

# A General Terms and Conditions of Business.

## 1. Purpose and scope

The General Terms and Conditions of Business (GTC) govern the business relationships between the Client and Graubündner Kantonalbank (GKB). This is without prejudice to any particular agreements, special regulations or relevant established practices.

For the sake of clarity, GKB does not use both the male and female forms in its documents.

## 2. Right of disposal

The power of attorney communicated in writing to GKB shall apply exclusively to GKB and shall continue to apply until withdrawal thereof is received by GKB, notwithstanding any entries in the Commercial Register or publications to the contrary. As a general rule, GKB accepts only its own power of attorney forms issued for that purpose.

Following the Client's death, GKB may demand identification documents (e.g. certificate of inheritance, probate certificate, etc.) to ascertain the right of disposal and the right to information. Where such documents are in foreign languages, GKB may demand official translations in German or English. The applicants shall bear the costs of provid-

ing identification documents and translations.

## 3. Identification

Identity is verified with normal due care and diligence. In the event that GKB fails to notice shortcomings in identification or forgeries, it shall bear the resultant loss where it has failed to observe normal due care and diligence.

Clients must store bank documents carefully to prevent access by unauthorised parties. When placing orders the Client must take all reasonable precautions to prevent abuse or fraud. The Client must select any holders of power of attorney carefully and monitor their activities and actions. Any breach of these duties of diligence by the Client shall result in them bearing the resultant loss.

## 4. Legal incapacity

Where GKB fails to recognise the Client's incapacity to act, it shall bear the resulting loss or damage if it has failed to exercise normal due care and diligence. The Client must inform GKB immediately in writing or any other demonstrable text form if their authorised representatives or other third parties become incapable of acting. Provid-

ed GKB has exercised normal due care and diligence, the Client shall be liable for any loss resulting from the incapacity of authorised representatives or other third parties.

## **5. Business relationships in the name of multiple people**

Where a business relationship is held in the name of multiple people, they shall be jointly and severally liable for any claims GKB may have arising from the relationship. This is subject to any provision that specifies otherwise.

## **6. Notification of changes**

The Client must inform GKB immediately in writing of any changes (name, address, contact and correspondence details of the Client or their representatives, revocation of powers of attorney or signatory powers) and any material changes (e.g. to tax liability) arising therefrom.

Notifications and announcements from GKB shall be deemed to have been received if sent to the last address provided to GKB by the Client or in accordance with their last instructions or if communicated in any other appropriate manner. GKB may communicate with the Client or their authorised rep-

resentative by post, telephone and electronic channels to the contact address used or explicitly indicated to GKB by the Client or their representative.

GKB is not obliged to accept or respond to orders or instructions sent via electronic channels such as e-mail or SMS. Declarations made by the Client by means of such media shall not be legally valid unless GKB confirms to the Client that it will execute the order. A different agreement with the Client in written form or in another demonstrable text form remains reserved.

GKB recommends that the Client does not send confidential information and instructions by unencrypted e-mails or unprotected electronic communication channels, but instead uses the channels provided by GKB for this purpose (such as e-Banking).

The date shown on the record in the possession of GKB shall be deemed the date of dispatch.

GKB may make legally relevant information, terms and conditions and documents available to the Client and fulfil its duties of information, disclosure and notification (e.g. contained in financial market regulations governing investor protection and transparency) by publishing them on the internet (at [gkb.ch/rechtlichehinweise](http://gkb.ch/rechtlichehinweise)).

## 7. Preventing dormant accounts

The Client shall make all reasonable efforts to maintain contact with GKB or to restore contact if it is lost.

If GKB is required to initiate investigations to trace the Client (preventing dormant accounts), any costs incurred in making such enquiries and in dealing with and monitoring dormant assets may be debited from the Client's account, and any dormant accounts with a debit balance shall be automatically closed.

## 8. Orders given by telephone and recording of telephone calls

The Client authorises GKB to accept orders and instructions by telephone. GKB is entitled, but not obliged, to have orders received by telephone confirmed in writing before they are executed.

GKB assumes no responsibility whatsoever for the consequences of any delays that may be caused as a result of obtaining written confirmation.

The Client also expressly authorises GKB to record and use telephone conversations and communication on electronic channels in connection with the business relationship

for the purpose of quality assurance, compliance with statutory or regulatory requirements and for the purpose of providing evidence.

## 9. Defective delivery

Any loss or damage arising from the use of communication, transmission or transport systems and any associated risk, specifically arising from loss, delay, irregularity, misunderstandings, garbled messages or double executions shall be borne by GKB where it has failed to exercise normal due care and diligence.

## 10. Deficient execution of orders

Where orders are time-critical or may result in losses over and above the loss of interest, the Client shall be obliged to inform GKB of this fact and of the potential consequences of loss in good time.

If the Client fails to do so, GKB's liability shall be limited to lost interest in the event of deficient, delayed or failed execution of orders (with the exception of stock market orders).

## 11. Complaints

Complaints from the Client regarding the execution or non-execution of orders of any kind and other communications from GKB must be lodged immediately upon receipt of the notice in question but at the latest within the deadline stipulated by GKB. Otherwise, the actions of GKB shall be deemed to have been approved.

Complaints raised in relation to account and custody account statements and other statements of assets must be submitted within 30 days. If a complaint is not filed within this period, the statements shall be deemed to have been approved.

If an advice expected from GKB fails to arrive, the complaint must be made as soon as the advice could be expected to have reached the intended recipient in the usual course of business. Any loss or damage that may be caused due to a delay in submitting a complaint shall be borne by the Client.

## 12. Right of lien and offsetting

GKB shall have a right of lien over all assets that it holds on the Client's behalf itself or elsewhere and a right of set-off in respect of any and all of its outstanding claims arising

from the banking relationship, regardless of due date or currency. This shall also apply to unsecured credit facilities and loans, or those with special collateral security. If the Client is in default, GKB shall immediately be entitled to realise any pledged assets and security, either by forced or by private sale, and shall have the option of purchasing the assets for its own account.

## 13. Prohibition of assignment

The Client is not permitted to assign claims on GKB to third parties without the written consent of GKB (Art. 164 ff. OR).

## 14. Account transactions

GKB offers various types of account and determines the interest rates, minimum and maximum credit balances, duration of interest, withdrawal conditions and allowance thresholds and restrictions on use applicable to each.

Accounts are balanced at GKB's discretion on a monthly, quarterly, semi-annual or annual basis and the interest and commissions agreed, set or those that are usually charged are credited or debited accordingly, while GKB fees, taxes and duties payable by the

Client are also debited. Alternatively, daily statements or separate booking notices may be issued.

If there are several orders from the Client which, taken together, exceed the Client's available credit balance or overdraft limit, GKB is authorised to decide at its own discretion which orders are to be executed in part or in full, irrespective of the date on which such instructions are made or the time they are received.

In the case of payments received for the credit of a Client who has more than one debt obligation to GKB, GKB reserves the right to determine the liabilities against which the payments should be offset.

GKB may in exceptional circumstances restrict repayments and acceptance of incoming payments and extend notice periods. Any such measures shall be announced in an appropriate manner.

## 15. Withdrawals

Where withdrawals of credit balances are subject to notice, such notice may be given to GKB in writing or verbally. Notice expires if the balance on which notice has been given is not withdrawn within 30 days of the end of the notice period.

GKB specifies the amount that can be withdrawn without notice. If the Client withdraws more than this amount, GKB shall be entitled to demand commission.

GKB shall be entitled to give notice on credit balances subject to the same notice periods as apply to the Client.

## 16. Fees, taxes and duties

GKB charges a fee for individual services, in the form of interest, commission, etc.; these are shown in the current list of charges, which is published at [gkb.ch/gebuehren](http://gkb.ch/gebuehren) and may be obtained in hard copy from GKB at any time. GKB is authorised to debit an account of the Client's with any charges that may be applicable. The Client's account may also be debited with any extraordinary expenditure incurred by GKB and payments to any third parties involved.

**GKB reserves the right to change its fees or introduce new ones (including negative interest rates on credit balances) at any time, specifically in the event of changed market conditions or other objective circumstances.**

The Client will be notified of any such changes in writing or another appropriate manner. They shall be deemed approved unless the Client gives notice of termination

for the product or service in question within 30 days of notification. Any notice or withdrawal periods specified in special conditions or agreements are reserved.

In the event that a credit limit is exceeded, an account overdrawn or unpaid interest on a loan overdue (default by the debtor), additional interest shall be charged at a rate determined by GKB with effect from the date in question and in accordance with the account relationship.

All taxes and duties shall be payable by the Client. Any taxes and duties levied on or by GKB in connection with the Client's business relationship with GKB, or which GKB is obliged to retain under Swiss or foreign law, treaties or contractual agreements with foreign bodies (e.g. withholding tax pursuant to the US Foreign Account Tax Compliance Act, FATCA) and expenses shall be charged to the Client or may be passed on to the Client.

## 17. Foreign currencies

GKB shall invest the assets in a foreign currency corresponding to the Client's credit balance inside or outside the relevant currency area. The Client shall bear proportionately the economic and legal consequences of any official measures (e.g. prohibitions on

payment or transfer, taxes and charges) affecting the totality of GKB's credit balance in the country of its currency or the country in which it is invested. If the transfer of assets by GKB is rendered difficult or impossible, it shall be obliged only to arrange for credit to be posted for the Client with a correspondent bank or a bank of the Client's choice in the foreign currency area concerned, subject to such credit being possible.

The Client may dispose of credit balances in foreign currency by sale, from automated teller machines (in euro only) and by making transfers; disposal by any other means must first be approved by GKB.

Credits and debits of amounts in foreign currency shall be made in Swiss francs at the exchange rate on the day on which such amount is received and/or transferred by GKB, unless the Client has given contrary instructions with regard to the currency in good time or has an account in the appropriate currency. If the Client only holds accounts in a third currency, GKB shall be authorised to credit or debit such amounts in one of these currencies at its absolute discretion.

## 18. Bills of exchange, cheques and similar instruments

GKB is entitled to redebit discounted or credited bills of exchange, cheques and similar instruments. Until a debit balance has been settled, GKB retains the right to claim payment of the full amount of the bills, cheques and any other instruments, including all incidental claims, against any party liable under these instruments.

## 19. Outsourcing of business areas

GKB may outsource business areas or services (such as payment transactions, securities settlement, IT systems, data storage, the printing and sending of bank documents) including bank client data in whole or in part to service providers in Switzerland and abroad or have them provided by third parties. These may in turn disclose bank client data to third parties insofar as the third parties are obliged to maintain confidentiality.

## 20. Data protection and bank-client confidentiality

GKB's governing bodies, employees and agents are subject to various confidentiality obligations under data protection, bank-client confidentiality and other regulations.

The Client hereby releases GKB from these confidentiality obligations and waives banking confidentiality to the extent this

- a) is necessary to protect the legitimate interests of GKB, in particular:
  - where the Client and other parties involved in the banking relationship or assets threatens or brings court proceedings or criminal charges against GKB (including as a third party) or makes other reports against it to the public authorities in Switzerland or abroad;
  - to secure or enforce GKB's claims on the Client and realise collateral provided by the Client or a third party (where the collateral was provided by a third party for claims on the Client) in Switzerland or abroad;
  - when collecting claims owed to GKB by the Client in the event of a freezing order or when suits are filed against the Client and/or GKB in Switzerland or abroad in respect of assets held on deposit;
  - in the event of public accusations made by the Client and other parties involved in the banking relationship or assets against GKB, whether in the media or to public authorities in Switzerland or abroad.
- b) is necessary for the execution of transactions and services, in particular those with a foreign dimension, e.g. payments, trade and safekeeping of financial instruments

and foreign currency transactions, which GKB provides for its clients. In this connection, GKB is both entitled and instructed to disclose information to third parties in Switzerland and abroad who are involved in these transactions (e.g. stock exchanges, brokers, banks, trade repositories, clearing houses and third-party depositories, issuers, authorities or their representatives and other third parties involved). The corresponding disclosure of data may affect the Client and associated third parties, e.g. beneficial owners.

Such requirements may arise from Swiss or foreign law, self-regulation, market practices, the conditions of issuers, service providers and other parties on which GKB relies for the settlement of such transactions and services. **The Client shall allow GKB to disclose this data in its own name and on behalf of the third parties concerned and shall support GKB in complying with such requirements.** The Client is aware and accepts that the recipients of the data need not be bound by Swiss banking confidentiality or Swiss data protection law and that GKB has no control over the use they make of the data. GKB is under no obligation to execute transactions or services if the Client revokes or refuses consent or cooperation.

For full details please see the information sheet “Disclosure of Client Data”, which is published at [gkb.ch/offenlegung](http://gkb.ch/offenlegung) and may be obtained in hard copy from GKB at any time.

The statutory and regulatory obligations upon GKB to provide information and report are reserved.

## 21. Processing data

GKB processes client data to provide its services and for its own or legally prescribed purposes. These include, for example, marketing, market research, statistics and planning, product development and business decisions affecting clients or GKB, combating money laundering and fraud, complying with legal duties to provide information and official instructions and the automatic exchange of information with foreign tax authorities. The following data in particular is concerned: master data, financial data (e.g. asset and product data, account and custody account movements as well as transaction and payment transaction data including their components) and client needs.

Where data processing is associated with a service or product, it is deemed accepted by the Client if the Client purchases the service or product. This consent extends to related



data processing for marketing purposes unless the Client objects. Where third parties (e.g. partner/spouse, advisor) are affected by data processing, the Client must ensure they consent.

The Client acknowledges that data transmitted abroad will no longer be protected under Swiss law but is subject to the law of the country concerned, and that foreign laws and official orders may require that such data be passed on to authorities or to other third parties. Even when transactions are executed within Switzerland, the possibility that they may be processed via international channels cannot be ruled out.

Information about data processing is published at [gkb.ch/datenschutzerklaerung](http://gkb.ch/datenschutzerklaerung) and is available in hard copy from GKB.

The Client hereby gives consent to their client data being processed.

## **22. Client profiles and automated individual decision-making**

GKB may analyse and evaluate client data (including the data of associated third parties) on an automated basis in order to identify key personal characteristics of the Client or predict trends and draw up client profiles from this. These are primarily used to re-

view transactions and individual advice and draw up offers and information GKB may provide to the Client.

The client profiles may result in automated individual decision-making.

Further information is published at [gkb.ch/datenschutzerklaerung](http://gkb.ch/datenschutzerklaerung) and is available in hard copy from GKB.

The Client hereby consents to the creation of profiles described and automated individual decision-making.

## **23. Dealing with conflicts of interest**

GKB shall take appropriate organisational steps to avoid conflicts of interest with its clients when providing services. Where this is not possible it shall disclose such conflicts to the client concerned.

## **24. Saturdays classified as public holidays**

In business dealings with GKB, Saturdays shall be deemed to be public holidays.

## 25. Termination of business relationships

Both GKB and the Client may terminate the banking relationship with immediate effect or with effect from a later date and without stating reasons. GKB may cancel credit limits at any time and declare their balances payable with immediate effect, subject to any special agreements and termination provisions applicable to specific products.

## 26. Compliance with laws and regulations

The Client shall be responsible for compliance with the provisions of laws and regulations applicable to them, and shall comply with the applicable legal provisions at all times. This includes compliance with tax obligations, which the Client shall document to GKB on request.

GKB may restrict the use of services and products where this is required to comply with legal and regulatory provisions. In particular, GKB may decline to accept cash transactions.

## 27. Delivery, realisation and court deposit

If the business relationship is terminated or GKB is no longer able to hold individual assets or credit balances in custody for product-specific, regulatory or other reasons, the Client must notify GKB where their assets are to be transferred. If this is not done or transfer is not possible for other reasons, after an appropriate period GKB may physically deliver the assets or liquidate them. GKB may deposit the proceeds and any remaining credit balance where instructed by the judge or send these to the Client's last known address in the form of a cheque, and shall be deemed to have discharged its obligations thereby.

## 28. Depositor protection

Client deposits are protected up to an amount set in law. For more information on depositor protection please refer to [esisuisse.ch/en](https://esisuisse.ch/en).

### 29. Place of jurisdiction and applicable law

The place of jurisdiction shall be determined in accordance with the mandatory statutory provisions. If these are not applicable, the sole place of jurisdiction for proceedings of all kinds shall be Chur, which shall also be the place of performance and debt collection for clients domiciled outside Switzerland. GKB shall, however, be entitled to take legal action against the Client before the court or authority having jurisdiction at the Client's domicile or registered office.

All legal relationships between the Client and GKB shall be governed by and construed in accordance with Swiss law.

### 30. Amendments to basic documents

GKB reserves the right to amend the basic documents and special agreements for particular types of business at any time. Such amendments shall be announced in writing or in other suitable form and deemed to have been approved unless written notification to the contrary is received within one month of the date of announcement.

If the Client objects, they may terminate the business relationship with immediate effect. Any notice or withdrawal periods specified in special conditions or agreements are reserved.

The latest version of the GTC is available on the internet ([gkb.ch/rechtlichehinweise](http://gkb.ch/rechtlichehinweise)).

Amendments to the basic documents shall in any case be recognised as legally binding with effect from the next transaction initiated or service requested by the Client (including by electronic means).