

ARTICLES OF INCORPORATION

of

Bank Julius Baer & Co. Ltd.

1. Name, Domicile and Duration of the Company

- 1.1. A corporation exists under the name Bank Julius Bär & Co. AG (Banque Julius Baer & Cie SA, Banca Julius Baer & Co. SA, Bank Julius Baer & Co. Ltd.) in accordance with these Articles of Incorporation and the stipulations of Title XXVI of the Swiss Code of Obligations.
- 1.2. The duration of the Company is unlimited.
- 1.3. The domicile of the Company is Zurich.

2. Object and Purpose of the Company

- 2.1. The Company operates a bank.
- 2.2. The Company may execute all transactions which are directly or indirectly related to the purpose of the Company as well as all transactions which may further the purpose of the Company; such transactions may be executed for the Company's own account or for third parties; they especially include the following:
 - 2.2.1. Accepting deposits in all forms customary in banking, including savings deposits;
 - 2.2.2. Granting secured and unsecured loans of all kinds;
 - 2.2.3. Buying and selling securities, foreign exchange, foreign payment instruments and precious metals for its own account or for third parties;
 - 2.2.4. Buying and selling goods for third parties;
 - 2.2.5. Executing payments as well as documentary credits;
 - 2.2.6. Making collections;
 - 2.2.7. Issuing checks and letters of credit;
 - 2.2.8. Issuing guarantees;
 - 2.2.9. Underwriting and placing securities of domestic and foreign issuers;
 - 2.2.10. Offering investment advisory, portfolio management and estate liquidation services;
 - 2.2.11. Providing safe-custody and administration for all kind of assets, and renting safe-deposit boxes;
 - 2.2.12. Assisting in the establishment and administration of investment funds;
 - 2.2.13. Assisting in the foundation of companies, and participating in such;
 - 2.2.14. Executing fiduciary transactions

2.2.15. Representation of foreign collective investment schemes, which are exclusively aimed at qualified investors, and distribution of collective investment schemes.

2.3. The Company may purchase real estate, pledge it as security and sell it.

2.4. The Company may be active domestically and abroad. The Company may establish branches and agencies domestically and abroad.

3. Share Capital

3.1. The share capital of the Company amounts to CHF 575,000,000 (five hundred and seventy-five million Swiss francs). It is fully paid in.

3.2. The share capital consists of 5,750,000 (five million seven hundred and fifty thousand) shares with a par value of CHF 100 each, which are issued in the name of the holder.

Instead of or in addition to individual shares, the Company may issue certificates in block form.

3.3. The Shareholders' Meeting may resolve to increase or decrease the share capital.

3.4. If the share capital is increased, each shareholder is entitled to a portion of the newly issued shares corresponding to his prior participation. The resolution of the Shareholders' Meeting on the increase of share capital may, only for valid reasons, withdraw the preemptive rights. Valid reasons are, in particular, the takeover of an enterprise, of parts of an enterprise, or of participations, as well as participation of employees. No one shall be advantaged or disadvantaged by such withdrawal without proper reason.

4. Shares

4.1. The registered shares are subject to the restrictions of Article 4.3. ff. of these Articles of Incorporation.

4.2. The Company shall keep a share register in which the owners and usufructuaries of the registered shares shall be entered with names and addresses. The person entered in the share register shall be deemed to be the shareholder or usufructuary in relation to the Company.

4.3. Registered shares cannot be validly transferred by endorsement, but only through assignment with the assistance and approval of the Board of Directors. The property rights and membership rights can only be transferred jointly, not separately. As long as a required consent for the transfer of shares has not been given, the title to the shares and the rights connected therewith shall remain with the alienator (Article 685c, paragraph 2, of the Swiss Code of Obligations is reserved).

4.4. The Board of Directors may refuse its consent only if:

a) Upon request by the Company, the acquirer does not expressly declare that he has acquired the shares in his own name and for his own account;

- b) After hearing the acquirer, it is revealed that he provided wrong information in his application, or in connection with it, in order to gain the consent of the Board of Directors;
- c) As defined by Article 3 (paragraph 2, subparagraph c^{bis}) of the Banking Law, there is no guarantee that the influence of the acquirer or persons associated with him is not detrimental to the prudent and sound operation of the Company, and with the newly acquired shares this acquirer would own more than 5% of all the registered shares entered in the share register;

Legal entities and partnerships as well as other alliances and joint tenancies which are related to each other in terms of capital or voting connections, through unified management or in another form, and individuals or legal entities or partnerships which proceed in such a way (especially as a syndicate) as to circumvent the transfer restrictions are treated as one shareholder with respect to the consent for transfer and the registration in the share register;

- d) The Board of Directors offers to the alienator of the shares to take over the shares for its own account or for the account of other shareholders or for the account of third parties at the real value at the time of the request.
- 4.5. If the shares have been acquired by succession, division of an estate, marital property law, or by debt enforcement, the Company may refuse its consent only if it offers to the acquirer to take over the shares at their real value.
- 4.6. Consent is deemed to have been given if within 45 days the Board of Directors neither refuses the request for consent as defined by Article 4.4. (subpoints a-c) nor offers to take over the registered shares in question at their real value as defined by Article 4.4. (subpoint d) or Article 4.5.

5. Debentures

The Company is empowered to issue debentures which may be in registered or bearer form. The Board of Directors decides on the issue and determines the conditions and modalities thereof.

6. Organization of the Company

The corporate bodies of the Company are:

- 6.1. The Shareholders' Meeting
- 6.2. The Board of Directors
- 6.3. The Executive Board
- 6.4. Internal Audit
- 6.5. The External Auditors

7. The Shareholders' Meeting

- 7.1. The Shareholders' Meeting is held at the domicile of the Company or at any place in Switzerland to be determined by the corporate body calling the Shareholders' Meeting.

- 7.2. In the Shareholders' Meeting, the shareholder exercises his rights concerning matters of the Company, such as the election of the corporate bodies, the approval of the Annual Report, and the resolution concerning the allocation of profits. He may represent his shares at the Shareholders' Meeting personally or may have them represented by a third person.

The membership rights of bearer shares may be exercised by whoever proves to have possession of the shares by presenting them. The Board of Directors may set a different type of evidence of having possession.

The voting rights of shares which are in usufruct shall be exercised by the owner and not by the usufructuary.

- 7.3. The Board of Directors takes the necessary measures to ascertain the voting rights and arranges the issuance of ballots.

- 7.4. If the Company proposes to the shareholders a member of its corporate bodies or another dependent person (proxy holders who represent a corporate body) as a proxy for a Shareholders' Meeting, it shall also designate an independent person who might be mandated as a proxy by the shareholders. This independent person does not have to be a shareholder.

Proxy holders who represent a corporate body, independent proxy holders of voting rights, and proxy holders for deposited shares shall notify the Company of the number, type, par value and classes of shares represented by them. The Chairman shall communicate this information to the Shareholders' Meeting in total for each type of representation.

- 7.5. The Shareholders' Meeting shall be called at least twenty days prior to the day of the meeting by means of a non-recurring notice sent via letter to the shareholders entered in the share register, as well as by a non-recurring publication in the Swiss Commercial Gazette. If the addresses of all the bearer shareholders are known, they may also be notified via letter instead of by publication in the Swiss Commercial Gazette.

The notice shall state the agenda items as well as the motions of the Board of Directors and of the shareholders who have requested the holding of a Shareholders' Meeting or the inclusion of an item on the agenda.

- 7.6. No resolutions may be passed on motions concerning agenda items which have not been duly announced; excepted are motions for the calling of an Extraordinary Shareholders' Meeting.

The making of motions within the scope of agenda items and the discussion without the passing of resolutions does not require announcement in advance.

- 7.7. The Shareholders' Meeting shall be called annually by the Board of Directors within four months of the close of the business year.

Extraordinary Shareholders' Meetings may be called by the Board of Directors or if necessary by the External Auditors, whenever a meeting is deemed to be in the interest of the Company.

- 7.8. The calling of a Shareholders' Meeting may also be requested by one or more shareholders representing together at least ten percent of the share capital. The Board of Directors shall call the requested Shareholders' Meeting within an appropriate time period following the receipt of the request.

One or more shareholders representing shares of a par value of at least one million Swiss francs may request items to be included in the agenda. This request must be submitted to the Company and presented to the Board of Directors at least six weeks prior to the day of the Shareholders' Meeting.

The calling and the inclusion in the agenda shall be requested in written form, listing the items and the motions.

- 7.9. The owners or their proxies of all shares may, if no objection is raised, hold a Shareholders' Meeting without observing the formalities for the calling of a meeting.

As long as the owners or proxies of all shares are present, all items within the powers of a Shareholders' Meeting may validly be discussed and decided upon at such meeting.

- 7.10. The Shareholders' Meeting is chaired by the Chairman of the Board of Directors or by another person chosen by the Board of Directors from among its members. In the absence of a member of the Board of Directors who has been appointed to chair the meeting, the Shareholders' Meeting shall elect a Chairman for the meeting who does not have to be a shareholder.

The minutes are taken down by the Secretary of the Board of Directors. If the Secretary is prevented from fulfilling this function, the chairman of the Shareholders' Meeting designates a registrar who does not have to be a shareholder.

The chairman of the Shareholders' Meeting designates as needed one or more scrutineers who do not have to be shareholders.

- 7.11. Each share is entitled to one vote.

- 7.12. Voting at the Shareholders' Meeting is generally performed by open ballot. The Chairman of the Board of Directors can call a secret ballot; this procedure shall be used if requested by ten shareholders who control at least 500 votes in total.

In case the Chairman is also a shareholder, he is entitled to vote and has - in the event of a tie vote - the deciding vote.

- 7.13. The Shareholders' Meeting has the following powers which are inalienable:

- a) The adoption and the amending of the Articles of Incorporation;
- b) The election and the dismissal of the members of the Board of Directors;
- c) The election and the dismissal of the External Auditors;
- d) The approval of the Annual Report, of the consolidated financial statements and of the annual financial statements, as well as the resolution on the allocation of retained earnings, in particular, the declaration of dividends;
- e) The release of members of the Board of Directors and of the Executive Board;
- f) The passing of resolutions on matters which are assigned to it by law or by the Articles of Incorporation, or which are submitted to it by the Board of Directors.
- g) The passing of resolutions concerning the conversion of registered shares into bearer shares and vice versa.

- 7.14. All elections and resolutions of the Shareholders' Meeting are taken by absolute majority of the votes allocated to the shares represented, except for the instances prescribed by law and those mentioned in Article 7.15. of these Articles of Incorporation.

- 7.15. A resolution of the Shareholders' Meeting passed by at least two thirds of the votes represented and the absolute majority of the par value of the shares represented shall be required for:

- a) The change of the Company purpose;
- b) The creation and the dissolution of shares with privileged voting rights;
- c) The restriction of the transferability of registered shares;
- d) An authorized or a conditional increase of capital;
- e) An increase of capital out of equity, against contributions in kind, or for the purpose of acquisition of assets and the granting of special benefits;
- f) The limitation or the withdrawal of preemptive rights;
- g) The change of the domicile of the Company;

The articles of the law on mergers ("Bestimmungen des Fusionsgesetzes") are adhered to in case of decisions to be taken with regard to mergers and spin-offs.

8. The Board of Directors

- 8.1. The Board of Directors consists of three or more members.

The term of the members of the Board of Directors is maximum three years. The period between two ordinary Shareholders' Meetings is considered to be one year. The term of every Board member is fixed in the occasion of his election. The terms of the individual Board members shall allow a staggered election, which means that every year approximately one third of the Board members shall be elected or re-elected. Board members who have finished their term can be re-elected immediately.

- 8.2. *(repealed)*

- 8.3. The Board of Directors constitutes itself. The Board of Directors elects a Secretary, who does not have to be a member of the Board of Directors.

- 8.4. The Board of Directors meets as often as business requires, but at least once per quarter. The meetings are generally called by the Chairman, or by another member if the Chairman is prevented from doing so. Any member of the Board of Directors may, upon stating the reasons, request the Chairman to immediately call a meeting.

- 8.5. In order to pass a resolution, a majority of the members of the Board of Directors has to be present, except for declaratory decrees and changes to the Articles of Incorporation as well as for the capital increase report in the case of capital increases. Resolutions are passed by absolute majority of the votes of the members present. In the event of a tie vote, the Chairman casts the deciding vote. Presence via phone or electronic media (Video) is also accepted.

- 8.6. Resolutions of the Board of Directors on a submitted request may also be passed by way of written consent (by telegram or fax) or by way of electronic data transfer, unless a member requests verbal discussion. Transmission through fax or electronic media is deemed to be in written form if the transmitted image also replicates the personal signature, and the original document is submitted subsequently.

Resolutions by circular memo shall be sent verbatim to all members of the Board of Directors and require the approval of all members of the Board of Directors to be deemed valid.

The deliberations and resolutions of the Board of Directors, especially resolutions by circular memo, shall be incorporated in the minutes which must be signed by the Chairman and the Secretary.

- 8.7. Members of the Board of Directors are entitled to a fixed remuneration as well as to the reimbursement of their expenses. The Board of Directors passes resolution in this regard.
- 8.8. The Board of Directors is the corporate body entrusted with overall guidance, supervision and control of management.

The Board of Directors has the following nontransferable and inalienable duties:

- a) The ultimate management of the Company and the issuing of the necessary directives;
- b) The establishment of the organization as well as the issuing of the required directives, especially the Organizational Directives and Bylaws required by the Banking Law.
- c) The structuring of the accounting system and of the financial controls as well as the financial planning insofar as this is necessary to manage the Company.
- d) The appointment and dismissal of the persons entrusted with the management;
- e) *(repealed)*
- f) The ultimate supervision of the persons entrusted with the management, also in view of compliance with the law, the Articles of Incorporation, Bylaws and Directives;
- g) The preparation of the Annual Report as well as the preparation of the Shareholders' Meeting and the implementing of its resolutions;
- h) The granting of loans to members of the Company's corporate bodies and the granting of large loans;
- i) *(repealed)*
- j) The approval of business transactions reserved to the authority of the Board of Directors;
- k) The election of the External Auditors in accordance with the Banking Law, and the deliberations concerning the audit report of these External Auditors;
- l) The appointment of the head of the Internal Audit;
- m) *(repealed)*
- n) The notification of the judge in the event of over indebtedness.

The Board of Directors may assign the preparation and the implementation of its resolutions or the supervision of business transactions to committees or individual members. It shall provide for adequate reporting to its members.

9. The Executive Board

The Executive Board is responsible for the conduct of business. Its duties as well as the rights and responsibilities of the members of the Executive Board are outlined in the Organizational Directives and Bylaws. The Organizational Directives and Bylaws also specify the reporting procedures.

10. The Internal Audit

The Internal Audit regularly monitors business transactions to ensure correct processing and has an unlimited right to information and access to documents from all bodies of the Bank.

The Internal Audit is appointed by and reports directly to the Board of Directors.

11. The External Auditors

The Shareholders' Meeting elects for the term of one year an accounting company authorized for bank audits as External Auditors.

12. Signatory Rights

The Board of Directors determines the persons with signatory rights as well as the extent to which they may represent the Company; only joint signatory rights involving two persons may be granted. The Board of Directors may prescribe that:

- Signatures on certain documents used in daily business transactions may be executed mechanically (facsimile);
- Certain documents used in daily business transactions bear the signature of only one signatory;
- Mass correspondence of particularly large volume need not be signed.

Any deviation from the principle of joint signatory rights shall be communicated to the clients in an appropriate manner.

13. Annual Accounts and the Allocation of Retained Earnings

13.1. The annual accounts of the Company are closed on December 31, and an income statement and a balance sheet are prepared in accordance with the law.

13.2. The Annual Report and the audit report shall be available at the head office and at the branches, 20 days prior to the ordinary Shareholders' Meeting, for inspection by the shareholders.

The directives concerning publication of the annual accounts according to the Banking Law remain reserved.

13.3. Article 5 of the Banking Law applies for the allocation to the legal reserve.

14. Dissolution

The Shareholders' Meeting may resolve at any time to dissolve the Company. The liquidators are elected by the Shareholders' Meeting; members of the Board of Directors may be elected.

15. Public Notices

The public notices of the Company are made through publication in the Swiss Commercial Gazette. The Board of Directors may designate additional instruments of publication.

The Company notifies the shareholders by mail, provided that the addresses of all shareholders are known and that the law does not prescribe otherwise, or by non-recurring publication in the Swiss Commercial Gazette.

16. Recognition of the Articles of Incorporation

The acquisition and ownership of shares constitute recognition of the Articles of Incorporation. The same applies to the acceptance of election as a member of the Board of Directors or as the Auditors of the Company.

17. Mergers

17.1. In accordance with the merger agreement dated 28 April 1998, through universal succession the Company assumes the total assets of CHF 550,328,000 as well as the total liabilities and equity of CHF 477,553,000 (resulting in a net book value of CHF 72,775,000) of Banque Julius Baer (Genève) SA, Geneva, in accordance with the merger balance sheet dated 31 December 1997. In return for this, Julius Baer Holding Ltd., the former sole shareholder of Banque Julius Baer (Genève) SA, receives 200,000 fully paid-in registered shares of the Company at CHF 100 par value each and with a total par value of CHF 20,000,000. The difference between this amount and the net book value, i.e. a total of CHF 52,775,000, will be recorded in the reserves of the Company.

17.2. In accordance with the merger agreement dated 28 April 1998, through universal succession the Company assumes the total assets of CHF 69,548,000 as well as the total liabilities and equity of CHF 58,943,000 (resulting in a net book value of CHF 10,605,000) of Bank Falck & Co. Ltd., Lucerne, in accordance with the merger balance sheet dated 31 December 1997. In return for this, Julius Baer Holding Ltd., the former sole shareholder of Bank Falck & Co. Ltd., receives 100,000 fully paid-in registered shares of the Company at CHF 100 par value each and with a total par value of CHF 10,000,000. The difference between this amount and the net book value, i.e. a total of CHF 605,000, will be recorded in the reserves of the Company.

18. Acquisitions and Contributions in Kind

According to the "Contributions and Acquisitions in Kind Agreement", dated 6 December 2005, the Company acquired by increase of share capital on 6 December 2005 from Julius Baer Holding Ltd., in Zurich 21,000 registered shares of Ehinger & Armand von Ernst Ltd., in Zurich at CHF 1,000 par value each, 300,000 registered shares of Ferrier, Lullin & Cie SA, in Geneva at CHF 100 par value each, and 100,000 bearer shares of BDL Banco di Lugano, in Lugano at CHF 500 par value each, at the value and price in the total amount of CHF 2,788,995,139. In return for this the depositor receives 4,000,000 new registered shares at CHF 100 par value each and an obligation in the amount of CHF 628,995,139 which has been credited in favor of the depositor.

Zurich, 27 November 1974

amended: 15 April 1980
amended: 17 June 1980
amended: 7 July 1981
amended: 28 September 1981
amended: 26 January 1982
amended: 8 March 1984
amended: 7 March 1985
amended: 6 March 1986
amended: 5 March 1987
amended: 10 March 1988
amended: 6 September 1989
amended: 4 March 1993
amended: 11 November 1996
amended: 11 May 1998
amended: 12 July 2005
amended: 6 December 2005
amended: 23 June 2006
amended: 11 March 2009
amended: 30 November 2015

Unofficial English translation of the official and prevailing German version.

Zurich, 4 January 2016

Bank Julius Baer & Co. Ltd.



Daniel J. Sauter
Chairman of the Board of Directors of Bank Julius Baer & Co. Ltd.



Roberto Küttel
Secretary to the Board of Directors of Bank Julius Baer & Co. Ltd.