



U.S. Department of Justice

Tax Division

Washington, D.C. 20530

LJW:TJS:BDBailey
5-16-4645
2014200646

June 25, 2015

Paul A. Merolla
William E. Donnelly
Robertson T. Park
Murphy & McGonigle, P.C.
555 13th Street N.W., Suite 410
Washington D.C. 20004

Re: ARVEST Privatbank AG
DOJ Swiss Bank Program – Category 2
Non-Prosecution Agreement

Dear Mr. Merolla:

ARVEST Privatbank AG (now ARVEST Administration AG) submitted a Letter of Intent on December 30, 2013, to participate in Category 2 of the Department of Justice's Program for Non-Prosecution Agreements or Non-Target Letters for Swiss Banks, as announced on August 29, 2013 (hereafter "Swiss Bank Program"). This Non-Prosecution Agreement ("Agreement") is entered into based on the representations of ARVEST in its Letter of Intent and information provided by ARVEST pursuant to the terms of the Swiss Bank Program. The Swiss Bank Program is incorporated by reference herein in its entirety in this Agreement.¹ Any violation by ARVEST of the Swiss Bank Program will constitute a breach of this Agreement.

On the understandings specified below, the Department of Justice will not prosecute ARVEST for any tax-related offenses under Titles 18 or 26, United States Code, or for any monetary transaction offenses under Title 31, United States Code, Sections 5314 and 5322, in connection with undeclared U.S. Related Accounts held by ARVEST during the Applicable Period (the "conduct"). ARVEST admits, accepts, and acknowledges responsibility for the conduct set forth in the Statement of Facts attached hereto as Exhibit A and agrees not to make

¹ Capitalized terms shall have the meaning ascribed to them in the Swiss Bank Program.

any public statement contradicting the Statement of Facts. This Agreement does not provide any protection against prosecution for any offenses except as set forth above, and applies only to ARVEST and does not apply to any other entities or to any individuals. ARVEST expressly understands that the protections provided under this Agreement shall not apply to any acquirer or successor entity unless and until such acquirer or successor formally adopts and executes this Agreement. ARVEST enters into this Agreement pursuant to the authority granted by its Board of Directors in the form of a Board Resolution (a copy of which is attached hereto as Exhibit B).

In recognition of the conduct described in this Agreement and in accordance with the terms of the Swiss Bank Program, ARVEST agrees to pay the sum of \$1,044,000.00 as a penalty to the Department of Justice ("the Department"). This shall be paid directly to the United States within seven (7) days of the execution of this Agreement pursuant to payment instructions provided to ARVEST. This payment is in lieu of restitution, forfeiture, or criminal fine against ARVEST for the conduct described in this Agreement. The Department will take no further action to collect any additional criminal penalty from ARVEST with respect to the conduct described in this Agreement, unless the Tax Division determines ARVEST has materially violated the terms of this Agreement or the Swiss Bank Program as described on pages 5-6 below. ARVEST acknowledges that this penalty payment is a final payment and no portion of the payment will be refunded or returned under any circumstance, including a determination by the Tax Division that ARVEST has violated any provision of this Agreement. ARVEST agrees that it shall not file any petitions for remission, restoration, or any other assertion of ownership or request for return relating to the penalty amount or the calculation thereof, or file any other action or motion, or make any request or claim whatsoever, seeking to collaterally attack the payment or calculation of the penalty. ARVEST agrees that it shall not assist any others in filing any such claims, petitions, actions, or motions. ARVEST further agrees that no portion of the penalty that ARVEST has agreed to pay to the Department under the terms of this Agreement will serve as a basis for ARVEST to claim, assert, or apply for, either directly or indirectly, any tax deduction, any tax credit, or any other offset against any U.S. federal, state, or local tax or taxable income.

The Department enters into this Agreement based, in part, on the following Swiss Bank Program factors:

- (a) ARVEST's timely, voluntary, and thorough disclosure of its conduct, including:
- how its cross-border business for U.S. Related Accounts was structured, operated, and supervised (including internal reporting and other communications with and among management);
 - the name and function of the individuals who structured, operated, or supervised the cross-border business for U.S. Related Accounts during the Applicable Period;
 - how ARVEST attracted and serviced account holders; and
 - an in-person presentation and documentation, properly translated, supporting the disclosure of the above information and other information that was requested by the Tax Division;



(b) ARVEST's cooperation with the Tax Division, including conducting an internal investigation and making presentations to the Tax Division on the status and findings of the internal investigation;

(c) ARVEST's production of information about its U.S. Related Accounts, including:

- the total number of U.S. Related Accounts and the maximum dollar value, in the aggregate, of the U.S. Related Accounts that (i) existed on August 1, 2008; (ii) were opened between August 1, 2008, and February 28, 2009; and (iii) were opened after February 28, 2009;
- the total number of accounts that were closed during the Applicable Period; and
- upon execution of the Agreement, as to each account that was closed during the Applicable Period, (i) the maximum value, in dollars, of each account, during the Applicable Period; (ii) the number of U.S. persons or entities affiliated or potentially affiliated with each account, and further noting the nature of the relationship to the account of each such U.S. person or entity or potential U.S. person or entity (e.g., a financial interest, beneficial interest, ownership, or signature authority, whether directly or indirectly, or other authority); (iii) whether it was held in the name of an individual or an entity; (iv) whether it held U.S. securities at any time during the Applicable Period; (v) the name and function of any relationship manager, client advisor, asset manager, financial advisor, trustee, fiduciary, nominee, attorney, accountant, or other individual or entity functioning in a similar capacity known by ARVEST to be affiliated with said account at any time during the Applicable Period; and (vi) information concerning the transfer of funds into and out of the account during the Applicable Period, including (a) whether funds were deposited or withdrawn in cash; (b) whether funds were transferred through an intermediary (including but not limited to an asset manager, financial advisor, trustee, fiduciary, nominee, attorney, accountant, or other third party functioning in a similar capacity) and the name and function of any such intermediary; (c) identification of any financial institution and domicile of any financial institution that transferred funds into or received funds from the account; and (d) identification of any country to or from which funds were transferred; and

(d) ARVEST's retention of a qualified independent examiner who has verified the information ARVEST disclosed pursuant to II.D.2 of the Swiss Bank Program.

Under the terms of this Agreement, ARVEST shall: (a) commit no U.S. federal offenses; and (b) truthfully and completely disclose, and continue to disclose during the term of this Agreement, consistent with applicable law and regulations, all material information described in Part II.D.1 of the Swiss Bank Program that is not protected by a valid claim of privilege or work product with respect to the activities of ARVEST, those of its parent company and its affiliates, and its officers, directors, employees, agents, consultants, and others, which information can be used for any purpose, except as otherwise limited in this Agreement.

Notwithstanding the term of this Agreement, ARVEST shall also, subject to applicable laws or regulations: (a) cooperate fully with the Department, the Internal Revenue Service, and any other federal law enforcement agency designated by the Department regarding all matters related to the conduct described in this Agreement; (b) provide all necessary information and assist the United States with the drafting of treaty requests seeking account information of U.S. Related Accounts, whether open or closed, and collect and maintain all records that are potentially responsive to such treaty requests in order to facilitate a prompt response; (c) assist the Department or any designated federal law enforcement agency in any investigation, prosecution, or civil proceeding arising out of or related to the conduct covered by this Agreement by providing logistical and technical support for any meeting, interview, federal grand jury proceeding, or any federal trial or other federal court proceeding; (d) use its best efforts promptly to secure the attendance and truthful statements or testimony of any officer, director, employee, agent, or consultant of ARVEST at any meeting or interview or before a federal grand jury or at any federal trial or other federal court proceeding regarding matters arising out of or related to the conduct covered by this Agreement; (e) provide testimony of a competent witness as needed to enable the Department and any designated federal law enforcement agency to use the information and evidence obtained pursuant to ARVEST's participation in the Swiss Bank Program; (f) provide the Department, upon request, consistent with applicable law and regulations, all information, documents, records, or other tangible evidence not protected by a valid claim of privilege or work product regarding matters arising out of or related to the conduct covered by this Agreement about which the Department or any designated federal law enforcement agency inquires, including the translation of significant documents at the expense of ARVEST; and (g) provide to any state law enforcement agency such assistance as may reasonably be requested in order to establish the basis for admission into evidence of documents already in the possession of such state law enforcement agency in connection with any state civil or criminal tax proceedings brought by such state law enforcement agency against an individual arising out of or related to the conduct described in this Agreement.

ARVEST further agrees to undertake the following:

1. ARVEST agrees, to the extent it has not provided complete transaction information pursuant to Part II.D.2.b.vi of the Swiss Bank Program, and set forth in subparagraph (c) on page 3 of this Agreement, because the Tax Division has agreed to specific dollar threshold limitations for the initial production, ARVEST will promptly provide the entirety of the transaction information upon request of the Tax Division.
2. ARVEST agrees to close as soon as practicable, and in no event later than two years from the date of this Agreement, any and all accounts of recalcitrant account holders, as defined in Section 1471(d)(6) of the Internal Revenue Code; has implemented, or will implement, procedures to prevent its employees from assisting recalcitrant account holders to engage in acts of further concealment in connection with closing any account or transferring any funds; and will not open any U.S. Related Accounts except on conditions that ensure that the account will be declared to the United States and will be subject to disclosure by ARVEST.



3. ARVEST agrees to use best efforts to close as soon as practicable, and in no event later than the four-year term of this Agreement, any and all U.S. Related Accounts classified as "dormant" in accordance with applicable laws, regulations and guidelines, and will provide periodic reporting upon request of the Tax Division if unable to close any dormant accounts within that time period. ARVEST will only provide banking or securities services in connection with any such "dormant" account to the extent that such services are required pursuant to applicable laws, regulations and guidelines. If at any point contact with the account holder(s) (or other person(s) with authority over the account) is re-established, ARVEST will promptly proceed to follow the procedures described above in paragraph 2.
4. ARVEST agrees to retain all records relating to its U.S. cross-border business, including records relating to all U.S. Related Accounts closed during the Applicable Period, for a period of ten (10) years from the termination date of the this Agreement.

With respect to any information, testimony, documents, records or other tangible evidence provided to the Tax Division pursuant to this Agreement, the Tax Division provides notice that it may, subject to applicable law and regulations, disclose such information or materials to other domestic governmental authorities for purposes of law enforcement or regulatory action as the Tax Division, in its sole discretion, shall deem appropriate.

ARVEST's obligations under this Agreement shall continue for a period of four (4) years from the date this Agreement is fully executed. ARVEST, however, shall cooperate fully with the Department in any and all matters relating to the conduct described in this Agreement, until the date on which all civil or criminal examinations, investigations, or proceedings, including all appeals, are concluded, whether those examinations, investigations, or proceedings are concluded within the four-year term of this Agreement.

It is understood that if the Tax Division determines, in its sole discretion, that:

- (a) ARVEST committed any U.S. federal offenses during the term of this Agreement;
- (b) ARVEST or any of its representatives have given materially false, incomplete, or misleading testimony or information;
- (c) the misconduct extended beyond that described in the Statement of Facts or disclosed to the Tax Division pursuant to Part II.D.1 of the Swiss Bank Program; or
- (d) ARVEST has otherwise materially violated any provision of this Agreement or the terms of the Swiss Bank Program, then (i) ARVEST shall thereafter be subject to prosecution and any applicable penalty, including restitution, forfeiture, or criminal fine, for any federal offense of which the Department has knowledge, including perjury and obstruction of justice; (ii) all statements made by ARVEST's representatives to the Tax Division or other designated law enforcement agents, including but not limited to the appended Statement of Facts, any testimony given by ARVEST's representatives before a grand jury or other tribunal whether prior to or subsequent to the signing of this Agreement, and any leads therefrom, and any documents provided to the Department, the Internal Revenue Service, or designated law enforcement authority by ARVEST shall be admissible in evidence in any criminal proceeding brought against ARVEST and relied upon as evidence to support any penalty on ARVEST; and (iii) ARVEST shall assert no claim under the United States Constitution, any statute, Rule 410 of the

Federal Rules of Evidence, or any other federal rule that such statements or documents or any leads therefrom should be suppressed.

Determination of whether ARVEST has breached this Agreement and whether to pursue prosecution of ARVEST shall be in the Tax Division's sole discretion. The decision whether conduct or statements of any current director, officer or employee, or any person acting on behalf of, or at the direction of, ARVEST, will be imputed to ARVEST for the purpose of determining whether ARVEST has materially violated any provision of this Agreement shall be in the sole discretion of the Tax Division.


In the event that the Tax Division determines that ARVEST has breached this Agreement, the Tax Division agrees to provide ARVEST with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty (30) days of receipt of such notice, ARVEST may respond to the Tax Division in writing to explain the nature and circumstances of such breach, as well as the actions that ARVEST has taken to address and remediate the situation, which explanation the Tax Division shall consider in determining whether to pursue prosecution of ARVEST.

In addition, any prosecution for any offense referred to on page 1 of this Agreement that is not time-barred by the applicable statute of limitations on the date of the announcement of the Swiss Bank Program (August 29, 2013) may be commenced against ARVEST, notwithstanding the expiration of the statute of limitations between such date and the commencement of such prosecution. For any such prosecutions, ARVEST waives any defenses premised upon the expiration of the statute of limitations, as well as any constitutional, statutory, or other claim concerning pre-indictment delay and agrees that such waiver is knowing, voluntary, and in express reliance upon the advice of ARVEST's counsel.

It is understood that the terms of this Agreement, do not bind any other federal, state, or local prosecuting authorities other than the Department. If requested by ARVEST, the Tax Division will, however, bring the cooperation of ARVEST to the attention of such other prosecuting offices or regulatory agencies.

It is further understood that this Agreement and the Statement of Facts attached hereto may be disclosed to the public by the Department and ARVEST consistent with Part V.B of the Swiss Bank Program.


This Agreement supersedes all prior understandings, promises and/or conditions between the Department and ARVEST. No additional promises, agreements, and conditions have been entered into other than those set forth in this Agreement and none will be entered into unless in writing and signed by both parties.



CAROLINE D. CIRAULO
Acting Assistant Attorney General
Tax Division




DATE



THOMAS J. SAWYER
Senior Counsel for International Tax Matters

9 July 2015
DATE



BRIAN D. BAILEY
Trial Attorney

9 July 2015
DATE

AGREED AND CONSENTED TO:
ARVEST Administration AG

By: 

STEFAN KIMMEL
Chief Executive Officer

2/7/15
DATE

APPROVED:



PAUL A. MEROLLA
Murphy & McGonigle, P.C.
Attorneys for ARVEST Administration AG

7/2/15
DATE

EXHIBIT A TO ARVEST NON-PROSECUTION AGREEMENT

STATEMENT OF FACTS

Introduction

1. ARVEST Privatbank AG (“ARVEST” or “the Bank”) was a private bank headquartered in Pfaffikon, Switzerland. On January 5, 2015, ARVEST changed its name to ARVEST Administration AG in connection with its application to the Swiss Financial Market Supervisory Authority to surrender its Swiss banking license. On April 15, 2015, ARVEST ceased being a licensed Swiss bank. ARVEST provided portfolio management and related private banking services primarily to high net worth clients
2. ARVEST was owned by a Swiss family through a parent holding company. ARVEST’s banking business started as an adjunct to its asset management business. ARVEST did not open any new accounts for new clients after January 1, 2014. ARVEST closed all accounts by March 31, 2015, including all U.S. Related Accounts.
3. By letter dated December 30, 2013, ARVEST notified the Department of its intent to request a Non-Prosecution Agreement as a “Category 2 Bank” under the Program for Non-Prosecution Agreements or Non-Target Letters for Swiss Banks (the “Program”). ARVEST has complied with the requirements of the Program and has fully cooperated with the Department.

U.S. Income Tax & Reporting Obligations

4. U.S. citizens, resident aliens, and legal permanent residents have an obligation to report all income earned from foreign bank accounts on their tax returns and to pay the taxes due on that income. Since tax year 1976, U.S. citizens, resident aliens, and legal permanent residents have had an obligation to report to the Internal Revenue Service (“IRS”) on the Schedule B of a U.S. Individual Income Tax Return, Form 1040, whether they had a financial interest in, or signature authority over, a financial account in a foreign country in a particular year by checking “Yes” or “No” in the appropriate box and identifying the country where the account was maintained.
5. Since 1970, U.S. citizens, resident aliens, and legal permanent residents who have had a financial interest in, or signature authority over, one or more financial accounts in a foreign country with an aggregate value of more than \$10,000 at any time during a particular year were required to file with the Department of the Treasury a Report of Foreign Bank and Financial Accounts, FinCEN Form 114, formerly known as Form TD F 90-22.1 Report of Foreign Bank and Financial Accounts, FinCEN Form 114, formerly known as Form TD F 90-22.1 (the “FBAR”).



6. An "undeclared account" was a financial account owned by an individual subject to U.S. tax and maintained in a foreign country that had not been reported by the individual account owner to the U.S. government on an income tax return and an FBAR.
7. "U.S. Related Accounts" means accounts which exceeded \$50,000 in value at any time during the Applicable Period, and as to which indicia exist that a U.S. Person or Entity has or had a financial or beneficial interest in, ownership of, or signature authority (whether direct or indirect) or other authority over the account.
8. Since 1935, Switzerland has maintained laws that ensure the secrecy of client relationships at Swiss banks. While Swiss law permits the exchange of information in response to administrative requests made pursuant to a tax treaty with the United States and certain legal requests in cases of tax fraud, Swiss law otherwise prohibits the disclosure of identifying information without client authorization. Because of the secrecy guarantee that they created, these Swiss criminal provisions enabled U.S. clients to conceal their Swiss bank accounts from U.S. authorities.
9. In or about 2008, Swiss bank UBS AG ("UBS") publicly announced that it was the target of a criminal investigation by the Internal Revenue Service and the United States Department of Justice and that it would be exiting and no longer accepting certain U.S. clients. On February 18, 2009, the Department of Justice and UBS filed a deferred prosecution agreement in the Southern District of Florida in which UBS admitted that its cross-border banking business used Swiss privacy law to aid and assist U.S. clients in opening accounts and maintaining undeclared assets and income from the IRS. After the UBS announcement, several other Swiss banks have publicly announced that they were or are the targets of similar criminal investigations and that they would likewise be exiting and not accepting certain U.S. clients (UBS and the other targeted Swiss banks are collectively referred to as "Category 1 banks"). The Category 1 banks' cases have been closely monitored by banks operating in Switzerland including ARVEST since at least August of 2008.


ARVEST's U.S. Related Accounts

10. Fifty-two of ARVEST's 567 accounts during the Program's Applicable Period were U.S. Related Accounts with a maximum aggregate asset value of \$134,069,442. As of March 31, 2015, ARVEST closed all of its U.S. Related Accounts. Substantially all of ARVEST's accounts were managed by one of ARVEST's relationship managers. ARVEST employed up to three senior and two junior relationship managers, each of whom also had substantial other responsibilities at the Bank.
11. On August 1, 2008, ARVEST had 32 U.S. Related Accounts with a total maximum aggregate asset value of \$110,172,491. Between August 1, 2008 and February 28, 2009, ARVEST opened seven more U.S. Related Accounts with a total maximum aggregate asset value of \$6,453,169. Four of these seven accounts, or \$3,025,421 of the maximum



value, were funded by transfers from previously existing accounts at the Bank. After February 28, 2009, ARVEST opened thirteen U.S. Related Accounts with a total maximum aggregate asset value of \$17,443,782. Seven of these accounts, or \$10,312,026 of the maximum value, were funded by transfers from previously existing accounts at the Bank.

12. The 52 U.S. Related Accounts were about ten percent of ARVEST's total account base during the Applicable Period. ARVEST did not market to or target U.S. customers, but maintained its services for its U.S. beneficial owners without requiring proof that the accounts and the income earned on the account assets had been disclosed to the Internal Revenue Service ("IRS") during part or all of the Applicable Period. Prior to the announcement of the Program, ARVEST had no procedures in place to require proof of U.S. tax compliance by U.S. clients when opening an account.
13. ARVEST knew that U.S. persons had a duty under U.S. law to report their income to the IRS and to pay taxes on that income, including all income earned in accounts maintained by ARVEST in Switzerland. Despite this knowledge, ARVEST opened, maintained, and serviced accounts for U.S. persons that it knew or had reason to know were likely not declared to the IRS or the U.S. Department of the Treasury as required by U.S. law.
14. Historically, ARVEST management believed that account holder tax compliance was the exclusive responsibility of its clients. Nevertheless, before and during the Applicable Period, it helped certain clients open accounts in the names of nominee entities such as trusts and foundations. The Bank helped these clients set up the entities in Liechtenstein, St. Kitts, and other jurisdictions, and the Bank's representatives served as officers of certain of these entities. In many cases, these entities were formed by an affiliate of ARVEST. In some cases, clients are believed to have used these entities to evade U.S. tax compliance.
15. For several U.S. customers, ARVEST gave the account holders a travel debit card which did not have a name imprinted on the card. These cards were tied to accounts that the account holders held in their names at a third-party Swiss Bank specializing in this service. The account holders could use the card to draw funds electronically. These travel accounts were funded from the account holders' ARVEST accounts.
16. Beginning in 2009, press reports and discussions among bankers in Switzerland, including news of UBS AG's deferred prosecution agreement in February 2009, caused ARVEST management to first consider the possibility that the Bank might be responsible for monitoring the tax compliance of non-Swiss clients in other jurisdictions. As a result, ARVEST began in 2009 to encourage its non-Swiss clients, including U.S. clients, to ensure tax compliance in their home jurisdictions.



17. In 2012, ARVEST's management began notifying U.S. clients that the Bank would close their accounts if the clients did not commit to disclose their ARVEST accounts to the U.S. tax authorities.
18. During the Applicable Period, three of the 52 U.S. Related Accounts, comprising a maximum aggregate asset value of approximately \$2,340,000, were not tax compliant and had not entered the OVDP.
19. The beneficial owner of one of these accounts died in 2011. The children of this beneficial owner inherited the assets in this account following his death and have reported these assets to the IRS.
20. As for the second of the three accounts, ARVEST has been unable to establish contact with the beneficial owner. This account was opened on March 11, 1987, in the name of a Liechtenstein foundation and closed on November 16, 2012. The ARVEST relationship manager had no contact with the U.S. beneficial owner. ARVEST's account file contains no evidence of a communication with the original beneficial owner. ARVEST believes that the beneficial owner may have died. In 2010, the beneficial ownership of this account was changed from a U.S. person to a non-U.S. person.
21. The third non-compliant U.S. Related Account, which ARVEST opened after February 28, 2009, was an account in the name of a Panamanian foundation. The maximum value of this account during the Applicable Period was \$1,770,384.
 - a. The Swiss asset manager for the account was introduced to ARVEST in May 2009. The foundation's account, for a European beneficial owner with a U.S. address, was opened on September 17, 2009 and only remained open for three months. It was an "execution only" account with no discretionary mandate. The Panamanian foundation had been set up previously by counsel for the beneficial owner without any assistance from ARVEST. No ARVEST representatives were officers of the entity. ARVEST did not make any payments to the Swiss asset manager with respect to this account.
 - b. At the time ARVEST opened this account, ARVEST was aware of the UBS AG deferred prosecution agreement. At the time this account was opened, ARVEST did not have procedures in place that required proof of U.S. tax compliance at account opening.
 - c. At the account's inception, the signatories signed a form that instructed ARVEST not to invest or hold U.S. securities for the account.
 - d. In a letter sent to the Bank several weeks after the account opening, attorneys for the beneficial owner stated that one of the forms signed by the signatories was not an adequate form. The attorneys asked ARVEST to accept a new form to be signed by the members of the board of the foundation. The form



related to partnerships and trusts. It stated that no partner or beneficial owner of the account was a U.S. person. ARVEST responded in writing that it would not accept such a form, because it had knowledge that the beneficial owner was a U.S. person, based on the records provided upon the account's opening. Subsequently, the attorneys and ARVEST engaged in further correspondence about the account forms.

- c. Based on the above, ARVEST had reason to believe that this account was not U.S. tax compliant. During the approximately three-month period that this account was open, ARVEST asked the asset manager and the attorneys for the beneficial owner to declare the account to the U.S. tax authorities. Instead, ARVEST was informed in November 2009 that the account would be closed. ARVEST agreed to close the account because it understood that the foundation had been dissolved and the account assets had been distributed to charitable entities and non-U.S. persons at other banks. ARVEST closed the account on December 17, 2009.
- f. As a result of its experience with this account, ARVEST, at a management meeting on January 20, 2010, decided to strengthen the Bank's internal cross-border regulations relating to foreign business travel and the observance of the law and rule of the local country.
- g. In early 2014, ARVEST asked the asset manager and the attorneys for the beneficial owner to disclose this account to U.S. tax authorities, even though it had been closed for more than four years. In April 2014, attorneys for the beneficial owner informed ARVEST that the beneficial owner had sought the assistance of U.S. counsel and agreed to enter the OVDP. These attorneys informed ARVEST in May 2014 that they had been informed by U.S. counsel that the IRS had stated that the beneficial owner was not eligible for the OVDP.



**CERTIFICATE OF CORPORATE RESOLUTIONS OF THE
BOARD OF DIRECTORS OF ARVEST ADMINISTRATION AG**

We, Johannes Stolba, Chairman, and Erwin Koller, Vice Chairman, of the Board of Directors (the "Board") of ARVEST Administration AG, formerly ARVEST Privatbank AG, which ceased being a licensed Swiss bank on April 15, 2015, and having its principal place of business at Churerstrasse 82, CH 8808 Pfäffikon SZ, Switzerland, (the "Corporation"), hereby certify that the following is a true copy of resolutions duly adopted by the Board of the Corporation at a meeting convened and held on July 2, 2015 at which a quorum was present and voting throughout and that such resolutions have not been amended or modified in any respect and are in full force and effect as of the date hereof.

WHEREAS, the Board has previously approved the Corporation entering into and participating in the U.S. Department of Justice Program for Non-Prosecution Agreements or Non-Target Letters for Swiss Banks announced on August 29, 2013; and

WHEREAS, the Board has been presented with and has reviewed the attached Non-Prosecution Agreement ("NPA") with the U.S. Department of Justice; and

WHEREAS, the Board has determined that entering into the NPA is appropriate and in the best interest of the Corporation.

NOW THEREFORE BE IT:

RESOLVED, that the Board hereby authorizes and approves the Corporation entering into the NPA;

RESOLVED, that Stefan Kimmel, the Chief Executive Officer of the Corporation, is hereby authorized to execute and deliver the NPA and any other documents relevant for this purpose and to take any and all actions required under the terms of the NPA in the name of and on behalf of the Corporation.

IN WITNESS HEREOF, the undersigned have affixed their signatures this 2nd day of July, 2015.



Johannes Stolba
Chairman of the Board
ARVEST Administration AG



Erwin Koller
Vice Chairman of the Board
ARVEST Administration AG

