U.S. Department of Justice

Tax Division

Washington, D.C. 20530

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5-16-4737
2014200755

June 2, 2015

Keith Krakaur, Esquire
Gary DiBianco, Esquire
Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY 10036-6522

Re: Société Générale Private Banking (Suisse) SA
DOJ Swiss Bank Program – Category 2
Non-Prosecution Agreement

Dear Mr. Krakaur and Mr. DiBianco:

Société Générale Private Banking (Suisse) SA submitted a Letter of Intent on December 23, 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 Société Générale Private Banking (Suisse) SA in its Letter of Intent and information provided by Société Générale Private Banking (Suisse) SA 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 Société Générale Private Banking (Suisse) SA of the Swiss Bank Program will constitute a breach of this Agreement.

On the understandings specified below, the Department of Justice will not prosecute Société Générale Private Banking (Suisse) SA 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 Société Générale Private Banking (Suisse) SA during the Applicable Period (the "conduct"). Société Générale Private Banking (Suisse) SA 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 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 Société Générale Private Banking (Suisse) SA and does not apply to any other entities or to any

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

individuals. Société Générale Private Banking (Suisse) SA 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. Société Générale Private Banking (Suisse) SA 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, Société Générale Private Banking (Suisse) SA agrees to pay the sum of $17,807,000 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 Société Générale Private Banking (Suisse) SA. This payment is in lieu of restitution, forfeiture, or a criminal fine against Société Générale Private Banking (Suisse) SA for the conduct described in this Agreement. The Department will take no further action to collect any additional criminal penalty from Société Générale Private Banking (Suisse) SA with respect to the conduct described in this Agreement, unless the Tax Division determines that Société Générale Private Banking (Suisse) SA has materially violated the terms of this Agreement or the Swiss Bank Program as described on pages 5-6 below. Société Générale Private Banking (Suisse) SA 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 Société Générale Private Banking (Suisse) SA has violated any provision of this Agreement. Société Générale Private Banking (Suisse) SA 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. Société Générale Private Banking (Suisse) SA agrees that it shall not assist any others in filing any such claims, petitions, actions, or motions. Société Générale Private Banking (Suisse) SA further agrees that no portion of the penalty that Société Générale Private Banking (Suisse) SA has agreed to pay to the Department under the terms of this Agreement will serve as a basis for Société Générale Private Banking (Suisse) SA 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) Société Générale Private Banking (Suisse) SA'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 Société Générale Private Banking (Suisse) SA 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) Société Générale Private Banking (Suisse) SA'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) Société Générale Private Banking (Suisse) SA'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 Société Générale Private Banking (Suisse) SA 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) Société Générale Private Banking (Suisse) SA's retention of a qualified independent examiner who has verified the information Société Générale Private Banking (Suisse) SA disclosed pursuant to II.D.2 of the Swiss Bank Program.

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Under the terms of this Agreement, Société Générale Private Banking (Suisse) SA 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 Société Générale Private Banking (Suisse) SA, 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, Société Générale Private Banking (Suisse) SA 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 Société Générale Private Banking (Suisse) SA 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 Société Générale Private Banking (Suisse) SA'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 Société Générale Private Banking (Suisse) SA; 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.

Société Générale Private Banking (Suisse) SA further agrees to undertake the following:

1. Société Générale Private Banking (Suisse) SA 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 pages 2-3 of this Agreement, because the Tax Division has agreed to specific dollar threshold limitations for the initial production, Société Générale Private Banking (Suisse)

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SA will promptly provide the entirety of the transaction information upon request of the Tax Division.

2. Société Générale Private Banking (Suisse) SA 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 Société Générale Private Banking (Suisse) SA.

3. Société Générale Private Banking (Suisse) SA 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. Société Générale Private Banking (Suisse) SA 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, Société Générale Private Banking (Suisse) SA will promptly proceed to follow the procedures described above in paragraph 2.

4. Société Générale Private Banking (Suisse) SA 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.

Société Générale Private Banking (Suisse) SA's obligations under this Agreement shall continue for a period of four (4) years from the date this Agreement is fully executed. Société Générale Private Banking (Suisse) SA, 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) Société Générale Private Banking (Suisse) SA committed any U.S. federal offenses during

the term of this Agreement; (b) Société Générale Private Banking (Suisse) SA 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) Société Générale Private Banking (Suisse) SA has otherwise materially violated any provision of this Agreement or the terms of the Swiss Bank Program, then (i) Société Générale Private Banking (Suisse) SA 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 Société Générale Private Banking (Suisse) SA'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 Société Générale Private Banking (Suisse) SA'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 Société Générale Private Banking (Suisse) SA shall be admissible in evidence in any criminal proceeding brought against Société Générale Private Banking (Suisse) SA and relied upon as evidence to support any penalty on Société Générale Private Banking (Suisse) SA; and (iii) Société Générale Private Banking (Suisse) SA 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 Société Générale Private Banking (Suisse) SA has breached this Agreement and whether to pursue prosecution of Société Générale Private Banking (Suisse) SA 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, Société Générale Private Banking (Suisse) SA, will be imputed to Société Générale Private Banking (Suisse) SA for the purpose of determining whether Société Générale Private Banking (Suisse) SA 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 Société Générale Private Banking (Suisse) SA has breached this Agreement, the Tax Division agrees to provide Société Générale Private Banking (Suisse) SA with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty (30) days of receipt of such notice, Société Générale Private Banking (Suisse) SA may respond to the Tax Division in writing to explain the nature and circumstances of such breach, as well as the actions that Société Générale Private Banking (Suisse) SA has taken to address and remediate the situation, which explanation the Tax Division shall consider in determining whether to pursue prosecution of Société Générale Private Banking (Suisse) SA.

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 Société Générale Private Banking (Suisse) SA, notwithstanding the expiration of the statute of limitations between such date and the commencement of such prosecution. For any such prosecutions, Société Générale Private Banking (Suisse) SA waives any defenses premised upon the expiration of the statute of

limitations, as well as any constitutional, statutory, or other claim conceming pre-indictment delay and agrees that such waiver is knowing, voluntary, and in express reliance upon the advice of Société Générale Private Banking (Suisse) SA'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 Société Générale Private Banking (Suisse) SA, the Tax Division will, however, bring the cooperation of Société Générale Private Banking (Suisse) SA 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 Société Générale Private Banking (Suisse) SA consistent with Part V.B of the Swiss Bank Program.

This Agreement supersedes all prior understandings, promises and/or conditions between the Department and Société Générale Private Banking (Suisse) SA. 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. CIRAOLO
Acting Assistant Attorney General
Tax Division

6/9/2015
DATE

THOMAS J. SAWYER
Senior Counsel for International Tax Matters

6/9/2015
DATE

KAREN M. QUESNEL
Trial Attorney
Tax Division, U.S. Department of Justice

6/9/2015
DATE

AGREED AND CONSENTED TO:

SOCIÉTÉ GÉNÉRALE PRIVATE BANKING (SUISSE) AG

By:
Yves Thieffry
Chief Executive Officer

June 9 - 2015
DATE

By:
Nicole Favre
Deputy Chief Operating Officer

9th June 2015
DATE

APPROVED:

KEITH KRAKAUR, ESQUIRE
Skadden, Arps, Slate, Meagher & Flom LLP

June 8, 2015
DATE

GARY DIBIANCO, ESQUIRE
Skadden, Arps, Slate, Meagher & Flom LLP

8 June 2015
DATE

EXHIBIT A TO SOCIÉTÉ GÉNÉRALE PRIVATE BANKING (SUISSE) NON-PROSECUTION AGREEMENT

STATEMENT OF FACTS

INTRODUCTION

1. Société Générale Private Banking (Suisse) SA ("SGPB-Suisse" or the "Bank") has had a presence in Switzerland since 1926. SGPB-Suisse was created after the merger between SG Ruegg Bank, a Société Générale Group subsidiary in Switzerland, and CBG Compagnie Bancaire (Genève) ("CBG") (the "predecessor entities") in 2003. SGPB-Suisse is a private bank established under Swiss law and located in Geneva. The Bank also has branches in Lausanne and Zurich. The Bank also had a U.S.-licensed representative office in Miami, Florida, from the early 1990s until it was closed on August 26, 2013. That office served clients living in Latin America and the Caribbean who had accounts with SGPB-Suisse in Switzerland.

2. During August 1, 2008, to December 31, 2014 (the "Applicable Period" as defined in the United States Department of Justice's Program for Non-Prosecution Agreements or Non-Target Letters for Swiss Banks (referred to as the "Swiss Bank Program"[1]), the Bank had approximately 23,000 accounts and approximately $20 billion under management.

U.S. INCOME TAX & REPORTING OBLIGATIONS

3. 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 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.

4. 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 have been required to file with the Department of the Treasury a Report of Foreign Bank and Financial Accounts, FinCEN Form 114 (the "FBAR," formerly known as Form TD F 90-22.1). The FBAR must be filed on or before June 30 of the following year.

[1] Any capitalized term not defined has the meaning assigned to it in the Swiss Bank Program.

June 8, 2015

5. 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 or other form and an FBAR as required.

6. "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.

7. Since 1935, Switzerland has maintained criminal 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 have historically enabled U.S. clients to conceal their Swiss bank accounts from U.S. authorities.

8. 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. Since the UBS investigation became public, 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"). These cases have been closely monitored by banks operating in Switzerland, including SGPB-Suisse, since at least August of 2008.

OVERVIEW OF THE U.S. CROSS-BORDER BUSINESS

9. The Bank provided private banking and asset management services to individuals and entities located inside and outside Switzerland. Unlike some other private banks, SGPB-Suisse never maintained a U.S. desk or business group dedicated to U.S. taxpayers, and it did not market its services in the United States nor to U.S. taxpayers. The Bank generally focused on clients outside of the United States, and U.S. clients were not targeted in the Bank's business plan. However, through referrals and pre-existing relationships, the Bank opened and maintained accounts for a number of U.S. taxpayers. Accordingly, the Bank did have clients who were citizens and residents of the U.S. and non-U.S. citizens with U.S. tax reporting obligations ("U.S. taxpayers"), including U.S. taxpayers domiciled in Switzerland and elsewhere outside of the United States.

10. The Bank was aware that U.S. taxpayers had a legal duty to report to the IRS and pay taxes on all of their income, including income earned in accounts that these U.S.

taxpayers maintained at the Bank. The Bank knew that it was likely that certain U.S. taxpayers who maintained accounts at the Bank during the Applicable Period were not complying with their U.S. reporting obligations.

11. SGPB-Suisse, during the Applicable Period, held and managed approximately 375 U.S. Related Accounts, which included both declared and undeclared accounts, with a peak of assets under management of approximately $660 million.

12. SGPB-Suisse's U.S. cross-border banking business aided and assisted some U.S. clients in opening and maintaining undeclared accounts in Switzerland and concealing the assets and income the clients held in their accounts from the IRS. The Bank used a variety of means to assist U.S. clients in concealing the assets and income the clients held in their SGPB-Suisse undeclared accounts, including by:

- opening and maintaining accounts for U.S. taxpayers in the name of non-U.S. corporations; foundations; trusts; or other entities, including sham entities, thereby assisting such U.S. taxpayers in concealing their beneficial ownership of the accounts;

- providing numbered accounts for 148 U.S. taxpayers, whereby the bank would allow the account holder to replace his or her identity with a code name or number on bank statements and other documentation sent to the client. However, SGBP-Suisse's internal records reflected the identity of the U.S. clients associated with these accounts, in compliance with Swiss law;

- holding bank statements and other mail relating to 222 U.S. Related Accounts at the Bank's offices in Switzerland rather than sending them to the U.S. taxpayers in the United States. As a result, all documents reflecting the existence of these accounts remained outside the United States;

- processing requests from U.S. taxpayers for cash or gold withdrawals so as not to trigger any transaction reporting requirements, including instances where withdrawn assets were deposited to accounts at the Bank held by fiduciary companies or non-U.S. beneficial owners;

- processing requests from U.S. taxpayers to transfer funds from U.S. Related Accounts at the Bank to accounts at subsidiaries of the Bank in Lugano and the Bahamas;

- referring bank clients to SG TRUST (SWITZERLAND) Ltd ("SG Trust"), located in Geneva, a wholly-owned subsidiary of SGPB-Suisse that acts as a trust management company. SG Trust only provided services to customers of the Bank. SG Trust provided assistance in setting up entities including offshore companies and foundations, including sham entities, for bank clients and provided administrative services to the entities but it did not act as a director of any of them. In 2011, the Bank began closing and unwinding SG Trust;

- in a limited number of instances, opening accounts for U.S. taxpayers who had left UBS when that bank was being investigated by the U.S. Department of Justice; and

- processing requests from U.S. taxpayers to transfer assets from accounts being closed to other SGPB-Suisse accounts held by non-U.S. relatives and/or friends.

13. SGPB-Suisse opened, serviced, and profited from accounts for U.S. clients with the knowledge that some were likely not complying with their U.S. income tax obligations. Due in part to the assistance of SGPB-Suisse and its personnel, as described in part in paragraph 12, and with the knowledge that Swiss banking secrecy laws would prevent the Bank from disclosing their identities to the IRS, some U.S. clients of SGPB-Suisse filed false and fraudulent U.S. Individual Income Tax Returns, Forms 1040, which failed to report their interests in their undeclared accounts and the related income. Some of SGPB-Suisse's U.S. clients also failed to file and otherwise report their undeclared accounts on FBARs.

14. Private bankers (referred to as "relationship managers") served as the primary contact for U.S. clients with accounts at SGPB-Suisse. During the Applicable Period, the Bank employed approximately 170 relationship managers. Each active account was assigned to at least one relationship manager. Certain relationship managers actively assisted or otherwise facilitated some U.S. individual taxpayers in establishing and maintaining undeclared accounts in a manner designed to conceal the U.S. taxpayers' ownership or beneficial interest in their accounts.

15. One desk at SGPB-Suisse oversaw accounts introduced and managed by external asset managers. The Bank acted as a custodian of assets introduced and managed by external asset managers, with whom the Bank entered into agreements. SGPB-Suisse compensated these external asset managers for business generated for the Bank by sharing a percentage of the custodial and brokerage fees. The analysis of the Bank's accounts revealed that 64 of the U.S. Related Accounts were managed by 42 different external asset managers, four of whom were registered with the Securities Exchange Commission. These 64 U.S. Related Accounts had a total high value of assets under management of approximately $232 million.

16. Effective in 2001, SGPB-Suisse entered into a Qualified Intermediary ("QI") Agreement with the IRS. The QI regime provided a comprehensive framework for U.S. information reporting and tax withholding by a non-U.S. financial institution with respect to U.S. securities. The QI Agreement was designed to help ensure that, with respect to U.S. securities held in an account at the bank, non U.S. persons were subject to the proper U.S. withholding tax rates and that U.S. persons holding U.S. securities were properly paying U.S. tax. The QI Agreement took into account that that SGPB-Suisse, like other Swiss banks, was prohibited by Swiss law from disclosing the identity of accountholders.

17. To comply with its responsibilities as a QI, the Bank asked its U.S. clients to expressly instruct it, on standard QI forms that were widely used in the Swiss banking industry prior to the Applicable Period, (a) to sign a Form W-9 and report their account to the IRS or (b) not to disclose their names to the IRS, authorize the bank to sell all the U.S.

securities (for accounts opened prior to 2001), and prohibit the purchase of any U.S. securities.

THE USE BY U.S. CLIENTS OF STRUCTURES, INCLUDING SHAM ENTITIES

18. In 47 instances, the Bank maintained accounts for U.S. taxpayers as beneficial owners of accounts held by non-U.S. corporations, foundations, or other entities, some of which were sham entities, that concealed the beneficial ownership of the U.S. taxpayers. These entities included Panama and British Virgin Island corporations, as well as Liechtenstein foundations, some of which were established by a predecessor entity of the Bank. In two instances, for U.S. Related Accounts opened before the Applicable Period, an employee of the Bank acted as a director of entities that had U.S. taxpayers as beneficial owners.

19. In eight instances, at the time of implementation of the QI Agreement, U.S. taxpayers, who previously had accounts at predecessor entities of the Bank, with the assistance of the taxpayers' external advisors, created structures involving Panama or British Virgin Island (BVI) corporations, with third parties acting as directors of the corporations. Those third parties opened accounts with SGPB-Suisse in the name of the Panama or BVI entity, and transferred their assets to the entity account. The Bank did not make an effort to determine whether such an entity was valid for U.S. tax purposes and accepted IRS Forms W-8BEN signed by the director of the entity knowing that a U.S. client was the true beneficial owner of the account.

20. During the Applicable Period, the Bank followed instructions of a U.S. external asset manager with whom the Bank had entered into an agreement to pay the external asset manager's share of the custodial and brokerage fees, known as a "retrocession" fee, into an account and two sub-accounts that were held by Panama companies. The Bank executed instructions to transfer the assets in these accounts to another account, which was also held by a Panama company.

21. SG Trust, SGPB-Suisse's wholly-owned subsidiary, administered seven U.S. Related Accounts, two of which were nominally held by sham entities and which had a high total value of assets under management of $18 million. In one instance, upon the death of the beneficial owner of an entity administered by SG Trust, the heirs of the beneficial owner opened accounts held by sham entities at the Bank to receive their shares of the assets from the entity account.

CLOSING OF ACCOUNTS AND CONCEALMENT OF ASSETS

22. In 2009, as a result of its process to contact U.S. taxpayers to encourage them to regularize or close their accounts, with respect to 24 accounts, the Bank processed requests from U.S. taxpayers to withdraw funds in cash or gold in connection with closing the accounts for a total amount of $34.3 million.

23. In relation to a group of six U.S. Related Accounts that had been opened prior to the Applicable Period at one of the predecessor entities of the Bank, the U.S. beneficial owners were referred by two former relationship managers ("Relationship Manager 1"

and "Relationship Manager 2") to an individual ("Fiduciary 1") and offshore company ("Fiduciary 2") in early 2010. At that time, Fiduciary 2 opened an account and rented a safe deposit box at the Bank. In the first half of 2010, the U.S. beneficial owners instructed Relationship Manager 1 and Relationship Manager 2 to close the accounts by buying precious metals (worth approximately $7 million) and store the precious metals in the safe deposit box rented by Fiduciary 2. In July 2014, the precious metals were sold for approximately $6 million and the proceeds were transferred from Fiduciary 2's account to accounts at other banks in the U.S. held by the U.S. beneficial owners. A notation on one of the transfers referenced "OVDI."

24. In February 2010, in relation to a group of five U.S. Related Accounts opened prior to the Applicable Period at a predecessor entity of the Bank, the U.S. beneficial owners of the accounts (who were related to one another) instructed the Bank to buy physical gold for approximately $13.8 million, close the accounts, and remit the gold to a safe deposit box rented by a relative who was not a U.S. person. The Bank complied with the instructions.

25. With respect to certain of the closing transactions described in paragraphs 23 and 24, certain employees of the Bank did not complete certain required internal documents.

26. In relation to 16 US related accounts, the Bank followed instructions from U.S. beneficial owners to transfer assets as gifts to accounts held by non-U.S. citizens and residents, including relatives of the U.S. beneficial owners.

27. In relation to a number of U.S. related accounts, the Bank followed instructions from U.S. beneficial owners to transfer assets to corporate and individual accounts at other banks in Switzerland, Hong Kong, Israel, Lebanon, Liechtenstein, and Cyprus.

28. In relation to a group of three U.S. Related Accounts with the same U.S. beneficial owner, opened prior to the Applicable Period at a predecessor entity of the Bank, the beneficial owner instructed the Bank in November 2009 to transfer $1.5 million to a non-U.S. Related Account at the Bank held by a non-U.S. citizen and resident with no apparent connection to the account holder. In 2012, the account holder of the non-U.S. Related Account closed the account and transferred $1.2 million to an account of the U.S. Taxpayer at a Spanish bank.

29. The Bank processed requests from U.S. taxpayers to transfer funds from U.S. Related Accounts at the Bank to accounts at subsidiaries of the Bank in Lugano and the Bahamas. In one instance, the Bank processed a request from a U.S. client to withdraw 350,000 euros in cash at the Bank's separately-licensed Swiss bank affiliate located in Lugano, Société Générale Private Banking (Lugano-Svizzera). Another U.S. client closed his U.S. Related Account at the Bank by withdrawing $22,950 in cash at the Bank's separately licensed banking subsidiary in the Bahamas ("SGPB-Bahamas"). In addition, the Bank processed requests from two account holders of U.S. Related Accounts to transfer $7.6 million to their accounts at SGPB-Bahamas.

MITIGATING FACTORS

30. In 2005, the Bank created a committee to approve all new client relationships. Beginning

in 2008, the Bank adopted a policy (the "2008 policy") that sought to avoid reputational risks that could arise from the unauthorized solicitation of U.S. clients in relation to U.S. securities laws. Under the 2008 policy, the Bank instructed that written correspondence should not be sent to clients in the U.S. and that all correspondence should be maintained at the Bank. The 2008 policy prohibited the provision of investment advice and imposed a requirement that any bank employee obtain approval from his or her line manager before planning travel to the United States. During the Applicable Period, Bank employees traveled to the United States on seven occasions to meet with U.S. external asset managers or U.S. financial advisors and on four occasions to meet with existing U.S. and non-U.S. clients.

31. In the spring of 2009, the Bank initiated a process to ascertain whether U.S. clients holding accounts with the Bank had signed IRS Form W-9s (the "2009 Campaign"). Where U.S. clients held accounts without an IRS Form W-9 on file, the Bank either sought to obtain such IRS Forms in accordance with guidance from the Swiss banking regulator or close the accounts. As a result of the 2009 Campaign, 154 accounts were identified as already having IRS Form W-9s on file, 38 accounts holders or beneficial owners provided IRS Form W-9s, and 117 accounts were closed.

32. SGPB-Suisse issued a directive in 2011 ("2011 Directive"), which set out basic rules and principles for conducting cross-border business. In general, the 2011 Directive stated that the Bank must render all services in compliance with local laws and regulations. In addition, the 2011 Directive required all Bank employees to obtain authorization before traveling abroad, including to the United States. In 2012, the Bank issued a policy requiring approval for any new U.S. client relationship and providing that only accounts for non-resident U.S. persons would be approved. The Bank screened all potential new clients for U.S. connections, or Foreign Account Tax Compliance Act ("FATCA") indicia. Each potential client was asked for a permanent phone number, and customers with U.S. FATCA indicia were required to fill out an IRS Form W-8BEN or W-9. Where no FATCA indicia were identified, clients were asked to confirm their non-U.S. status. The 2012 Policy further required the client to inform the Bank if his or her U.S. status changed and prohibited clients who established a permanent address in the U.S. from remaining clients of the Bank. As a result of the 2012 campaign, the Bank closed 67 additional U.S. Related Accounts between June 2012 and October 2013.

33. The Bank closed 296 U.S. Related Accounts with a total of assets under management, using the portfolio method of calculation, of $219,220,931, since August 1, 2008.

34. In December of 2013, SGPB-Suisse entered the United States Department of Justice's Program for Non-Prosecution Agreements or Non-Targets Letters for Swiss Banks (referred to as the "Swiss Bank Program") as a Category 2 bank.

35. Based on SGPB-Suisse's efforts, many of its former U.S. clients entered into the IRS's voluntary disclosure program and paid back taxes, penalties and interests in connection with their failing to report their undeclared accounts. In addition, the Bank obtained waivers of Swiss bank secrecy from some of its former U.S. clients, and provided the names of these persons to the U.S. government.

SGPB-SUISSE'S COOPERATION THROUGHOUT THE SWISS BANK PROGRAM

36. Throughout its participation in the Swiss Bank Program, SGPB-Suisse committed to providing full cooperation to the U.S. government and has made timely and comprehensive disclosures regarding its U.S. cross-border business. Specifically, the Bank, with the assistance of U.S. and Swiss counsel, forensic investigators, and in compliance with Swiss privacy law has:

- conducted an internal investigation which included but is not limited to: (a) interviews of relationship managers and other employees; (b) reviews of client account files and correspondence; (c) analysis of relevant management policies; and (d) email searches;

- provided information concerning 45 U.S. client accounts held at SGPB-Suisse in Switzerland since August 2008 sufficient to make treaty requests to the Swiss competent authority for U.S. client account records;

- described in detail the structure of its U.S. cross-border business which included but is not limited to: (a) its cross-border business policies; (b) a summary of U.S. Related Accounts by assets under management; (c) a redacted summary of external asset managers and relationship managers with U.S. Related Accounts by assets under management; (d) information about U.S. Related Accounts associated with external asset managers and relationship managers; (e) written narrative summaries of 98 U.S. Related Accounts, including the top 30 accounts by assets under management; accounts involving entities, including sham entities; historically undeclared U.S. Related Accounts opened on or after 2000 with indicia of participation in an OVDP or no mitigation factors; the circumstances surrounding the closure of relevant accounts holding cash or gold; and U.S. Related Accounts described in the Bank's initial draft of the statement of facts; and

- provided a list of the names and functions of individuals who structured, operated, or supervised the cross-border business at SGPB-Suisse.

June 8, 2015

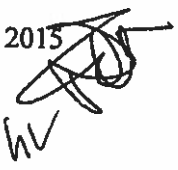

EXHIBIT B TO NON-PROSECUTION AGREEMENT

RESOLUTION OF THE BOARD OF DIRECTORS OF

SOCIÉTÉ GÉNÉRALE PRIVATE BANKING (SUISSE) SA

At a duly held meeting held on **June 8th 2015**, the Board of Directors (the "Board") of Société Générale Private Banking (Suisse) SA (the "Company") resolved as follows:

WHEREAS, the Company has been engaged in discussions with the United States Department of Justice (the "DOJ") regarding certain issues arising out of, in connection with, or otherwise relating to the conduct of its U.S. cross-border business;

WHEREAS, in order to resolve such discussions, it is proposed that the Company enter into a certain non-prosecution agreement with the DOJ (the "Agreement"); and

WHEREAS, the Company's U.S. and Swiss counsel have advised the Board of Directors of the Company's rights, possible defenses, and the consequences of entering into the Agreement;

This Board hereby **RESOLVES** that:

1. The Board of the Company has reviewed the entire Agreement attached hereto, including the Statement of Facts attached as Exhibit A to the Agreement, consulted with Swiss and U.S. counsel in connection with this matter and voted to enter into the Agreement, including to pay a sum of $ 17,807,000 to DOJ in connection with the Agreement;

2. Any of Yves Thieffry, Chief Executive Officer, Mathieu Vedrenne, Chief Operating Officer and Nicole Favre, Deputy Chief Operating Officer, with joint signature by two; or Keith D. Krakaur and Gary Di Bianco of Skadden, Arps, Slate, Meagher & Flom LLP by sole signature (collectively, the "Authorized Signatories"), are hereby authorized on behalf of the Company to execute the Agreement substantially in such form as reviewed by this Board with such non-material changes as the Authorized Signatories may approve;

3. The Board hereby authorizes, empowers and directs the Authorized Signatories to take, on behalf of the Company, any and all actions as may be necessary or appropriate, and to approve and execute the forms, terms or provisions of any agreement or other document, as may be necessary or appropriate to carry out and effectuate the purpose and intent of the foregoing resolutions; and

4. All of the actions of the Authorized Signatories of the Company, are hereby severally ratified, confirmed, approved and adopted as actions on behalf of the Company.

IN WITNESS WHEREOF, the Board of Directors of the Company has executed this Resolution.

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Guillaume Lejoindre, Chairman of the Board

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Maurice Turrettini, Member of the Board