

## **ORGANIZATIONAL**

### **REGULATIONS**

of

### **Myriad Group AG**

Dübendorf (Zurich)

Version: May 19, 2011

#### **1. GENERAL MATTERS**

The business of Myriad Group AG, Dübendorf (the "**Company**") shall be conducted in accordance with Swiss law, the articles of incorporation of the Company (the "**Articles of Incorporation**") and these organizational regulations (the "**Regulations**").

The Regulations are issued pursuant to Art. 15 para. 3 and 4 of the Articles of Incorporation. They govern the organization and decision making process as well as the duties and powers of the following executive bodies:

- a) Board of Directors;
- b) Compensation and Nominating Committee;
- c) Audit Committee;
- d) Management.

#### **2. THE BOARD OF DIRECTORS**

##### **2.1 In General**

The Board of Directors is the supreme executive body of the Company.

## **2.2 Constitution**

### **2.2.1 In General**

The Board of Directors shall determine its own organization. It shall designate its Chairman and one or more Vice-Chairmen as appropriate and shall appoint a secretary who need not be a member of the Board of Directors nor a shareholder.

### **2.2.2 Appointment of a CEO, Lead Director**

The Board of Directors shall appoint the Chief Executive Officer (CEO).

If, for reasons specific to the Company or due to circumstances relating to the availability of a Chairman of the Board of Directors or of a CEO, it should become necessary that a single individual should assume the joint responsibility of Chairman of the Board and CEO, the Board of Directors can decide that both functions shall be assumed by one and the same person and the Chairman of the Board shall be the Chief Executive Officer (CEO).

In this case, the Board of Directors shall appoint an experienced non-executive member of the Board to act as Lead Director. The responsibility of the Lead Director shall be to ensure the ongoing supervision and control of the CEO and the Management by the Board of Directors and to generally assist the Board in performing its functions and exercising its duties and obligations.

The Lead Director shall, therefore, be entitled to convene on his / her own and chair meetings of the Board of Directors when necessary. He / she shall, at any time, be entitled to request reports from the CEO and other members of the Management. The Lead Director must be provided with all information and data needed to fulfill his duties.

## **2.3 Meetings of the Board of Directors**

The Chairman shall call the meetings of the Board of Directors as often as the Company's business requires, but at least four times a year. In the event the Chairman is not available, the Vice-Chairman or another Board member shall call

the meeting. Each member of the Board of Directors may request that the Chairman immediately call a meeting, which request must indicate the purpose for which the meeting is called.

The agenda shall be stated in the invitation to the meeting. If possible, the relevant documents shall also be enclosed. No resolutions may be taken as to items not announced in the agenda, unless all members of the Board of Directors are present and agree.

Meetings shall be called at least ten business days before the date of the meeting. In urgent cases, this time period may be shortened.

The Chairman or the Vice-Chairman or, in the event they are not available, another Board member shall take the chair.

The members of the Management may be invited to the meetings of the Board of Directors. They may be heard, but shall have no vote.

## **2.4 Quorum**

The Board of Directors may validly transact business if the majority of its members are present.

No quorum requirements shall apply for meetings at which the Board of Directors resolves on the implementation of a capital increase and the relevant amendment of the Articles of Incorporation.

## **2.5 Resolutions of the Board of Directors**

Board resolutions shall be passed and elections shall be carried by the majority of votes of the members present. In the event of equality of votes, the Chairman shall have the casting vote.

Resolutions may be taken by way of a telephone or video conference, unless a member requests a formal meeting.

Resolutions may be taken by way of circular letter, telefax or email, unless a member requests, by telephone, e-mail or telefax within three days upon receipt of the relevant circular letter telefax or email, that the resolution be discussed in

a formal meeting or in a telephone or video conference. Resolutions by circular letter, telefax or email must be approved by all members of the Board of Directors.

## **2.6 Minutes**

The discussions and resolutions shall be minuted, and such minutes shall be signed by the Chairman and the secretary and dispatched to all members of the Board of Directors. The minutes shall be approved by the Board of Directors at its next meeting.

## **2.7 Rights of the Board of Directors**

### **2.7.1 Rights of Information and Inspection**

At meetings, all members of the Board of Directors may request information as to the general course of business as well as to particular business matters. Outside meetings, each Board member may request information as to the general course of business and, with the approval of the Chairman, as to particular business matters.

The members of the Board of Directors may request information from the Board of Directors as a whole, the Compensation and Nominating Committee, the Audit Committee, any other committee appointed by the Board, individual Board members, the members of the Management, and all employees of the Company who independently carry out management duties.

To the extent necessary to fulfill its duties, each Board member may request the Chairman, at or outside meetings, that books and records be disclosed to it.

In the event the Chairman rejects a request for information or inspection for reason of business secrecy, the Board of Directors shall decide.

The foregoing shall be subject to the rules and resolutions of the Board of Directors which may expand the Board members' right of information and inspection.

### 2.7.2 Remuneration

The Board of Directors shall determine the remuneration due to its members. Any expenses incurred in connection with the Board's activities shall be reimbursed by the Company against presentation of the relevant receipts or vouchers.

Extraordinary activities exceeding a Board member's regular activities shall be compensated separately.

## **2.8 Duties of the Board of Directors**

### 2.8.1 Duties of Care and Loyalty

The members of the Board of Directors shall fulfill their duties with due care and safeguard the interests of the Company in good faith.

They shall treat the shareholders equally under equal circumstances.

### 2.8.2 Confidentiality

The members of the Board of Directors and the secretary shall keep confidential all information disclosed to them in connection with the performance of their duties. Meetings and minutes of the Board of Directors shall be treated confidentially.

## **2.9 Powers of the Board of Directors**

### 2.9.1 Responsibilities and Duties

The Board of Directors shall be responsible for the ultimate management of the Company and the ultimate supervision and control of the persons entrusted with the management. It shall issue the Company's business policies, define the powers, and have the CEO and the other members of the Management report to it on the Company's course of business on a regular basis.

The Board of Directors shall have the non-transferable and inalienable duties according to art. 716a of the Swiss Code of Obligations and art. 15 para. 2 of the

Articles of Incorporation, respectively. In addition, the following decisions must be approved by the Board of Directors:

- (a) change of the Company's accounting principles (currently IFRS);
- (b) change of the Company's business activities;
- (c) issue of the Company's internal policies, particularly with regard to insider trading, use of e-mail and non-discrimination, and issue of employee manuals;
- (d) issue of the Company's Corporate Governance principles and regulations;
- (e) issue of the Company's risk control standards, limits and risk principles;
- (f) appointment and removal of the members of Management;
- (g) approval of the budget and the strategy plan for each business year;
- (h) purchase of assets whose value exceeds USD 500,000 and whose purchase is not provided for in the budget;
- (i) sale or agreements concerning the encumbrance of assets by mortgage, pledge or similar restrictions in excess of USD 500,000;
- (j) issue of any guarantee, surety or undertaking to pay in the name of the Company in excess of USD 500,000;
- (k) purchase and sale of participations in other companies, if not provided for in the budget and in excess of USD 500,000 in the aggregate;
- (l) formation of subsidiary companies and branch offices in Switzerland or abroad;
- (m) purchase or sale of real estate or parts thereof;
- (n) any investment made, or liability or debt incurred, by the Company, which is not provided for in the budget and is individually in excess of USD 500,000;
- (o) approval of option grants;

Other than as specified above, the Board of Directors hereby delegates the management of the Company, to the extent permissible by law, the Articles of Incorporation and the Regulations, to the Compensation and Nominating Committee, the Audit Committee and to Management.

The Board of Directors shall perform an annual self-assessment.

#### 2.9.2 Appointment of Committees

The Board of Directors shall appoint the following Committees:

- a) Compensation and Nominating Committee;
- b) Audit Committee.

If necessary, the Board shall establish a charter for each Committee which defines the composition of the Committee, its authorities and working method. The Board of Directors may appoint additional committees if deemed necessary.

### **3. THE COMPENSATION AND NOMINATING COMMITTEE**

#### **3.1 Constitution**

The Compensation and Nominating Committee shall be composed of at least two non-executive members of the Board of Directors who shall be appointed by the Board of Directors for a term of one year. Re-election is possible. The Board of Directors may remove and replace individual members at any time.

All members of the Compensation and Nominating Committee shall be independent of Management and free from any business or other relationship which could interfere with the exercise of their independent judgment.

The Compensation and Nominating Committee shall appoint its Chairman for a term of one year and may also appoint a Secretary who does not necessarily have to be a member of the Board of Directors.

### **3.2 Meetings of the Compensation and Nominating Committee**

The Compensation and Nominating Committee meets as often as the business and affairs of the Company require a meeting and whenever it is requested by one of its members, but at least twice a year.

Meetings shall be called for by the Chairman of the Compensation and Nominating Committee by written notice, indicating the place, time and agenda of the meeting. The notice shall be dispatched to the members of the Compensation and Nominating Committee at least five business days prior to the scheduled meeting date, subject to urgent matters requiring an immediate meeting.

Meetings may also be held by video or telephone conference, unless a member requests a formal meeting.

### **3.3 Resolutions**

The Compensation and Nominating Committee is validly constituted if at least two of its members are present. Resolutions of the Compensation and Nominating Committee are taken by the majority of the votes of its members present at the meeting.

If a written proposal for a resolution has been submitted to the members of the Compensation and Nominating Committee, the resolution may be taken by circular letter telefax or email, unless a member requests a discussion in a formal meeting. A resolution by circular letter telefax or email shall require the approval of all the members of the Compensation and Nominating Committee.

### **3.4 Minutes**

The meetings of the Compensation and Nominating Committee shall be minuted. The minutes shall be signed by the Chairman and the Secretary of the meeting.

### **3.5 Functions**

The Compensation and Nominating Committee shall have the following duties:

- (a) recommendation to the Board of Directors regarding remuneration of the members of the Board of Directors;

- (b) approval of compensation of the CEO, the members of the Management and of all officers reporting in direct line to the CEO of the Company;
- (c) recommendation to the Board of Directors regarding the compensation structure and policy of the Company;
- (d) approval of contracts and employment agreements with the CEO and the members of Management;
- (e) approval of termination agreements with the CEO and members of the Management;
- (f) approval and enactment of all bonus, employee share option and other incentive plans of the Company;
- (g) recommendation to Board regarding all benefit and pension plans for employees of the Company;
- (h) administration of the Company's employee share option plans and recommendation to the Board regarding the approval of option grants;
- (i) review of the section on executive compensation to be included in the Company's Annual Report;
- (j) recommendation to the Board regarding appointment of persons authorized to sign on behalf of the Company;
- (k) define principles for the selection of candidates for Board membership;
- (l) review and propose to the full Board of Directors candidates for membership on the Board to be recommended for election by the General Meeting of Shareholders;
- (m) assess whether or not Board members whose term of office is expiring shall be proposed for re-election by the General Meeting of Shareholders;
- (n) review and propose to the full Board of Directors nominations for membership on the Board Committees;
- (o) support the Board in evaluating Management and Board performance;
- (p) provide for succession planning for each Management position;

- (q) review and submit proposals on Corporate Governance principles, design and regulations for submission to the Board of Directors;
- (r) annually review the Company's regulations and charters with a focus on compliance with stock exchange requirements, Swiss and international best practice, and with rules, policies and regulations relating to legal matters and conflicts of interest.

### **3.6 Reporting**

The Compensation and Nominating Committee shall regularly report on its activities to the Board of Directors.

## **4. THE AUDIT COMMITTEE**

### **4.1 Constitution**

The Audit Committee shall be composed of at least two non-executive members of the Board of Directors who shall be appointed by the Board of Directors for a term of one year. Re-election is possible. The Board may remove and replace individual members at any time.

All members of the Audit Committee must be determined by the Board as being fully independent and financially literate, and at least one member must have accounting or financial management expertise. No member of the Audit Committee shall serve on the audit committee of more than two other public companies. Audit Committee members shall not receive any consulting, advisory or other compensation fees from the Company other than for Audit Committee, Board or other Board Committee mandates.

The Audit Committee shall appoint its Chairman from among its members for a term of one year and may also appoint a Secretary who does not necessarily have to be a member of the Audit Committee.

## **4.2 Meetings of the Audit Committee**

The Audit Committee shall meet at least once a year prior to the annual general meeting of shareholders. In addition, the Audit Committee shall meet whenever a meeting is requested by one of its members or as it may deem necessary.

As a rule, the CFO shall participate in the meeting which is scheduled to discuss the accounts of the Company and the results of the annual audit. The Chairman of the Committee may invite further participants.

Meetings are called for by the Chairman of the Audit Committee by written notice. The notice shall be dispatched to the members of the Audit Committee at least five business days prior to the scheduled meeting date.

Meetings may also be held by video or telephone conference unless a member requests a formal meeting.

The Audit Committee shall hold periodic separate meetings with the Management and the Company's external auditors.

## **4.3 Resolutions**

The Audit Committee is validly constituted to transact business if at least two of its members are present. Resolutions of the Audit Committee are taken by the majority of the votes of the members present at the meeting.

If a written proposal for a resolution has been submitted to the members of the Audit Committee, the resolution may be taken by circular letter telefax or email, unless a member demands a discussion in a formal meeting. A resolution by circular letter telefax or email shall require the approval of all members of the Audit Committee.

## **4.4 Minutes**

The meetings of the Audit Committee shall be minuted. The minutes shall be signed by the Chairman and the Secretary of the meeting. They shall contain all decisions taken and reflect the considerations which led to the decisions.

#### **4.5 Functions**

The function of the Audit Committee is oversight. It shall support the Board of Directors in exercising its responsibilities in connection with the supervision over the Company's internal control system for financial reporting (art. 716a Swiss Code of Obligations). The Audit Committee shall review the financial statements of the Company and discuss with the Company's external auditors the results of their annual audit of the Company's annual accounts. It shall issue a recommendation to the Board of Directors regarding the approval of the Company's annual balance sheet and profit and loss statement.

In addition, to the extent deemed necessary or useful for the proper exercise of the supervision and control functions of the Board of Directors, the Audit Committee may do the following:

- (a) establish rules for the Company's internal controls, including for the operation of bank accounts;
- (b) establish guidelines governing the relation between the Company and its external auditors,
- (c) assess the performance of the Company's external auditors;
- (d) review the engagement letter of the external auditors and the fees and the terms of the planned audit work;
- (e) pre-approve the terms and conditions for additional audit work and audit-related and non-audit work of the Company's external auditors and make recommendations to the Board of Directors;
- (f) support the Board of Directors in preparing the decision on the appointment and/or removal of the Company's external auditors;
- (g) review the Company's accounting principles, policies and practices;
- (h) determine the scope of the annual financial audit;
- (i) review the Company's reporting policies and practices;

## **4.6 Reporting**

The Audit Committee shall regularly report on its activities to the Board of Directors. The Committee's report shall contain its assessment of the qualification, independence and performance of the Company's external auditors, the design of the Company's internal control system for financial reporting and the coordination and interaction between the Company and the external auditors. It shall also contain a recommendation to the Board on the inclusion of the audited financial statements in the Company's annual financial report.

## **5. THE MANAGEMENT**

### **5.1 Organization**

The Management shall be composed of the CEO and of at least three additional members appointed by the Board of Directors. The CEO shall determine the Management's structure and organization, which shall be approved by the Board from time to time.

### **5.2 Appointment**

The members of the Management are appointed by the Board of Directors, upon proposal by the CEO. The CEO is the head of their Management division, and, to the extent not otherwise provided for in these Regulations, responsible for it.

The CEO shall prepare regulations regarding the duties and powers of the members of the Management, which must be approved by the Board of Directors.

### **5.3 Meetings**

The Management shall meet once a week, which meetings shall be minuted. Extraordinary meetings will be held as required or at the request of a member. The CEO presides over the Management's meetings.

#### **5.4 Functions of the Management**

The Management has the executive management responsibility for the Company. In accordance with the Board's guidelines and decisions, it assumes overall responsibility for the development and implementation of the Company's vision, long-term strategies and key partnerships as well as the proposal of key acquisitions.

The Management prepares the proposals which have to be submitted to the Board of Directors for approval. It supports the decision making process and regularly inform the Board on the Company's business development.

The Management shall also have responsibility for implementing the risk management and control principles as they have been defined by the Board of Directors.

#### **5.5 Functions and Authorities of the CEO**

The CEO assume the leadership of the Management. He sets the agenda, ensure high-quality and timely decision making, controls the implementation of decisions taken and plans succession at the Management.

The CEO supports and advises the other members of the Management on individual business and leadership issues and fosters an entrepreneurial leadership spirit. He assumes a leading role in setting the Company's strategic direction, determining the Company's risk philosophy, defining global compensation principles, , managing the Company's high-quality reputation, and for representing the Company to important investors, customers and other stakeholders as well as to the general public.

The CEO ensures that the Board of Directors is informed in a timely and appropriate manner.

The CEO has an all-encompassing right to information and examination regarding all matters of the Company. He has veto power over any decisions taken by any management body.

## **5.6 Reporting**

The members of the Management shall, as a rule, report to the CEO. As required or requested, they shall report to the Board on the general course of business, particular business matters, or decisions they have taken. Extraordinary events shall be reported immediately to the Chairman of the Board.

The CEO shall regularly report to the Board on the Company's business affairs and on the implementation of the resolutions of the General Meeting of Shareholders and the Board of Directors. Extraordinary events shall be reported immediately to the Chairman of the Board. The CEO shall generally direct its information and reports to the Chairman of the Board.

## **5.7 Compensation**

The compensation of the Management shall be determined by the Compensation Committee and set forth in separate employment agreements.

## **6. AUTHORITY TO SIGN**

The signing authority of the members of the Board of Directors and the Management shall be determined and conferred by the Board of Directors, generally as joint signature by two. All authorized signatories sign by adding their signature to the name of the Company or the respective subsidiary.

## **7. CONFLICTS OF INTERESTS**

All members of the Board of Directors and of the Management are excluded from participating in any matters which conflict or might conflict with their own interests or the interests of individuals or legal entities related to them. Accordingly, in the decision making process, the members of the Board of Directors and the Management shall abstain from discussions and decisions on transactions or other matters involving a potential conflict of interest. Furthermore, they are not allowed to enter into agreements for themselves and the Company simultaneously (self-dealing).

## **8. FINAL PROVISIONS**

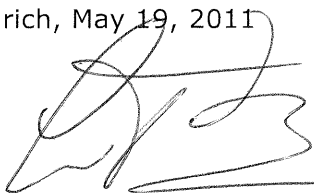
### **8.1. Effectiveness**

These Regulations entered into force as of July 29, 2004 and were amended by board resolutions of September 22, 2009 and May 19, 2011.

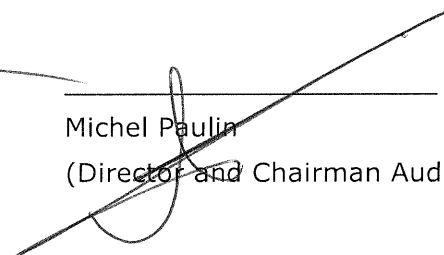
### **8.2 Revisions, Amendments and Modifications**

Resolutions on the amendment or modification of these Regulations shall be taken by decision of a two-thirds majority of the members of the Board of Directors.

Zurich, May 19, 2011



Loek van den Boog  
(Chairman of the Board)



Michel Paulin  
(Director and Chairman Audit Committee)