

Carrard Consulting SA

To the creditors of, and holders of
custody deposit accounts at Banque
Privée Espirito Santo Ltd in
liquidation

Lausanne, November 10, 2014

Banque Privée Espirito Santo Ltd in liquidation (BPES): Circular n°4 from the Liquidator regarding (i) the treatment of cash amounts accrued from segregated assets and (ii) the implementation of a social plan resolved by the Liquidator

Dear Madam, dear Sir,

We are providing you the following information in connection with the treatment of cash amounts accrued from segregated assets and the implementation of a social plan resolved by the Liquidator.

1. Treatment of Cash Amounts accrued from Segregated Assets

a) In General – Reminder

Securities and other valuables as defined in Article 16 of the Swiss Federal Act on Banks and Saving Banks (**BA**) (including intermediated securities as defined in Article 17 of the Swiss Federal Act on Intermediated Securities [**FISA**]) held in BPES clients' (**Account Holders**) custody deposit accounts (**Securities** and, with reference to the custody deposit accounts in which they are held, **Securities Accounts**) at the bankruptcy's date are segregated from the bankruptcy assets, *i.e.*, the Securities are not part of the bankruptcy assets of BPES and are not subject to realization in the course of the liquidation proceedings.

In accordance with the information given in the Circular n° 2 from the Liquidators to the creditors, cash amounts accrued from segregated Securities, including the payments of interests, dividends, repayments of bond issues and/or fiduciary investments or, as the case may be, proceeds from the sale of Securities paid out to BPES after the opening of the bankruptcy proceedings on September 19, 2014, at 8:00 am also constitute in principle segregated assets.

Segregated cash amounts according to the preceding paragraph will be wired to one or several accounts of the Accounts Holders at another custodian.

To this end, the Account Holders must submit **an executed original** of the segregated cash transfer instruction form, available at www.liquidator-bpes.ch.

Transfer instructions must indicate an account in the same currency as the issuance currency of the underlying Security. The Liquidator will not convert any amount in another currency and cash amounts accrued from segregated assets will be wired in the same currency as that in which they have been paid out. The Liquidator does not assume any liability to the Account Holders for any prejudice or damage in connection therewith.

The segregated cash transfer instruction form must be filled in once and, unless the Account Holders instruct the Liquidator otherwise, the Liquidator will rely on the instructions given in the form for any subsequent wire transfer of cash amounts accrued from segregated assets.

b) Time for Processing the Wire Transfer

The Liquidator and BPES' staff endeavor to execute the wire transfers of the cash amounts accrued from segregated assets as quickly as possible after reception of the transfer instructions from the Account Holders. Immediate execution is however impossible.

c) Costs, Security Interests and Set-off rights

All usual costs incurred by BPES in connection with the wire transfers of segregated cash amounts will be charged before they are executed. BPES' security interests and set-off rights are reserved.

2. Social Plan

As a certain number of employment contracts have not been assumed by the bankruptcy estate as at the opening of the bankruptcy proceedings against BPES, hardship situations have arisen for certain employees of BPES during the termination notice periods. Hardship situations may arise from losses of earnings due to work incapacities not being covered by the unemployment insurance or BPES' loss of earnings health insurance on the one hand, and the conditions for the payment of unemployment insurance's benefits not being satisfied on the other hand. These particular situations have led the Liquidator to resolve, on October 28, 2014, the implementation of an emergency social plan based on personal individual situations.

The social plan shall only be applicable to first rank creditors who meet the following requirements:

- employees who are unable to work due to sickness as at October 20, 2014, with respect to the ongoing working incapacities at such date and subject to certain conditions. Provided that the concerned employees subscribe to an insurance policy, they will be offered an indemnity up to a maximum amount of CHF 10,500 for a limited time period and BPES will cover the employees' monthly insurance contributions for an amount of CHF 300;
- employees who do not meet the requirements to receive unemployment insurance benefits (save for those employees whose position is assimilated to that of an employer and/or who are not domiciled in Switzerland), to the same extent as described in the preceding paragraph.

The social plan imposes several obligations and formal incumbencies on the concerned employees and provides for the duration of the benefits. The social plan does not apply to general manager and deputy general manager positions.

Lastly, amounts paid out to employees under the social plan are deducted from the concerned employees' respective first rank claims to receive a part of the liquidation proceeds as determined in the final schedule of claims established in connection with BPES' bankruptcy and, as the case may be, such employees will have to reimburse any amount paid out in excess of the amount of such claims.

Yours truly,

The Liquidator, Carrard Consulting SA