized to sign for the Client that has been submitted to VP Bank in writing.

3.

Verification of Identity

VP Bank undertakes to check the power of disposal conscientiously. In particular, VP Bank is entitled to request substantiating documents for this purpose. Any loss or detriment arising from forgeries or failure to detect defects with regard to identification shall be borne by the Client, insofar as VP Bank is not guilty of gross negligence.

4.

Lack of Capacity to Act

Any loss or detriment arising from the Client's lack of capacity to act or from his authorized representative's lack of capacity to act shall be borne by the Client.

5. Execution of Orders / Reservation regarding Clarification

Orders shall be executed by VP Bank with due diligence. The processing of orders relating to financial instruments shall be in accordance with the principles for the execution of transactions in financial instruments in force at the time ("Best Execution Policy").

If VP Bank needs further information or instructions in order to execute an order of the Client and is unable to obtain such information or instructions from the Client in good time, whether because the Client has requested VP Bank not to contact him or because VP Bank is unable to reach him, VP Bank reserves the right in doubtful cases and for the protection of the Client to refrain from executing the order. The Client shall be responsible for the timely placing of orders that are tied to a specific execution date.

The liability of VP Bank for non-execution or faulty or delayed execution of duly placed orders is limited to the timely payment of interest (liability for loss of interest), unless VP Bank was expressly made aware in writing of the risk of further loss or detriment in an individual case.

VP Bank is not obliged to execute orders for which no cover or credit line is available. If the Client places several separate orders for a total amount that exceeds his available credit balance or the credit facilities extended to him, VP Bank shall have the right to decide at its own discretion which orders are to be executed in whole or in part, possibly taking into consideration the date of the orders and the time they were received.

VP Bank cannot be made liable for any delay in the execution of orders that arises in connection with compliance with legal obligations (in particular, with obligations under the Due Diligence Act).

The receipt of extraordinary amounts shall entitle VP Bank to decide, at its own discretion and after clarification of the precise circumstances, whether to credit the amount to the Client's account or to reverse the transfer.

VP Bank furthermore reserves the right, even in the case of assets that have already been credited to the Client's account, to transfer the assets back to the originating bank if VP Bank does not receive adequate documentation regarding the background and origin of the assets within a useful period. Finally, VP Bank is not obliged to execute orders placed by electronic means unless a special agreement has been made for the placing of orders in this way.

6.

Errors in Transmission

Any loss or detriment arising from the use of post, telegraph, telephone, telex, fax, other electronic or non-electronic transmission media or transport facilities – particularly as a result of loss, delay, misunderstandings, mutilations or duplications – shall be borne by the Client, insofar as VP Bank is not guilty of gross negligence.

7.

Recording of Conversations

VP Bank may record telephone conversations on sound-recording media to the extent that is customary in the financial services industry and may use such recordings as evidence should the need arise.

8.

Communications by VP Bank

All communications by VP Bank shall be deemed to have been made if they have been sent to the last address specified by the Client – or to another address for the Client's protection – or if they have been retained at the Client's disposal. The date of the copies or mailing documentation held by VP Bank shall be deemed to be the time of dispatch.

Correspondence retained by VP Bank on the instructions of the Client shall be deemed to have been delivered on the date shown upon it. On the basis of the appropriate instructions, VP Bank is also entrusted with the task of receiving any correspondence addressed to VP Bank by third parties but intended for the Client and to deposit such correspondence exclusively in the retained correspondence file, even if it has been opened by VP Bank. VP Bank is expressly released from any further action in this regard.

The Client bears all risks and liability for loss or detriment that can arise from the retention of his correspondence and agrees that correspondence retained in accordance with his instructions shall be deemed to have been delivered to him with legal effect. Retained correspondence shall be stored by VP Bank for a period of three years and then destroyed.

VP Bank's employees are further entitled to consult the Client's retained correspondence file in preparation for a discussion with the Client.

9.

Obtaining Information on the Client / Communications by the Client

In order to carry out its services, VP Bank must obtain various items of information from the Client. It is in the interests of the Client to provide VP Bank with this information, because otherwise the provision of services by VP Bank can be rendered impossible (rules relating to avoidance of dormant accounts, QI, EU withholding tax, MiFID, due diligence requirements and the like).

VP Bank is entitled to rely on the accuracy of the information obtained from the Client, unless it knows or should know that such information is obviously outdated, inaccurate or incomplete. The Client undertakes to inform VP Bank immediately in writing in the event of changes in the information that he has provided to VP Bank.

Dormant accounts will be maintained and the charges incurred will be applied to them. Dormant accounts that show a debit balance may be closed immediately.

10.

Complaints

Complaints by the Client in connection with faulty execution or non-execution of orders of any kind or in connection with other communications or actions by VP Bank must be lodged immediately upon receipt of the relevant notification and at the latest within the time specified by VP Bank. If a notification expected from VP Bank is not received, the complaint must be lodged at the time at which the Client ought to have received the notification by usual mail delivery. If a complaint is delayed, the Client forfeits any claim to damages. Complaints about statements must be made in writing within one month from the date of dispatch of the statement. Upon expiry of this period the statement shall be deemed to have been approved as correct. Express or tacit

approval of a statement includes approval of all items that it contains and of any reservations made by VP Bank.

11.

Account Transactions

Closing entries and the crediting and debiting of agreed or customary interest, commissions, charges, expenses and any taxes are carried out quarterly, half-yearly or annually at VP Bank's discretion.

Taxes, dues and expenses shall be borne by the Client.

VP Bank reserves the right at any time to adjust its interest and commission rates to changed market conditions and to inform the Client accordingly by suitable means.

12.

Foreign Currency Accounts

Any deposits by the Client in foreign currency are placed with correspondents in the name of the VP Bank but for the account and at the risk of the Client. The Client shall bear in particular the risk of legal or official restrictions and shall be liable for taxes and levies in all countries concerned. The Client may dispose of his foreign currency credit balance by means of sale, the drawing of checks or transfer, but not otherwise without the consent of VP Bank.

Crediting and debiting of amounts in foreign currency shall be conducted in Swiss francs at the exchange rate effective on the day on which the amount concerned is credited or debited at VP Bank, unless the Client has issued special instructions or holds an account in the foreign currency concerned. If the Client holds accounts only in foreign currencies, VP Bank may credit or debit the amount concerned in one of these currencies.

13.

Bills of Exchange, Checks and Similar Instruments

VP Bank shall be entitled to re-debit credit entries made on the basis of bills of exchange submitted for collection or discounted bills, checks and similar instruments, if the instruments are not paid or if the proceeds are not freely disposable. VP Bank shall retain all rights in connection with such instruments until any amount due to VP Bank has been paid.

14.

Stock Exchange Transactions, Trading and Brokerage

When executing orders for the purchase and sale of securities, derivative products and other assets, VP Bank acts in relation to the Client as an agent or as principal.

To explain the risks involved, VP Bank refers the Client especially to the "Risks in Securities Trading" booklet published by the Liechtenstein Bankers' Association.

15.

Multiple Parties to a Contract

A business relationship may be established with several clients as contracting parties. In this case, all the parties to the contract are jointly and severally liable for any claims by VP Bank.

16.

Banking Secrecy

Members of VP Bank's organs, its employees and authorized agents have a legal obligation to maintain secrecy in respect of facts to which they have access on the basis of business relationships. This obligation is unlimited in time. This obligation does not affect legal duties to provide information.

17.

Data Processing

In order to execute funds transfer orders (payment orders), VP Bank is obliged to ensure that the transfer is accompanied by personal data relating to the originator of the transfer, namely the originator's name, address and account number.

These data thereby become known to the banks and system operators involved in the transaction (for example SWIFT or SIC) and as a rule also to the beneficiary. The use of funds transfer systems can mean that orders are executed through international channels and that the originator's data are thereby communicated to a foreign country. In such cases, the data are no longer protected by Liechtenstein law, in particular by the Data Protection Act, and there is no longer any assurance that the level of protection for these data will correspond to that prevailing in the Principality of Liechtenstein. Foreign laws and official regulations may oblige the foreign banks and system operators involved to disclose these data to third parties.

18.
Asset Management

On the basis of special agreements, VP Bank also provides full asset management services and performs a wide range of trust functions.

19.
Public Holidays and Saturdays

Liechtenstein public holidays and Saturdays are regarded as equivalent to Sundays for the purpose of business transactions.

20.
Special Remunerations (Inducements/Retrocessions)

VP Bank reserves the right to grant remunerations to third parties for the acquisition of clients and/or the provision of services. In particular, the calculation basis for such remunerations may be the commissions, fees, etc., charged to the Client and/or the amount of the assets placed with VP Bank. The amount of the remunerations is usually calculated as a percentage of the calculation basis applied.

On request VP Bank will at any time disclose further particulars of agreements made with third parties in this regard. The Client hereby waives any right to demand more extensive information from VP Bank, with the particular effect that

VP Bank has no obligation to provide a detailed statement of the remunerations actually paid.

The Client notes and accepts that third parties (including VP Bank subsidiary companies) may grant to VP Bank remunerations in the form of service fees and execution fees (payable, for example, out of issue and redemption commissions) in connection with the acquisition/sale of collective capital investments, certificates, notes, etc. (hereinafter referred to as products; these may include products managed and/or issued by a subsidiary company of VP Bank). The size of such remunerations varies according to the product and the provider.

Service fees in this connection are usually calculated on the basis of the volume of a product or product group held by VP Bank. Their amount is usually a percentage of the management fees charged to the product concerned and paid periodically while the product is held.

Execution fees are non-recurring payments. Their amount is a percentage of the issue and/or redemption price concerned. Additionally, sales fees may also be paid by issuers of securities in the form of discounts from the issue price or in the form of non-recurring payments in an amount expressed as a percentage of the issue price. Subject to rules to the contrary, the Client may at any time before or after the provision of the service (purchase of the product) demand that VP Bank furnish further particulars of the agreements made with third parties concerning such remunerations. However, the right to receive information concerning further particulars of executed transactions is limited to transactions during the twelve months preceding the request.

The Client expressly waives any right to demand more extensive information. If the Client demands no further particulars before provision of the service or if he avails himself of the service after further particulars have been provided, he waives any right to restitution provided for under § 1009 of the General Civil Code (Allgemeines Bürgerliches Gesetzbuch; ABGB).

21.

Outsourcing

VP Bank shall be entitled, without the express written consent of the Client, to outsource individual business sectors or parts thereof to third parties (for example, VP Bank subsidiaries) domiciled in the Principality of Liechtenstein.

22.

Right of Lien and Right of Set-Off

For all its claims against the Client, irrespective of their due dates or currency and including those arising from loans granted without security or secured by specific collateral, VP Bank has a right of lien on all assets that it holds for the account of the Client at its own premises or elsewhere and a right of set-off relating to all receivables.

In the event of default by the Client, VP Bank shall be authorized and entitled at any time to set off against each other the balances on all accounts of the Client, irrespective of their designation or currency, or to make claims against them individually or to realize freely or by enforced sale the assets on which it has a right of lien.

23.

Termination

VP Bank reserves the right at any time and at its own discretion to terminate existing business relationships, and in particular to cancel agreed or granted lines of credit and to demand immediate payment of all its claims without further notice.

Even where a period of notice exists or a due date has been agreed, VP Bank shall be entitled to terminate business relationships with immediate effect if the Client is in default as to the performance of any obligation, or if his financial situation has deteriorated substantially, which may be assumed to be the case especially in the event of his insolvency, the initiation of execution proceedings against him or the protesting of bills of exchange accepted by him.

24.

Amendments to the General Terms and Conditions

VP Bank reserves the right to amend its General Terms and Conditions at any time. The Client will be informed of such amendments by suitable means and will be deemed to have approved them unless a notification to the contrary is received within a period of one month.

25.

Applicable Law and Jurisdiction

Legal relationships between the Client and VP Bank are governed by Liechtenstein law. The place of performance, the place of enforcement against clients resident abroad or having their registered office abroad and the exclusive venue for any proceedings at law is Vaduz. However, VP Bank also has the right to take legal action against the Client before any competent court or any competent authority.

26.

Validity

These General Terms and Conditions were adopted by the Group Executive Management on September 3, 2007, and come into force on November 1, 2007. They supersede previous versions.

In case of inconsistencies, the German language version of these General Terms and Conditions shall prevail over versions in other languages.

Provisions Governing Payment Services

1. Scope of Application

These Provisions Governing Payment Services apply to transactions executed by VP Bank via a payment account. For consumers, they constitute a framework contract within the meaning of the Law on Payment Services of the Principality of Liechtenstein (Zahlungsdienstegesetz, ZDG).

These Provisions Governing Payment Services form an integral part of the VP Bank General Terms and Conditions and supplement the latter. In the event of contradiction between these Provisions Governing Payment Services and the General Terms and Conditions, the former shall prevail.

The provisions set out in Chapter 2 below apply to the provision of payment services in general. By contrast, Chapter 3 applies only to the provision of domestic and cross-border payment services in or from member states of the European Economic Area (EEA) denominated in euro or in the currency of an EEA member state that is not part of the euro zone.

Therefore Chapter 3 does not apply to payment transactions to or from Switzerland or other third countries (with the exception of Section 3.2) or to payments in currencies other than those specified.

The following sections apply only to consumers within the meaning of the Payment Services Act: 2.9, 3.3 paragraph 3, 3.4.4, 3.5.3, 3.5.4, 3.5.6 and 3.5.8.

2. Common Provisions

2.1

Definitions

The key terms used in the provisions set out below are defined as follows:

- **Consumer**
A natural person acting for purposes other than his trade, business or profession.
- **Unique identifier**
A combination of letters, numbers or symbols specified to the payment service user by the payment service provider and to be provided by the payment service user in order to identify unambiguously the other payment service user and/or his payment account for a payment transaction (example: IBAN = International Bank Account Number).
- **Payer**
A natural or legal person who holds a payment account and allows a payment order from that payment account, or, where there is no payment account, a natural or legal person who gives a payment order.
- **Payment order**
Any instruction by a payer or payee to his payment service provider requesting the execution of a payment transaction.
- **Payment services**
Essentially, payments into or out of payment accounts, credit transfers, direct debits and card payments.
- **Payment service provider**
The bank (or, where applicable, the post office giro institution, electronic money institution or payment institution, etc.) of the payer or payee.
- **Payment service user**
A natural or legal person making use of a payment service in the capacity of either payer or payee, or both.

- **Payee**
A natural or legal person who is the intended recipient of funds which have been the subject of a payment transaction.
- **Payment instrument**
Any personalized device(s) and/or set of procedures agreed between the payment service user and the payment service provider and used by the payment service user in order to initiate a payment order.

2.2

The Main Characteristics of Payment Services

For a description of the main characteristics of payment services, the reader is referred to the brochure "VP Bank Accounts and Payment Services".

2.3

Language and Means of Communication

The language of contract between VP Bank and the payment service user shall be the correspondence language chosen by the latter. The payment service user can choose between German, English and French and shall receive contractual documents and other client documents in the language selected.

As a rule, VP Bank shall communicate with the payment service user in writing. Orders and notifications by telephone, fax or VP Bank e-banking shall be accepted only on the basis of a separate written agreement. If such an agreement exists and the payment service user uses one of these channels to communicate with VP Bank, the latter reserves the right to contact the payment service user in the same way.

2.4

Execution and Refusal of Payment Orders in General

2.4.1 Execution of Payment Orders

Payment orders shall be executed by VP Bank with due diligence. If VP Bank needs further information or instructions in order to execute a payment order and is unable to obtain such information or instructions from the payment service

user in good time, whether because the payment service user has requested VP Bank not to contact him or because VP Bank is unable to reach him, VP Bank reserves the right in doubtful cases and for the protection of the payment service user to refrain from executing the order.

The payment service user shall be responsible for the timely placing of orders that are tied to a specific execution date.

2.4.2 Information Required for Correct Execution

In order to allow VP Bank to execute a payment order properly, the payment service user must provide the following information in particular:

- the surname and first name or company name and the place of residence or place of registered office of the payee or, in the case of direct debit orders, of the payer;
- the unique identifier (IBAN) of the payee or, in the case of direct debit orders, of the payer;
- the payment service provider (BIC = Bank Identifier Code) of the payee or, in the case of direct debit orders, of the payer;
- the date of execution;
- single payment or recurring payment;
- currency and amount;
- date and signature in the case of written payment orders. Electronic payment orders (e.g. via VP Bank e-banking) shall be governed by the respective special provisions.

2.4.3 Refusal or Deferred Execution of Payment Orders

VP Bank is not obliged to execute payment orders for which no cover or credit line is available. If the payer has placed several separate orders for a total amount that exceeds his available credit balance or the credit facilities extended to him, VP Bank shall have the right to decide at its own discretion which orders are to be executed in whole or in part, possibly taking into consideration the date of the orders and the time they were received.

VP Bank reserves the right to refuse or defer execution of a payment order if the requisite information is not present and correct or if other legal reasons militate against execution.

The payment service user shall be notified by VP Bank in an appropriate manner (in writing, orally or by electronic means) of the reasons why his order has been refused, providing such notification is possible and does not contravene statutory provisions or breach a court injunction or administrative order.

VP Bank shall be entitled to charge the payment service user the cost of notifying him of payment orders refused, providing such refusal is objectively justified.

VP Bank shall be entitled but not obliged to execute a payment order for which the information supplied is defective or incomplete, providing VP Bank can safely correct or complete such information.

VP Bank cannot be made liable for any delay in the execution of payment orders that arises in connection with compliance with legal obligations (in particular, with obligations under the Due Diligence Act). The receipt of extraordinary amounts shall entitle VP Bank to decide, at its own discretion and after clarification of the precise circumstances, whether to credit the amount to the payment account or to reverse the transfer. VP Bank furthermore reserves the right, even in the case of assets that have already been credited to account, to transfer the assets back to the payer's payment service provider if VP Bank does not receive adequate documentation regarding the background and origin of the assets within a useful period.

Finally, VP Bank is not obliged to execute orders placed by electronic means unless a special agreement has been made for the placing of orders in this way.

2.5

Collective Order

In the case of a collective order, all the conditions for execution must be satisfied for each individual payment order component. Otherwise the entire collective order may be returned to source unprocessed by VP Bank.

2.6

Giving, Receiving and Revoking Payment Orders

A payment transaction shall be considered authorized only if the payer has given consent to it prior to or, with the consent of VP Bank, after its execution. The payer normally gives his consent to execute a payment transaction in writing. It shall be deemed authorized once duly signed by the payer. Special provisions apply to the use of electronic and other channels of communication. A payment transaction to which the payer has given consent in accordance with such special provisions shall likewise be deemed duly authorized.

The payer may withdraw his consent to the payment transaction at any time up to the cut-off point for revocation of the payment order by the payment service user as stipulated in the following paragraphs.

The payment service user may revoke the payment order at any time up to the time it is received by the payer's payment service provider, subject to the provisions of paragraphs 5 to 7 below.

The point in time of receipt shall be the time when the payment order is received by the payer's payment service provider. If the point in time of receipt does not fall on a business day for VP Bank, the payment order shall be deemed to have been received on the following business day. The cut-off time for acceptance of payment orders is given in the brochure "VP Bank Accounts and Payment Services". Payment orders received after this cut-off time shall be treated as if they had been received on the following business day. However, VP Bank reserves the right to execute immediately even those payment orders received after the cut-off time.

If the payment transaction was initiated by or through the payee, the payer may no longer revoke the payment order after transmitting it or giving his consent to execute the payment transaction to the payee.

However, in the case of a direct debit and without prejudice to rights of refund the payer may revoke the payment order at the latest by the end of the business day preceding the day agreed for debiting the funds.

If the payment service user wishes the transaction to be executed at a later point in time, this time shall be deemed the time of receipt. However, if this does not fall on a business day for VP Bank, the payment order shall be deemed to have been received on the following business day. In such cases the payment service user may revoke the payment order at the latest by the end of the business day preceding the stipulated later execution time.

VP Bank may charge the cost of revoking a payment order to the payment service user.

2.7

Charges for Payment Services

The provision of payment services may be subject to charges. These charges are given in the brochure "VP Bank Accounts and Payment Services".

VP Bank reserves the right to levy additional charges in accordance with these Provisions Governing Payment Services (in particular Sections 2.4.3, 2.6, 2.9.3 and 3.5.5).

VP Bank may also levy charges for rendering other secondary services. These charges shall be based on the costs actually incurred.

2.8

Currency Conversion

Payments shall be made in the currency chosen by the payment service user.

Crediting and debiting of amounts in foreign currency shall be conducted in Swiss francs at the exchange rate effective on the day on which the amount concerned is credited or debited at VP Bank, unless the payment service user has issued special instructions or holds an account in the foreign currency concerned. If the payment service user holds accounts only in foreign currencies, VP Bank may credit or debit the amount concerned in one of these currencies.

2.9

Amendments to and Termination of the Provisions Governing Payment Services

2.9.1 Amendments to the Provisions Governing Payment Services

VP Bank reserves the right to amend these Provisions Governing Payment Services at any time. Amendments shall be proposed to the payment service user no later than two months before they are scheduled to enter into force.

The payment service user shall be deemed to have accepted them if he does not notify VP Bank that he objects to the amended provisions before the proposed date of their entry into force. If he objects to the changes, he has the right to terminate this framework contract immediately and without charge before the date of the proposed application of the changes.

Changes in the interest or exchange rates may be applied by VP Bank immediately and without need to notify the payment service user. Such changes shall be notified or otherwise made available in an appropriate manner.

2.9.2 Duration of Contract

This framework contract is concluded for an indefinite period.

2.9.3 Notice of Termination and Termination Options

The payment service user may terminate this framework contract at any time. In this event, the relevant payment accounts need to be closed. The framework contract shall remain in force until the account closure process is complete. After twelve months have elapsed the payment service user may terminate this framework contract without charge. In all other cases charges may be levied for the termination. These shall be appropriate and in line with costs.

VP Bank may terminate this framework contract by giving at least two months' notice or, in special circumstances, at any time.

2.10 Dispute Resolution

The Liechtenstein arbitration service shall be responsible for resolving disputes between payment service users and VP Bank. It shall mediate in disputes between the parties and seek ways in which they might reach agreement.

The Princely Court of Justice (Fürstliches Landgericht) in Vaduz/LI shall be responsible for resolving disputes at law.

2.11 Validity

These Provisions Governing Payment Services were adopted by the Group Executive Management on September 21, 2009, and shall come into force on November 1, 2009.

In case of inconsistencies, the German language version of these Provisions Governing Payment Services shall prevail over versions in other languages.

3. Payments in Liechtenstein and within the EEA

3.1

Time Limit for Execution

The time limit for execution shall be one business day for the following payment transactions (or two business days for paper-initiated payment transactions): payment transactions in euro, payment transactions in Swiss francs within Liechtenstein and payment transactions involving only one currency conversion between the euro and the currency of an EEA member state outside the euro area (where the required currency conversion is carried out in the EEA member state outside the euro area and, in the case of cross-border payment transactions, the cross-border transfer takes place in euro).

The time limit for execution of other payments in Liechtenstein and within the EEA shall be four business days.

The time limit is deemed to be the period between the point in time of receipt of the payment order (cf. Section 2.6) and the time when the amount of the payment transaction is credited to the account of the payee's payment service provider.

3.2

Value Date

The credit value date for the payee's payment account shall be no later than the business day on which the amount of the payment transaction is credited to the account of the payee's payment service provider.

The debit value date for the payer's payment account shall be no earlier than the point in time at which the amount of the payment transaction is debited to that payment account.

3.3

Charges Applicable

Where a payment transaction does not involve any currency conversion, the payee and the payer must pay the charges levied by their respective payment service providers.

In the case of a payment received, VP Bank shall be entitled to deduct its charges from the amount transferred before crediting it to the payee. In such a case, the full amount of the payment transaction and charges shall be separated in the information given to the payee.

On request, VP Bank shall make these Provisions Governing Payment Services and the information specified therein available to the payment service user at any time during the contractual relationship in hard copy or another durable medium.

VP Bank may levy a charge if the payment service user wishes to receive additional or more frequent information or to have it transmitted by some means of communication other than those specified herein.

3.4

Safeguards

3.4.1 Obligations of the Payment Service User in Relation to Payment Instruments

The payment service user entitled to use a payment instrument must:

- abide by the terms governing the issue and use of the payment instrument when using the payment instrument, and
- notify VP Bank or the entity specified under the terms of a special agreement without undue delay on becoming aware of the loss, theft or misappropriation of the payment instrument or of its unauthorized use.

As soon as he receives a payment instrument, the payment service user shall, in particular, take all reasonable steps to keep its personalized security features safe from unauthorized access.

3.4.2 Limits of the Use of a Payment Instrument

For certain payment instruments separate agreements may stipulate spending limits for payment transactions and the conditions for blocking those instruments.

VP Bank reserves the right to block a payment instrument for objectively justified reasons related to the security of the payment instrument, the suspicion of unauthorized or fraudulent

use of the payment instrument or, in the case of a payment instrument with a credit line, a significantly increased risk that the payer may be unable to fulfill his obligation to pay.

In such cases VP Bank shall inform the payer of the blocking of the payment instrument and the reasons for it in an appropriate manner (in writing, orally or by electronic means), where possible before the payment instrument is blocked and at the latest immediately thereafter, unless giving such information would compromise objectively justified security considerations, contravene the relevant statutory provisions or breach a court injunction or administrative order.

3.4.3 Notification of Unauthorized or Incorrectly Executed Payment Transactions

In the event of any unauthorized or incorrectly executed payment transactions giving rise to a claim (including a claim under Sections 3.5.3, 3.5.4 and 3.5.6), the payment service user must notify VP Bank in writing. The payment service user must make such notification without undue delay on becoming aware of any such payment transaction, and no later than 13 months after the debit date.

For payment service users who are not consumers, the notification time limit shall be 30 days after the debit date.

3.4.4 Evidence on Authentication and Execution of Payment Transactions

Where a payment service user denies having authorized an executed payment transaction or claims that the payment transaction was not correctly executed, it shall be for VP Bank to prove that the payment transaction was authenticated, accurately recorded, entered in the accounts and not affected by a technical breakdown or some other deficiency.

Where a payment service user denies having authorized an executed payment transaction, VP Bank's record of the use of that payment instrument shall in itself not necessarily be sufficient to prove either that the payment transaction was authorized by the payer or that the payer acted fraudulently or failed with intent or gross negligence to fulfill one or more of his obligations under Section 3.4.1.

3.5

Liability and Refund

3.5.1 Liability of the Payment Service Provider for Unauthorized Payment Transactions

In the event of an unauthorized payment transaction, the payer's payment service provider shall immediately refund to the payer the amount of the unauthorized payment transaction and, where applicable, shall restore the debited payment account to the status it would have had if the unauthorized payment transaction had not taken place. However, the above shall apply only if the payment service user has complied with his duty of notification as defined in Section 3.4.3.

3.5.2 Liability of the Payer for Unauthorized Payment Transactions

By way of derogation from Section 3.5.1, the payer shall bear, up to a maximum of EUR 150 or the Swiss franc equivalent, the losses resulting from any unauthorized payment transactions (from the use of a lost or stolen payment instrument or, if the payer has failed to keep the personalized security features safe, from the misappropriation of a payment instrument).

By contrast, the payer shall bear all the losses relating to any unauthorized payment transactions if he incurred them by acting fraudulently or by failing to fulfill one or more of his obligations under Section 3.4.1 with intent or gross negligence.

Once he has notified VP Bank in accordance with Section 3.4.1, the payer shall not be liable for any financial consequences resulting from use of the lost, stolen or misappropriated payment instrument except where he has acted fraudulently.

If VP Bank does not fulfill its obligation to provide appropriate means for notification at any time of a lost, stolen or misappropriated payment instrument, the payer shall not be liable for the financial consequences resulting from use of that payment instrument, except where he has acted fraudulently.

3.5.3 Defective Execution of a Payment Order Initiated by the Payer

Where a payment order is initiated by the payer, his payment service provider shall, without prejudice to Sections 3.4.3, 3.5.5 paragraphs 3 to 5 and 3.5.7, be liable to the payer for correct execution of the payment transaction, unless the payment service provider can prove to him and, where relevant, to the payee's payment service provider that the payee's payment service provider received the amount of the payment transaction in accordance with Section 3.1, in which case the payee's payment service provider shall be liable to the payee for the correct execution of the payment transaction.

3.5.4 Defective Execution of a Payment Order Initiated by the Payee

Where a payment order is initiated by or through the payee, his payment service provider shall, without prejudice to Sections 3.4.3, 3.5.5 paragraphs 3 to 5 and 3.5.7, be liable to the payee:

- for correct transmission of the payment order to the payment service provider of the payer, and
- for handling the payment transaction in accordance with its obligations under Section 3.2.

In the event of a non-executed or defectively executed payment transaction for which the payment service provider of the payee is not liable under the first paragraph, the payer's payment service provider shall be liable to the payer.

3.5.5 Incorrect Unique Identifier

If a payment order is executed in accordance with the unique identifier, the payment order shall be deemed to have been executed correctly with regard to the payee specified by the unique identifier.

However, in the case of incoming payments VP Bank reserves the right to carry out, at its sole discretion, a reconciliation of the unique identifier with the payee's name and address and to refuse the payment order if they do not tally. When refusing a payment order in this manner VP Bank shall be entitled to inform the payer's payment service provider of the mismatch.

If the unique identifier provided by the payment service user is incorrect, VP Bank shall not be liable under Sections 3.5.3, 3.5.4 and 3.5.6 for the non-execution or defective execution of the payment transaction.

However, the payment service provider of the payer shall make reasonable efforts to recover the funds involved in the payment transaction. VP Bank shall be entitled to charge the payment service user for such recovery.

If the payment service user provides information additional to that specified in Section 2.4.2, VP Bank shall be liable only for the execution of payment transactions in accordance with the unique identifier provided by the payment service user.

3.5.6 Additional Financial Compensation

Other legal or contractual provisions may give rise to further claims.

3.5.7 No Liability

Liability in connection with the authorization and execution of payment transactions shall not apply in cases of abnormal and unforeseeable circumstances which are beyond the control of the party invoking those circumstances and whose consequences could not have been avoided in spite of the exercise of all due diligence, or in cases where VP Bank is bound by other statutory obligations.

3.5.8 Refunds for Payment Transactions Initiated by or through a Payee

The payer shall be entitled to a refund from his payment service provider of an authorized payment transaction initiated by or through a payee that has already been executed, if the following conditions are met:

- the exact amount of the payment transaction was not specified when the authorization was made, and
- the amount of the payment transaction exceeded the amount the payer could reasonably have expected, taking into account his previous spending pattern and the relevant circumstances of the case.

At the payment service provider's request, the payer shall provide the factual elements relating to these conditions. The refund shall consist of the full amount of the executed payment transaction.

However, the payer has no right to a refund where he has given his consent to execute the payment transaction directly to his payment service provider and, where applicable, information on the future payment transaction was provided or made available to the payer by the payment service provider or by the payee in the agreed manner at least four weeks before the due date.

Any request by the payer for a refund of an authorized payment transaction initiated by or through a payee in accordance with the paragraphs above must be made within eight weeks from the date on which the funds concerned were debited.

Within ten business days of receiving a request for a refund, the payment service provider shall either refund the full amount of the payment transaction or inform the payer of its reasons for refusing the refund, indicating the bodies (cf. Section 2.10) to which the payer may refer the matter if he does not accept those reasons.

