



**Cembra Money Bank AG**  
Zurich, Switzerland

**CHF 150,000,000 0.375% Bonds 2017–2025**

This prospectus (this “**Prospectus**”) relates to (i) the offering of CHF 150,000,000 0.375% Bonds due 2025 (the “**Bonds**”) to be issued by Cembra Money Bank AG (the “**Company**” and, together with its consolidated subsidiaries, the “**Group**”), and (ii) the listing of the Bonds in accordance with the Standard for Bonds on the SIX Swiss Exchange.

<b>Issuer’s Name and registered office:</b>	Cembra Money Bank AG, Bändliweg 20, 8048 Zurich, Switzerland.
<b>Issue Price:</b>	The Joint Lead Managers (as defined below) have purchased the Bonds at the price of 100.632% of their aggregate principal amount (before commissions and expenses).
<b>Price for Placement:</b>	The placement price of the Bonds will be fixed in accordance with supply and demand.
<b>Interest Rate:</b>	0.375% per annum, payable annually in arrear, on 27 June of each year, commencing on 27 June 2018.
<b>Payment Date:</b>	27 June 2017.
<b>Redemption:</b>	Final redemption on 27 June 2025, at par.
<b>Early Redemption:</b>	At the Company’s option, in whole but not in part, at par, provided that at least 85% of the initial aggregate principal amount of the Bonds has been redeemed or purchased and cancelled at such time.
<b>Reopening:</b>	The Company reserves the right to reopen this issue through the issuance of further, fungible tranches.
<b>Assurances:</b>	<i>Pari passu</i> clause, negative pledge clause, cross-default clause.
<b>Form of Bonds:</b>	The Bonds will be issued as uncertificated securities ( <i>Wertrechte</i> ) in accordance with Art. 973c of the Swiss Code of Obligations of 30 March 1911, as amended (the “ <b>CO</b> ”), and, upon registration in the main register ( <i>Hauptregister</i> ) of SIX SIS Ltd (the “ <b>Intermediary</b> ”) and entry into the accounts of one or more participants of the Intermediary, will constitute intermediated securities ( <i>Bucheffekten</i> ). The conversion of the uncertificated securities ( <i>Wertrechte</i> ) into a permanent global certificate ( <i>Globalurkunde</i> ) or individually certificated bonds ( <i>Wertpapiere</i> ) is excluded. No physical delivery of the Bonds shall be made.
<b>Status:</b>	The Bonds constitute direct, unconditional and unsubordinated obligations of the Company ranking <i>pari passu</i> amongst themselves and with all other unsecured and unsubordinated obligations of the Company.
<b>Denominations:</b>	CHF 5,000 nominal.
<b>Governing Law and Jurisdiction:</b>	The Bonds are governed by and construed in accordance with Swiss law. Place of jurisdiction for the Bonds and all related contractual documentation shall be Zurich, Switzerland.
<b>Selling Restrictions:</b>	<b>In particular, U.S.A., U.S. persons and the European Economic Area.</b>
<b>Listing / Trading:</b>	The Bonds have been provisionally admitted to trading on the SIX Swiss Exchange with effect from 23 June 2017. Application will be made for the Bonds to be listed in accordance with the Standard for Bonds on the SIX Swiss Exchange. The last day of trading for the Bonds on the SIX Swiss Exchange is expected to be 25 June 2025.
<b>Joint Lead Managers:</b>	<b>Credit Suisse and Zürcher Kantonalbank</b>
<b>Security Number / ISIN / Common Code:</b>	36 720 671 / CH0367206718 / 162794469

## SELLING RESTRICTIONS

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### United States of America and United States Persons

(A) The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States or to or for the account or benefit of United States persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Each of the Joint Lead Managers has represented, warranted and agreed that it has not offered or sold, and will not offer or sell, any Bonds constituting part of its allotment within the United States of America (the "**United States**" or the "**U.S.**") or to or for the account or benefit of United States persons except in accordance with Rule 903 of Regulation S under the Securities Act.

Terms used in this paragraph (A) have the meanings given to them by Regulation S under the Securities Act.

(B) Each of the Joint Lead Managers has represented, warranted and agreed that it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of the Bonds, except with its affiliates or with the prior written consent of the Company.

### European Economic Area

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (as defined below) (each, a "**Relevant Member State**"), each of the Joint Lead Managers has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), it has not made and will not make an offer of Bonds to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Bonds to the public in that Relevant Member State:

- (i) to any legal entity which is a qualified investor as defined in the Prospectus Directive; or
- (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Joint Lead Managers; or
- (iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Bonds referred to in clauses (i) to (iii) above shall require the Company or the Joint Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Bonds to the public**" in relation to any Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds, as the same may be varied in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003 (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

### General

Neither the Company nor either of the Joint Lead Managers represent that Bonds may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale. The distribution of this Prospectus and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken in any jurisdiction that would permit a public offering of the Bonds or the distribution of this Prospectus in any jurisdiction where action for that purpose is required.

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## GENERAL INFORMATION

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### Forward-Looking Statements

This Prospectus contains statements that are, or may be deemed to be, forward-looking statements. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the words “*aims*”, “*believes*”, “*estimates*”, “*anticipates*”, “*expects*”, “*targets*”, “*intends*”, “*may*”, “*will*”, “*plans*”, “*continue*” or “*should*” or, in each case, their negative or other variations or comparable terminology or by discussions of strategies, plans, objectives, targets, goals, future events or intentions. These forward-looking statements include matters that are not historical facts or which may not otherwise be provable by reference to past events. They appear in a number of places throughout this Prospectus and are based on assumptions regarding the Company’s present and future business strategies and the environment in which it operates and will operate in the future. They include statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, the Company’s results of operations, financial conditions, liquidity, prospects, growth, strategies and dividend policy and also the industry and the economic environment in which it operates. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and/or depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. Prospective investors should not rely on these forward-looking statements.

Any forward-looking statements are only made as of the date of this Prospectus and the Company does not intend, and does not assume any obligation, to update any forward-looking statements contained in this Prospectus, except as required by Swiss law or applicable stock exchange regulations.

Many factors may cause the Company’s results of operations, financial condition, liquidity, dividend policy and the development of the markets in which it operates to differ materially from those expressed or implied by the forward-looking statements contained in this Prospectus and thereby adversely affect the achievement of the Company’s financial targets.

### Notice to Investors

The Joint Lead Managers are banks that directly or indirectly have participated, or may participate, in financing transactions and/or banking business with the Group that are not disclosed herein.

Investors are advised to familiarise themselves with the entire content of this Prospectus.

### Documents Incorporated by Reference

The following document of the Issuer shall be deemed to be incorporated in, and to form part of, this Prospectus:

Annual Report 2016 for the fiscal year ended 31 December 2016 (including comparative figures for the fiscal year ended 31 December 2015).

### Documents Available

Copies of this Prospectus, any supplements hereto and the document incorporated by reference herein are available free of charge at Credit Suisse AG, Zurich, Switzerland (telephone number: +41 44 333 49 73; fax number: +41 44 333 57 79; email: [newissues.fixedincome@credit-suisse.com](mailto:newissues.fixedincome@credit-suisse.com)). Information on the Company’s website, any website directly or indirectly linked to the Company’s website or any website mentioned in this Prospectus does not constitute in any way part of this Prospectus and is not incorporated by reference into this Prospectus, and investors should not rely on it in making their decision to invest in the Bonds.

### Prospectus

This Prospectus is available in the English language only and provides information about the Company and the Bonds. This Prospectus does not constitute an offer of, or an invitation to subscribe for or purchase, any Bonds.

No person has been authorized to give any information or make any representation in connection with the offering of the Bonds other than as stated herein and any other information or representation if given or made should not be relied upon as having been authorised by the Company or the Joint Lead Managers. Neither the delivery of this Prospectus, nor the issue of the Bonds nor any sale thereof shall, in any circumstances, create any implication that there has been no material adverse change in the affairs of the Company since the date hereof.

## INFORMATION ABOUT THE BONDS

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### Authorisation

Pursuant to internal policies and authorisations of the Company duly approved by its Board of Directors and a Bond Purchase Agreement dated 23 June 2017, between the Company, on the one hand, and Credit Suisse AG ("**Credit Suisse**") and Zürcher Kantonalbank, as Joint Lead Managers, on the other hand, the Company has decided to issue, and the Joint Lead Managers have severally but not jointly agreed to purchase, the Bonds at an issue price of 100.632% of their aggregate principal amount (before commissions and expenses).

### Use of Proceeds

The net proceeds of the issue of the Bonds, which will amount to CHF 150,395,500 after deduction of commissions and expenses incurred in connection with the issue of the Bonds, will be used by the Company to enhance its liquidity position and refinance outstanding debt.

Neither of the Joint Lead Managers shall have any responsibility for, or be obliged to concern itself with, the application of the net proceeds of the Bonds.

### Swiss Federal Withholding Tax

The Company will deduct Swiss Federal Withholding Tax of currently 35% on interest payments it makes on the Bonds and remit the tax to the Swiss Federal Tax Administration. For further information, please refer to the section titled "*Taxation in Switzerland*" beginning on page 11.

### Notices

All notices in relation to the Bonds will be published in electronic form on the website of the SIX Swiss Exchange under the section titled "Official Notices" (where notices are currently published under the address [www.six-exchange-regulation.com/en/home/publications/official-notices.html](http://www.six-exchange-regulation.com/en/home/publications/official-notices.html)) or otherwise in accordance with the regulations of the SIX Swiss Exchange.

### Representative

In accordance with Article 43 of the Listing Rules of the SIX Swiss Exchange, Credit Suisse has been appointed by the Company as representative to lodge the listing application for the Bonds with SIX Exchange Regulation.

## INFORMATION ABOUT THE COMPANY

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### Legal Form, Legislation, Incorporation, Name, Register and Duration

The Company is a corporation (*Aktiengesellschaft*) organised under the laws of Switzerland in accordance with art. 620 et seq. CO. The Company was founded and registered under the name GE Money AG in the Canton of Zurich, on 17 December 2009, under the register number CH-020.3.034.603-6, and is currently registered under the register number CHE-115.295.655. The Company changed its name from "GE Money AG" to "GE Money Bank AG" on 1 December 2010, and from "GE Money Bank AG" to "Cembra Money Bank AG" on 29 October 2013. Neither the Articles of Incorporation (*Statuten*) of the Company (the "**Articles**") nor the operation of law limit the duration of the Company.

### Registered and Head Office

The registered and head office of the Company is at Bändliweg 20, 8048 Zurich, Switzerland.

### Purpose and Fiscal Year

The Company's principal purpose, as set out in Article 2 of the Articles, is to operate a bank, with its scope of business comprising all types of banking activities in Switzerland and the Principality of Liechtenstein, as well as in the border areas between Switzerland and its neighbouring countries, including the grant of secured and unsecured loans and credits of all kinds, in particular consumer and mortgage loans, credit cards, leasing, the refinancing of leasing and the brokering of services related to these activities, such as residual debt insurances, and acceptance of monies as is customary for a bank, in particular in the form of deposit accounts, medium-term bonds and fixed deposits. The Company may acquire, hold and dispose of real estate, incorporate branches and subsidiaries in Switzerland and abroad, invest in other enterprises, process data for third parties and effect all financial, commercial and other transactions that are related to the performance of the purpose of the Company.

Pursuant to the Articles, the Company's financial year is determined by the Company's board of directors (*Verwaltungsrat*) (the "**Board of Directors**"). As at the date of this Prospectus, the Company's financial year ends on 31 December of each calendar year.

### Notices

In accordance with the Articles, notices from the Company to its shareholders are validly made by publication in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*) or, in particular cases, by such other means of publication as the Board of Directors may designate in particular cases. Written communications by the Company to its shareholders will be sent by ordinary mail to the last address of the relevant shareholder entered in the Company's share register.

Notices to the holders of the Bonds are published in accordance with Condition 10 of the Terms and Conditions of the Bonds.

### Composition of the Board of Directors

The following table sets forth the name, function and committee membership of each member of the Board of Directors on the date of this Prospectus.

As at the date of this Prospectus, all members of the Board of Directors are, and pursuant to Swiss law applicable to the Company as a bank must be, non-executive.

## INFORMATION ABOUT THE COMPANY

Name	Function	Committee Membership	First Elected	End Current Period
Dr. Felix Weber	Chairperson		2013	2018
Denis Hall	Member	Audit & Risk Committee	2013	2018
Prof. Dr. Peter Athanas	Member	Chairperson Audit & Risk Committee	2013	2018
Urs Baumann	Member	Chairperson Compensation and Nomination Committee	2014	2018
Dr. Monica Mächler	Member	Audit & Risk Committee	2015	2018
Katrina Machin	Member	Member Compensation and Nomination Committee	2016	2018
Ben Tellings	Member	Member Compensation and Nomination Committee	2016	2018

The business address for each member of the Board of Directors is Bändliweg 20, 8048 Zurich, Switzerland.

### Composition of the Management Board

The following table sets forth the name and principal position of each member of the Management Board as at the date of this Prospectus.

Name	Appointed	Position
Robert Oudmayer	2009	Chief Executive Officer
Rémy Schimmel	2016	Chief Financial Officer
Daniel Frei	1997	Managing Director B2B Retail
Volker Gloe	2013	Chief Risk Officer
Dr. Emanuel Hofacker	2014	General Counsel

The business address for each member of the Management Board is Bändliweg 20, 8048 Zurich, Switzerland.

### Auditors

Since April 2003, the Company's statutory auditor has been KPMG AG ("**KPMG**"), Badenerstrasse 172, 8004 Zurich, Switzerland.

### Capital Structure

#### 1. Issued Share Capital

As at the date of this Prospectus, the Company's share capital amounts to CHF 30,000,000, divided into 30,000,000 Shares. The Shares are registered shares (*Namenaktien*), with a par value of CHF 1.00 each. The Shares are fully paid and non-assessable and rank *pari passu* with each other.

#### 2. Authorised Share Capital

As at the date of this Prospectus, the Company's total authorised share capital of CHF 3,000,000 is available for the issuance of up to 3,000,000 Shares.

#### 3. Conditional Share Capital

As at the date of this Prospectus, the Company's total conditional share capital of CHF 3,900,000 is available for the issuance of up to 3,900,000 Shares.

## INFORMATION ABOUT THE COMPANY

### Bonds

As at the date of this Prospectus, the Group had the following outstanding bonds:

Issuer	ISIN	Type	Currency	Nominal	Coupon rate	Term
Swiss Auto Lease 2015-1 GmbH	CH0273755824	ABS (auto lease)	CHF	200m	0.230%	2015-2019*
Swiss Auto Lease 2015-1 GmbH	CH0273755840	ABS (auto lease)	CHF	22.6m	0.400%	2015-2019*
Swiss Auto Lease 2016-1 GmbH	CH0328298028	ABS (auto lease)	CHF	200m	0.220%	2016-2020**
Swiss Auto Lease 2016-1 GmbH	CH0328298036	Abs (auto lease)	CHF	14.6m	0.400%	2016-2020**
Cembra Money Bank AG	CH0227975528	Senior unsecured	CHF	250m	1.125%	2013-2017
Cembra Money Bank AG	CH0255287010	Senior unsecured	CHF	100m	0.750%	2014-2019
Cembra Money Bank AG	CH0255287028	Senior unsecured	CHF	100m	1.250%	2014-2022
Cembra Money Bank AG	CH0295050915	Senior unsecured	CHF	175m	0.500%	2015-2021
Cembra Money Bank AG	CH0336587735	Senior unsecured	CHF	200m	0.180%	2016-2023

\* Legal maturity of ten years with an optional redemption four years after the issuance date

\*\* Legal maturity of ten years with an optional redemption three years and nine months after the issuance date

### Own Equity Securities

As of 31 December 2016, the Company held 1,807,627 Shares in treasury.

### Dividend History

In the past five years the Company has distributed (i) an extraordinary dividend of CHF 269.8 million on 26 June 2013, and (ii) an interim dividend of CHF 200 million on 29 August 2013, in each case, to GE Capital Swiss Funding AG, its sole shareholder at the time of such distributions.

On 13 May 2014, the shareholders of the Company approved a dividend of CHF 2.85 per registered share, which was paid out on 20 May 2014.

On 29 April 2015, the shareholders of the Company approved a dividend of CHF 3.10 per registered share, which was paid out on 6 May 2015.

On 27 April 2016, the shareholders of the Company approved a dividend of CHF 3.35 per registered share, which was paid out on 3 May 2016.

On 26 April 2017, the shareholders of the Company approved a dividend of CHF 3.45 per registered share and an extraordinary dividend of CHF 1.00 per registered share, which were paid out on 3 May 2017.

### Legal Proceedings

The Company may be involved in legal proceedings in the course of normal business operations. The Company establishes provisions for current and threatened pending legal proceedings if management is of the opinion that it is probable that the Company will pay payments or losses and if the amount of such payments or losses can be reasonably estimated.

As of the date of this Prospectus, there are no pending or threatened court, arbitral or administrative proceedings that the Company believes are or will be of material importance to the Company's assets and liabilities or profits and losses.

### Material Changes

Except as disclosed in this Prospectus, there has been no material change in the Company's assets and liabilities, financial condition or profits and losses since 31 December 2016.

## **RESPONSIBILITY STATEMENT**

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The Company accepts responsibility for all information contained in this Prospectus and confirms that, to the best of its knowledge, such information is correct and no material facts or circumstances have been omitted therefrom.

Zurich, 23 June 2017

**Cembra Money Bank AG**

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## TAXATION IN SWITZERLAND

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*The following discussion of taxation is only a summary of certain tax implications currently in force under the laws of Switzerland as they may affect investors in the Bonds. It applies only to persons who are beneficial owners of the Bonds and may not apply to certain classes of persons. The summary contains general information only; it is not exhaustive and does not constitute legal or tax advice and is based on taxation law and practice at the date of this Prospectus.*

*Potential investors in Bonds should be aware that tax law and interpretation, as well as the level and bases of taxation, may change from those described and that changes may alter the benefits of an investment in, holding or disposing of, Bonds. The Company makes no representations as to the completeness of the information and assumes no liability of whatsoever nature for the tax implications for investors in Bonds.*

*Potential investors in Bonds are advised to consult their own professional advisers on the implications of making an investment in, holding or disposing of, Bonds under the laws of the jurisdictions in which they are liable to taxation and in light of their particular circumstances.*

### Swiss Federal Withholding Tax

#### (i) Deduction

Each payment of interest on the Bonds (but not repayment of principal) will be subject to deduction of 35 per cent. Swiss federal withholding tax (*Verrechnungssteuer*) by the Company.

#### (ii) Refund

A holder of a Bond who resides in Switzerland and who at the time a taxable payment on the Bond is due is the beneficial owner of the taxable payment and, in the case of a holder who is an individual holding the Bond privately, duly reports the gross taxable payment in his or her tax return, and, in the case of a holder who is a legal entity, or who is an individual, holding the Bond as part of a business situated in Switzerland, for which he or she is required to keep accounting books, includes such payment as earnings in the income statement, is entitled to a full refund of or a full tax credit for the Swiss federal withholding tax, provided that certain other conditions are met.

A holder of a Bond who is resident outside Switzerland and who during the taxation year has not engaged in a trade or business carried on through a permanent establishment or fixed place of business in Switzerland may be able to claim a full or partial refund of the Swiss federal withholding tax by virtue of the provisions of a double taxation treaty, if any, between Switzerland and the country of residence of the holder.

### Swiss Federal Stamp Duty

The issue of the Bonds to their initial holders will not be subject to Swiss federal stamp duty on the dealing in securities (*Umsatzabgabe*) (primary market). Secondary market dealings in the Bonds where a Swiss domestic bank or a Swiss domestic securities dealer (as defined in the Swiss Federal Stamp Duty Act) is a party to, or acts as an intermediary in connection with, the transaction may be subject to Swiss federal stamp duty on the dealing in securities at a rate of up to 0.15 per cent. of the consideration paid for the Bonds.

### Income Taxation on Principal or Interest

#### (i) Bonds held by non-Swiss holders

A holder of a Bond who is not resident in Switzerland and who during the taxation year has not engaged in a trade or business carried on through a permanent establishment or fixed place of business in Switzerland will, in respect of payments of interest on, and repayment of principal of, the Bonds, and gain realized on the sale or redemption of Bonds, not be subject to income tax in Switzerland. See “– Swiss Federal Withholding Tax” above for a summary on the deduction of Swiss federal withholding tax on payments of interest on the Bonds.

#### (ii) Bonds held by Swiss resident holders as private assets

An individual who resides in Switzerland and holds the Bonds as private assets is required to include all payments of interest received on such Bonds in his or her personal income tax return for the relevant tax period and will be taxed on the net taxable income (including the payments of interest on the Bond) for such tax period at the then prevailing tax rates.

## TAXATION IN SWITZERLAND

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Swiss resident individuals who sell or otherwise dispose of privately held Bonds realise either a tax-free private capital gain or a non-tax-deductible capital loss. See “– *Bonds held as Swiss business assets*” below for a summary on the tax treatment of individuals classified as “professional securities dealers”.

### *(iii) Bonds held as Swiss business assets*

Swiss resident corporate taxpayers, corporate taxpayers residing abroad holding Bonds as part of a permanent establishment or fixed place of business situated in Switzerland, and individuals who hold Bonds as part of a business situated in Switzerland are required to recognise payments of interest on, and any capital gain or loss realized on the sale or other disposal of, such Bonds in their income statement for the relevant tax period and will be taxed on any net taxable earnings for such tax period at the then prevailing tax rates. The same taxation treatment also applies to Swiss resident individuals who, for Swiss income tax purposes, are classified as “professional securities dealers” for reasons of, inter alia, frequent dealings or leveraged transactions in securities.

### **EU Savings Tax**

Under the agreement between the European Community and the Confederation of Switzerland dated as at 26 October 2004 (the “**Agreement**”), which provides for measures equivalent to those laid down in the EC Council Directive 2003/48/EC on the taxation of savings income and the relevant Swiss legislation, a Swiss paying agent (as defined in the Agreement) will not be required to deduct EU savings tax on interest payments on the Bonds paid to, or collected for, an individual resident or certain limited types of entity established in an EU Member State.

### **Automatic Exchange of Information in Tax Matters**

On 19 November 2014, Switzerland signed the Multilateral Competent Authority Agreement (the **MCAA**). The MCAA is based on article 6 of the OECD/Council of Europe administrative assistance convention and is intended to ensure the uniform implementation of Automatic Exchange of Information (the **AEOI**). The Federal Act on the International Automatic Exchange of Information in Tax Matters (the **AEOI Act**) entered into force on 1 January 2017. The AEOI Act is the legal basis for the implementation of the AEOI standard in Switzerland.

The AEOI is being introduced in Switzerland through bilateral agreements or multilateral agreements. The agreements have, and will be, concluded on the basis of guaranteed reciprocity, compliance with the principle of specialty (i.e. the information exchanged may only be used to assess and levy taxes (and for criminal tax proceedings)) and adequate data protection.

Switzerland has concluded a multilateral AEOI agreement with the EU (replacing the EU savings tax agreement) and has concluded bilateral AEOI agreements with several non-EU countries.

Based on such multilateral agreements and bilateral agreements and the implementing laws of Switzerland, Switzerland will begin to collect data in respect of financial assets, including, as the case may be, Bonds, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in a EU member state or in a treaty state from, depending on the effectiveness date of the agreement, 2017 or 2018, as the case may be, and begin to exchange it from 2018 or 2019.

Holders of Bonds who might be in the scope of the abovementioned treaties should consult their own tax adviser as to the tax consequences relating to their particular circumstances.

[From Bond Purchase Agreement]

# TERMS AND CONDITIONS OF THE BONDS

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The terms and conditions of the bonds (each a **Condition**, and together the **Terms of the Bonds**) issued by the Issuer, are as follows:

## 1 Amount and Reopening, Form of the Bonds, Denomination, Custodianship and Transfer of the Bonds

- (a) The initial aggregate principal amount of the Bonds of Swiss francs (**CHF**) 150,000,000 (in words: one hundred and fifty million Swiss francs) (the **Aggregate Principal Amount**) is divided into bonds (each a **Bond** and collectively the **Bonds**) with denominations of CHF 5,000 (five thousand Swiss francs) per Bond and integral multiples thereof.

The Issuer reserves the right to reopen (the **Reopening**) and increase the Aggregate Principal Amount at any time and without prior consultation of or permission of the holders of the bonds (the **Holder**s and, individually, a **Holder**) through the issuance of further bonds which will be fungible with the Bonds (i.e. identical especially in respect of the Terms of the Bonds, security number, final maturity and interest rate).

- (b) The Bonds are issued as uncertificated securities (*Wertrechte*) in accordance with art. 973c of the Swiss Code of Obligations.

Such uncertificated securities (*Wertrechte*) will then be entered by the Principal Paying Agent into the main register (*Hauptregister*) of SIX SIS or any other intermediary in Switzerland recognised for such purposes by SIX Swiss Exchange (SIX SIS or any such other intermediary, the **Intermediary**). Once the uncertificated securities (*Wertrechte*) are registered in the main register (*Hauptregister*) of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Bonds will constitute intermediated securities (*Bucheffekten*) (**Intermediated Securities**) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

- (c) So long as the Bonds are Intermediated Securities (*Bucheffekten*), the Bonds may only be transferred by the entry of the transferred Bonds in a securities account of the transferee.
- (d) The records of the Intermediary will determine the number of Bonds held through each participant of that Intermediary. In respect of Bonds held in the form of Intermediated Securities, the Holders will be the persons holding the Bonds in a securities account (*Effektenkonto*) which is in their name, or in case of intermediaries (*Verwahrungsstellen*), the intermediaries (*Verwahrungsstellen*) holding the Bonds for their own account in a securities account (*Effektenkonto*) which is in their name.
- (e) The conversion of the uncertificated securities (*Wertrechte*) into a permanent global certificate (*Globalurkunde*) or individually certificated bonds (*Wertpapiere*) is excluded. Neither the Issuer nor the Holders nor the Principal Paying Agent nor any third party shall at any time have the right to effect or demand the conversion of the uncertificated securities (*Wertrechte*) into, or the delivery of a permanent global certificate (*Globalurkunde*) or individually certificated securities (*Wertpapiere*). No physical delivery of the Bonds shall be made.

## 2 Interest

The Bonds bear interest from (but excluding) 27 June 2017 (the **Closing Date**) until (and including) the Maturity Date (as defined below) at the rate of 0.375 per cent. of their Aggregate Principal Amount per annum, payable annually in arrears on 27 June of each year (each an **Interest Payment Date**), for the first time on 27 June 2018. Interest on the Bonds is computed on the basis of a 360-day year of twelve 30-day months.

## 3 Redemption, Purchase and Cancellation

- (a) Redemption at Maturity

Unless previously redeemed, the Issuer undertakes to repay all outstanding Bonds at par, without further notice on 27 June 2025 (the **Maturity Date**).

- (b) Redemption at the Option of the Issuer

Subject to a period of not less than thirty (30) nor more than sixty (60) days' prior notice to the Principal Paying Agent, the Issuer may redeem the Bonds at any time after the Closing Date and prior to the Maturity Date, in whole, but not in part only, at par of their Aggregate Principal Amount plus accrued interest, if any, on the date determined by the Issuer for early redemption, if eighty-five (85) per cent. or more of the Aggregate Principal Amount have been redeemed or purchased and cancelled at the time of such notice.

## TERMS AND CONDITIONS OF THE BONDS

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### (c) Purchases

The Issuer may, either directly or indirectly, at any time purchase Bonds at any price, in the open market or otherwise. Any purchase shall be made in accordance with applicable laws or regulations, including applicable stock exchange regulations. Such Bonds may be held, resold or, at the option of the Issuer, surrendered to the Principal Paying Agent for cancellation as set out below.

If purchases are made by public tender, such tender must be available to all Holders alike.

### (d) Cancellation

All Bonds which are redeemed or surrendered shall forthwith be cancelled. All Bonds so cancelled cannot be reissued or resold.

### (e) Notice

Where the provisions of this Condition 3 provide for the giving of notice by the Issuer to the Principal Paying Agent, such notice shall be deemed to be validly given if made in writing with all required information to the Principal Paying Agent within the prescribed time limit. Such notices shall be announced to the Holders as soon as practicable pursuant to Condition 10. Such notices shall be irrevocable.

## 4 Payments

The amounts required for payments with respect to the Bonds will be made available in good time in freely disposable CHF which will be placed at the free disposal of the Principal Paying Agent on behalf of the Holders. If the due date for any payment by the Issuer does not fall on a Business Day, the Issuer undertakes to effect payment for value the Business Day immediately following such due date and the Holders will not be entitled to any additional sum in relation thereto. All payments with respect to the Bonds will be made to the Holders in CHF without collection costs.

The receipt by the Principal Paying Agent of the due and punctual payment of the funds in CHF as above provided shall release the Issuer of its payment obligations under the Bonds to the extent of such payments.

If the Bonds are not redeemed when due, interest shall continue to accrue until (and including) the day when the Bonds are redeemed.

## 5 Statute of Limitations

In accordance with Swiss law, claims for interest payments shall become time-barred after a period of five (5) years and claims for the repayment or redemption of Bonds after a period of ten (10) years, calculated from their respective due dates.

## 6 Taxation

All payments in respect of the Bonds are subject to all applicable taxes, including the deduction of the Swiss Federal Withholding Tax (*Verrechnungssteuer*) on interest payments, currently levied at a rate of thirty-five (35) per cent.

## 7 Status of the Bonds and Negative Pledge

### (a) Status

The Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer, rank *pari passu* among themselves and with all other present or future unsecured and unsubordinated obligations of the Issuer, except for such preferences as are provided for by any mandatorily applicable provision of law.

### (b) Negative Pledge

So long as any of the Bonds remain outstanding, the Issuer will not, directly or indirectly, create any guarantee, mortgage, lien, pledge, charge or other form of encumbrance or security interest (each a *Security*), other than a

## TERMS AND CONDITIONS OF THE BONDS

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Permitted Security, upon the whole or any part of its present or future assets or revenues, to secure any Relevant Debt or to secure any guarantee or indemnity in respect of any Relevant Debt, unless, at the same time or prior thereto, the Issuer's obligations under the Bonds:

- (i) are secured equally and ratably therewith by such encumbrance or security interest or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be, or
- (ii) have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by the Holders' Representative,

*provided that* the Issuer may, directly or indirectly, create any Security for Secured Financing if, immediately after giving effect to the issuance of such Secured Financing,

- (i) the aggregate principal amount of outstanding Secured Financing is below the Secured Financing Cap, or
- (ii) subject to the provision below, the Secured Financing Ratio is below 35%,

*provided further* that if the aggregate principal amount of Secured Financing is above the Secured Financing Cap and the Secured Financing Ratio is above 30%, the Issuer shall, within three months from the issuance of such Secured Financing, either reduce the aggregate principal amount of Secured Financing below the Secured Financing Cap or reduce the Secured Financing Ratio below 30%.

- (b) The Issuer undertakes to inform the Holders' Representative without delay if any breach of para. (a) has occurred and to provide the Holders' Representative with all necessary documents and information in connection therewith. If not remedied within three months of the earlier of (i) the Issuer notifying the Holders' Representative, and (ii) the Issuer becoming aware of the default, an Event of Default shall occur.
- (c) Upon the occurrence of an Event of Default pursuant to para. (b), the Holders' Representative has the right but not the obligation to serve a written Default Notice or invite the Holders to a Holders' meeting in accordance with Condition 8.

### 8 Events of Default

If any of the following events (each event an **Event of Default**) shall occur, the Holders' Representative has the right but not the obligation, on behalf of the Holders, to declare all outstanding Bonds immediately due and repayable at par plus accrued interest:

- (a) there is a failure by the Issuer to pay principal and/or interest on any of the Bonds, if and when due and such failure continues for a period of twenty (20) calendar days; or
- (b) a default is made in the performance or observance of any material covenant, condition or provision which is to be performed by the Issuer under the Terms of the Bonds and (except where the Holders' Representative certifies in writing that, in its opinion, such default is not capable of remedy, when no such notice or continuation as is mentioned below shall be required) such default continues for a period of twenty (20) calendar days following the service by the Holders' Representative on the Issuer, of notice requiring such default to be remedied; or
- (c) any other present or future indebtedness of the Issuer for or in respect of monies borrowed is not paid when due (otherwise than, where permitted under the terms of the relevant indenture or agreement, at the option of the relevant debtor) and such failure continues for a period of at least five (5) calendar days or, as the case may be, within any applicable grace period, or becomes due and payable prior to its stated maturity as a result of an event of default (howsoever described), or any security in respect of any such indebtedness becomes enforceable or any guarantee of, or indemnity in respect of such indebtedness given by the Issuer is not honored when due and called upon or, as the case may be, within any applicable grace period, provided that no such event shall be taken into account for the purposes of this para. (c) unless such indebtedness, either alone or when aggregated with other indebtedness subject to such events which shall have occurred and are continuing shall at any time equal or exceed the amount of at least CHF 30,000,000 or its equivalent in any other currency or currencies (calculated on the basis of the middle spot rate for the relevant currency against CHF as quoted by any leading bank at the place of payment of such debt on the day on which this para. operates); or
- (d) any guarantee, mortgage, lien or other encumbrance, present or future, created or assumed by the Issuer becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver,

## TERMS AND CONDITIONS OF THE BONDS

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manager or other similar person but not the serving of a payment order (*Zahlungsbefehl*) provided that the aggregate amount of the relevant indebtedness in respect of which such guarantee, mortgage, lien or other encumbrance was created or permitted to subsist equals or exceeds CHF 30,000,000 or its equivalent in any other currency or currencies (calculated on the basis of the middle spot rate for the relevant currency against CHF as quoted by any leading bank at the place of payment of such debt on the day on which this para. operates), and any such steps taken are not abandoned or discontinued within twenty (20) calendar days of being taken; or

- (e) the Issuer is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops or suspends payment of all or a material part of its debts, proposes or makes a stay of execution, a postponement of payments (*Stillhaltevereinbarung*), a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any such debts or a moratorium or postponement of payments (*Stillhaltevereinbarung*) is agreed or declared in respect of or affecting all or a substantial part of (or a particular type of) the debts of the Issuer; or
- (f) the Issuer alters its legal or commercial structure through bankruptcy, liquidation, disposal of all or substantially all of its assets, change in the objects of the legal entity and/or commercial activities or merger (otherwise than the disposal of assets in connection with Secured Financing), in so far as the relevant action, in the Holders' Representative's opinion, has a material adverse effect on the capacity of the Issuer to meet its obligations under the Terms of the Bonds, unless the Holders' Representative considers the situation of the Holders as adequately protected based on securities created or other steps taken by the Issuer; or
- (g) a dissolution or merger involving the Issuer as a result of which the Issuer is not the surviving legal entity, unless the successor legal entity assumes all the Issuer's liabilities in respect of the Bonds.

The Issuer undertakes to inform the Holders' Representative without delay if any event mentioned under para. (b) through (g) has occurred and to provide the Holders' Representative with all necessary documents and information in connection therewith.

If an Event of Default occurs, the Holders' Representative has the right but not the obligation to serve a written notice of default (the **Default Notice**), such notice having the effect that the Bonds shall become immediately due and payable at the Aggregate Principal Amount plus accrued interest, if any, on the day the Default Notice is given.

Upon the occurrence of an Event of Default, the Holders' Representative may invite the Holders in accordance with art. 1157 seq. of the Swiss Code of Obligations to a Holders' meeting for the taking of a resolution on the serving of a Default Notice, provided the Holders' Representative has not served such Default Notice itself. The legally valid resolution of the Holders' meeting to serve a Default Notice, shall replace the right reserved by the Holders' Representative according to these Terms of the Bonds to serve a Default Notice on behalf of the Holders. If the Holders' meeting votes against the serving of a Default Notice, the right to serve such Default Notice shall revert to the Holders' Representative whereby the Holders' Representative shall not be bound by the resolution of the Holders' meeting if and to the extent that new circumstances arise or become known which require a revised assessment of the facts.

### 9 Substitution of the Issuer

The Issuer may, without the consent of the Holders, at any time substitute itself in respect of all rights and obligations arising under or in connection with the Bonds with any Swiss legal entity of which all shares carrying voting rights are directly or indirectly held by the Issuer (the **New Issuer**), provided that:

- (a) the New Issuer is in the opinion of the Holders' Representative in a position to fulfil all payment obligations arising from or in connection with the Bonds, and
- (b) the Issuer has issued an irrevocable and unconditional guarantee as per art. 111 of the Swiss Code of Obligations in respect to the obligations of the New Issuer under the Bonds in form and content satisfactory to the Holders' Representative.

In the event of a substitution of the Issuer, notice of such substitution shall be made in accordance with the provisions of Condition 10 and any reference to the Issuer shall be deemed to refer to the New Issuer.

# TERMS AND CONDITIONS OF THE BONDS

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## 10 Notices

All notices regarding the Bonds shall be published by Credit Suisse on behalf and at the expense of the Issuer (i) on the internet site of SIX Swiss Exchange (where notices are currently published under the address [www.six-exchange-regulation.com/en/home/publications/official-notices.html](http://www.six-exchange-regulation.com/en/home/publications/official-notices.html)) or (ii) otherwise in accordance with the regulations of the SIX Swiss Exchange.

## 11 Listing

Application will be made for the admission to trading and listing of the Bonds on the SIX Swiss Exchange for the whole duration of the Bonds.

## 12 Governing Law and Jurisdiction

The Terms of the Bonds and the Bonds shall be governed by and construed in accordance with the substantive laws of Switzerland (i.e. without regard to the principles of conflict of laws).

Any dispute which might arise based on the Terms of the Bonds and the Bonds shall be settled in accordance with Swiss law and shall fall within the exclusive jurisdiction of the courts of the city of Zurich, and if permitted, the Commercial Court of the Canton of Zurich, the place of jurisdiction being Zurich 1.

The above-mentioned jurisdiction is also exclusively valid for the declaration of cancellation of Bonds.

## 13 Amendment to the Terms of the Bonds

The Terms of the Bonds may be amended by agreement between the Issuer and the Holders' Representative provided that in the sole opinion of the Holders' Representative, such amendment is of a formal, minor or technical nature, is made to correct a manifest error and is not prejudicial to the interests of the Holders. Notice of any such amendment shall be published in accordance with Condition 10.

## 14 Role of Credit Suisse

Credit Suisse has been appointed by the Issuer as the Principal Paying Agent and as the Listing Agent with respect to the Bonds and it will or may also act on behalf of or for the benefit of the Holders as Holders' Representative, but only in such cases stated explicitly in these Terms of the Bonds. In any other cases, the Holders' Representative is not obliged to take or to consider any actions on behalf of or for the benefit of the Holders.

## 15 Severability

If at any time one or more of the provisions of the Terms of Bonds is or becomes unlawful, invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be in any way affected or impaired thereby.

## 16 Definitions

**Business Day** means any day (other than Saturday or Sunday) on which banks are open the whole day for business in Zurich

**Consolidated Net Financing Receivables** at any date means the consolidated net financing receivables of the Issuer at that date calculated in accordance with US GAAP as applied in the Issuer's consolidated audited annual and interim financial statements.

**Consolidated Secured Financing** at any date means the consolidated aggregate principal amount outstanding of asset backed bonds and any secured loans, securitization or other secured financing arrangement of any sort, in each case to the extent backed or secured by financing receivables, of the Issuer at that date calculated in accordance with US GAAP as applied in the Issuer's consolidated audited annual and interim financial statements.

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**Credit Suisse** means Credit Suisse AG, Paradeplatz 8, 8001 Zurich (P.O. Box, 8070 Zurich)

**Holders' Representative** means Credit Suisse in its capacity as representative of the Holders.

**Issuer** means Cembra Money Bank AG, Bändliweg 20, 8048 Zurich.

**Listing Agent** means Credit Suisse, appointed as recognised representative pursuant to art. 43 of the listing rules of the SIX Swiss Exchange to file the listing application (including the application for provisional admission to trading) for the Bonds with the SIX Swiss Exchange.

**Permitted Security** means any Security (and any Security created in substitution for any such Security) relating to the financing, refinancing or the acquisition of any specified asset or assets, but only to the extent that such security secures obligations arising from the financing, refinancing or acquisition of such specified assets.

**Principal Paying Agent** means Credit Suisse in its function as principal paying agent.

If, at any time during the life of the Bonds, the Principal Paying Agent shall resign or become incapable of acting as Principal Paying Agent or as Holders' Representative as contemplated by these Terms of the Bonds or shall be adjudged bankrupt or insolvent, the Principal Paying Agent may be substituted by a duly licensed major Swiss bank or Swiss branch of a major foreign bank chosen by the Issuer. In the event of such a replacement of the Principal Paying Agent, all references to the Principal Paying Agent shall be deemed to refer to such replacement.

Notice of such a replacement shall be made in accordance with the provisions of Condition 10.

**Relevant Debt** means any present or future Secured Financing and any other indebtedness of the Issuer represented or evidenced by, notes, bonds, debentures, loan stock or other securities which for the time being are or are capable of being, quoted, listed or ordinarily dealt with on any stock exchange, over-the-counter market or other securities market.

**Secured Financing** means any present or future issue of asset backed bonds, secured loans, securitization or other secured financing arrangement of any sort of the Issuer or any Subsidiary.

**Secured Financing Cap** means CHF 900,000,000.

**Secured Financing Ratio** at any date means, the ratio (as a percentage) of (x) Consolidated Secured Financing to (y) Consolidated Net Financing Receivables at that date.

**Subsidiary** means, in relation to the Issuer at any particular time, any person: (i) whose affairs and policies the Issuer controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of such person or otherwise; or (ii) whose financial statements are, in accordance with applicable law and US GAAP, consolidated with those of the Issuer.

**SIX SIS** means SIX SIS Ltd, the Swiss clearing and settlement organisation, Baslerstrasse 100, 4600 Olten, or any successor organisation accepted by the SIX Swiss Exchange.

**SIX Swiss Exchange** means SIX Swiss Exchange Ltd, Selnaustrasse 30, 8001 Zurich (P.O. Box 1508, 8021 Zurich) or any successor organisation.

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