



U. S. Department of Justice

Tax Division

Washington, D. C. 20530

CDC:TJS:SBeaty  
5-16-4711  
2014200722

May 20, 2015

Sharon L. McCarthy, Esquire  
Eric Smith, Esquire  
Kostelanetz & Fink, LLP  
7 World Trade Center  
New York, New York 10007

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

Dear Ms. McCarthy and Mr. Smith,

MediBank AG (“MediBank”) 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 MediBank in its Letter of Intent and information provided by MediBank pursuant to the terms of the Swiss Bank Program. The Swiss Bank Program is incorporated by reference herein in its entirety in this Agreement.<sup>1</sup> Any violation by MediBank of the Swiss Bank Program will constitute a breach of this Agreement.

On the understandings specified below, the Department of Justice will not prosecute MediBank 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 MediBank during the Applicable Period (the “conduct”). MediBank 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 MediBank and does not apply to any other entities or to any individuals. MediBank 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. The terms of this Agreement shall continue to apply in full force to MediBank and

<sup>1</sup> Capitalized terms shall have the meaning ascribed to them in the Swiss Bank Program.

the Department of Justice in the event that MediBank liquidates. MediBank 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, MediBank agrees to pay the sum of \$826,000 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 MediBank. This payment is in lieu of restitution, forfeiture, or criminal fine against MediBank for the conduct described in this Agreement. The Department will take no further action to collect any additional criminal penalty from MediBank with respect to the conduct described in this Agreement, unless the Tax Division determines MediBank has materially violated the terms of this Agreement or the Swiss Bank Program as described on pages 5-6 below. MediBank 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 MediBank has violated any provision of this Agreement. MediBank 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. MediBank agrees that it shall not assist any others in filing any such claims, petitions, actions, or motions. MediBank further agrees that no portion of the penalty that MediBank has agreed to pay to the Department under the terms of this Agreement will serve as a basis for MediBank 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) MediBank'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 MediBank 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;

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(b) MediBank'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) MediBank'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 MediBank 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.

Under the terms of this Agreement, MediBank 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 MediBank, 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, MediBank 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 in light of MediBank's liquidation to secure promptly the attendance and truthful statements or testimony of any officer, director, employee, agent, or consultant of MediBank 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 MediBank'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 MediBank; 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.

MediBank further agrees to undertake the following:

1. MediBank 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, MediBank will promptly provide the entirety of the transaction information upon request of the Tax Division.
2. MediBank 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 MediBank.
3. MediBank 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. MediBank 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, MediBank will promptly proceed to follow the procedures described above in paragraph 2.

4. MediBank 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.

MediBank's obligations under this Agreement shall continue for a period of four (4) years from the date this Agreement is fully executed. MediBank, 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) MediBank committed any U. S. federal offenses during the term of this Agreement; (b) MediBank 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) MediBank has otherwise materially violated any provision of this Agreement or the terms of the Swiss Bank Program, then (i) MediBank 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 MediBank'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 MediBank'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 MediBank shall be admissible in evidence in any criminal proceeding brought against MediBank and relied upon as evidence to support any penalty on MediBank; and (iii) MediBank 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 MediBank has breached this Agreement and whether to pursue prosecution of MediBank 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, MediBank, will be imputed to MediBank for the purpose of determining whether MediBank 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 MediBank has breached this Agreement, the Tax Division agrees to provide MediBank with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty (30) days of receipt of such notice, MediBank may respond to the Tax Division in writing to explain the nature and circumstances of such breach, as well as the actions that MediBank has taken to address and remediate the situation, which explanation the Tax Division shall consider in determining whether to pursue prosecution of MediBank.


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 MediBank, notwithstanding the expiration of the statute of limitations between such date and the commencement of such prosecution. For any such prosecutions, MediBank 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 MediBank'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 MediBank, the Tax Division will, however, bring the cooperation of MediBank 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 MediBank consistent with Part V. B of the Swiss Bank Program.

This Agreement supersedes all prior understandings, promises and/or conditions between the Department and MediBank. 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.

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 05/28/2015

CAROLINE D. CIRAOLLO  
Acting Assistant Attorney General  
Tax Division

 28 May 2015

THOMAS J. SAWYER  
Senior Counsel for International Tax Matters

 5/28/2015

SEAN BEATY  
Trial Attorney

AGREED AND CONSENTED TO:

MEDIBANK AG

By: 

RICO BAUMGARTNER  
Chairman, Board of Directors

27.5. 2015

DATE

By: 

CARLO DE PAOLI  
Member, Board of Directors

05/27/2015

DATE

APPROVED:



SHARON L. MCCARTHY  
ERIC SMITH  
Kostelanetz & Fink, LLP

5/27/2015

DATE

## **EXHIBIT A TO MEDIBANK NON-PROSECUTION AGREEMENT**

### **STATEMENT OF FACTS**

#### **Introduction**

1. MediBank is an independent private bank in Switzerland. Created in 1979, MediBank's headquarters and sole office are located in the city of Zug, which is the capital of the Canton of Zug. Zug is located in the central part of Switzerland and is approximately 15 miles from Zurich and 50 miles from the German border. MediBank's two major shareholders own approximately 67% of the outstanding shares of the company, while the remaining shareholders are Swiss and German.

2. As of December 2013, MediBank had approximately 290 million Swiss Francs in assets under management, all of which are held in private banking accounts.

#### **U.S. Income Tax and 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 the Schedule B of a U.S. Individual Income Tax Return, Form 1040, whether that individual 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 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 (the "FBAR").

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 and an FBAR.

6. 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.

7. 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 and maintaining undeclared assets and income from the IRS. Since UBS, 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 MediBank, since at least August of 2008.

### **The Offense Conduct**

8. In addition to accounts held by individuals and some businesses based in Switzerland and Germany, from at least August 1, 2008 through 2013 (the "Applicable Period"), MediBank provided private banking services to individuals outside of Switzerland, including citizens and residents of the United States ("U.S. taxpayers"). MediBank provided these services through private bankers (referred to as "Relationship Managers") based at MediBank's sole office in Zug.

9. During the Applicable Period, MediBank assisted certain U.S. taxpayers to evade their U.S. tax obligations, file false federal tax returns with the Internal Revenue Service (the "IRS"), and otherwise hide accounts held at MediBank from the IRS (hereinafter "undeclared accounts"). MediBank did so by opening and maintaining undeclared accounts for U.S. taxpayers. Specifically, in furtherance of a scheme to help U.S. taxpayers hide assets from the IRS and evade taxes:

- After it became public that the U.S. Department of Justice was investigating the conduct of UBS, MediBank hired a Relationship Manager from UBS and permitted some of that Relationship Manager's U.S. clients to open accounts at MediBank and transfer funds into those accounts from UBS.
- Although it was subject to a Qualified Intermediary ("QI") Agreement with the Internal Revenue Service, MediBank violated the terms of the QI Agreement by failing to comply with both its withholding and reporting obligations to the IRS, thus enabling U.S. account holders to avoid reporting their accounts to the U.S. authorities.
- MediBank permitted some U.S. persons to open "numbered accounts," thus reducing the ability of U.S. authorities to learn the identities of the taxpayers.
- MediBank agreed to hold bank statements and other mail relating to the accounts at MediBank's office in Zug, rather than send them to U.S. taxpayers located in the United States, to ensure that documents reflecting the existence of the accounts remained outside the United States and beyond the reach of U.S. tax authorities, given Switzerland's bank secrecy laws.

- MediBank permitted transfers of funds from the undeclared accounts to evade currency transaction reporting requirements by allowing its U.S. account holders to withdraw funds in cash both by withdrawing sums below \$10,000 on numerous occasions and, in some cases, withdrawing large sums of cash when closing their accounts.

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

11. MediBank knew, or should have known, that certain U.S. taxpayers were maintaining undeclared accounts at MediBank in order to evade their U.S. tax obligations, in violation of U.S. law. MediBank knew this because some of the U.S. taxpayers entered into hold mail and/or numbered account agreements when they opened their accounts, and/or conducted business with respect to their accounts through in-person visits to MediBank rather than by telephone or otherwise from the United States.

12. MediBank was aware that U.S. taxpayers had a legal duty to report to the IRS and pay taxes on the basis of all of their income, including income earned in accounts maintained at MediBank. Despite being aware of this legal duty, MediBank intentionally opened and maintained undeclared accounts for these taxpayers with the knowledge that, by doing so, MediBank was helping these U.S. taxpayers violate their legal duties. MediBank was aware, or should have been aware, that this conduct violated U.S. law.

13. During the Applicable Period, MediBank had 14 U.S. related accounts. The aggregate amount of assets under management of all accounts associated with U.S. taxpayers at MediBank was approximately \$8,620,675.

#### **MediBank's Exit from Its U.S. Cross-Border Business**

14. During the Applicable Period, MediBank took a number of steps to gradually ensure that it no longer assisted undeclared U.S. taxpayers in evading U.S. income tax.

15. In 2009, the Management Board, with participation of the then-Chairman of the Board, decided to terminate all U.S. account relationships in response to the issues at UBS. Starting in 2009, the Management Board requested that the Relationship Manager brought to MediBank from UBS close his U.S. accounts.

16. After the Relationship Manager resisted the pressure from management to close the accounts, in September 2009, two members of the Management Board sent a letter to the Relationship Manager directing him to send letters to the bank's U.S. clients instructing them to close their accounts. The Management Board also provided a draft letter for the Relationship

Manager to send to clients, which requested closing instructions from clients no later than September 30, 2009. MediBank terminated the former UBS Relationship Manager's employment in February 2011.

17. On October 26, 2012, the former Chairman of the Board stepped down. In an shareholders' meeting in November 2012, a new Chairman was elected. In December 2012, a new Chief Executive Officer and a new Head of Private Banking were appointed. In February 2013, a new Head of Compliance was appointed. Since April 2013, the internal procedure has been for Head of Compliance to review all new account openings to ensure that the prospective account holder is not a U.S. Person.

18. In December 2013, Management Board minutes provide that the Executive Board had already decided at an earlier stage to suspend business relations with U.S. related clients.

19. By February 2010, ten U.S. accounts were closed. After MediBank conducted a deeper search of its paper files pursuant to the Program, it determined that four additional accounts were U.S. related. Those four accounts were closed by January 2014.

20. In December 2013 and March 2014, MediBank sent letters alerting former U.S. account holders of the IRS's Offshore Voluntary Disclosure Program ("OVDP"). Since that time, MediBank has been in telephonic contact with U.S. account holders encouraging them to enter the OVDP and seeking waivers of Swiss bank secrecy law to permit MediBank to provide their identities to the Government.

#### **MediBank's Cooperation Throughout the Swiss Bank Program**

21. MediBank has fully cooperated with the Department of Justice in relation to the Swiss Bank Program by, among other things, providing all relevant and requested information and documents to the Department of Justice relating to its U.S. related business. Further evidencing MediBank's cooperation is the fact that none of its employees and members of the board of directors has objected to the disclosure to the Department of Justice of his or her name and function at the bank.

22. Finally, MediBank has provided certain account information related to U.S. taxpayers which will enable the Government to make requests under the 1996 Convention between the United States of America and the Swiss Confederation for the Avoidance of Double Taxation with Respect to Taxes on Income for, among other things, the identities of U.S. account holders.

**EXHIBIT B TO NON-PROSECUTION AGREEMENT**

**RESOLUTION OF THE BOARD OF DIRECTORS OF MEDIBANK AG**

At a duly held meeting held on May 26, 2015, the Board of Directors (the "Board") of MediBank AG (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 Agreements ;

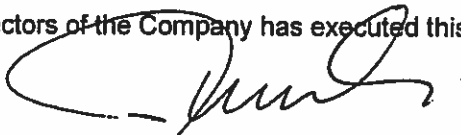
This Board hereby **RESOLVES** that:

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 USD 826,000 to DOJ in connection with the Agreement;
2. Dr. Rico Baumgartner, Chairman of the Board of Directors, and Carlo de Paoli, Member of the Board of Directors, by joint signature; and Sharon L. McCarthy of Kostelanetz & Fink, 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 THEREOF, the Board of Directors of the Company has executed this Resolution.



Dr. Rico Baumgartner  
President of the Board of Directors



Carlo de Paoli  
Member of the Board of Directors

Official Certification see reverse side

**Official Certification**

Seen for authentication of the reverse side signatures, affixed in our presence by

Mr. **Richard Silvio BAUMGARTNER**, Swiss citizen of Bangerten BE, in Herrliberg ZH, identified by identity card,

Mr. **Carlo Mario DE PAOLI**, Swiss citizen of Münsterlingen TG, in Luzern LU, identified by identity card,

who are entered in the Register of Commerce of the Canton of Zug as president of the board of directors with the right to sign jointly by two (Richard Silvio Baumgartner) resp. as vice president of the board of directors with the right to sign jointly by two (Carlo Mario De Paoli) for the

**MediBank AG**, corporation with registered head office in Zug.

The inspection of the commercial register has taken place directly before the official certification by internet inquiry.

Zurich, 26th May 2015  
BK no. 5900-5903 / ag  
Fee CHF 60.00

**NOTARIAT RIESBACH-ZÜRICH**

Kandid Mathieu, Deputy Notary Public



*[Handwritten signature]*

**APOSTILLE**  
(Convention de la Haye du 5 octobre 1961)

1. Land: Schweizerische Eidgenossenschaft, Kanton Zürich  
Country: Swiss Confederation, Canton of Zurich  
Diese öffentliche Urkunde / This public document

2. ist unterschrieben von .....  
has been signed by Kandid Mathieu

3. in seiner Eigenschaft als .....  
acting in the capacity of Deputy Notary Public

4. Sie ist versehen mit dem Stempel/Siegel des/der .....  
Notariat Riesbach-Zürich

Bestätigt / Certified

5. in / to 8090 Zürich / Zurich      6. am / the 27. Mai 2015

7. durch die Staatskanzlei des Kantons Zürich  
by Chancery of State of the Canton of Zurich

8. unter / under Nr. 14702/2015

9. Stempel / Siegel / Stamp / Seal      10. Unterschrift / Signature

[Handwritten signature]



S. Hanselmann