

TRANSLATION

SHARE REGISTRATION REGULATION

concerning the

Registration of shareholders and maintenance of the share register of Schaffner Holding AG

Adopted on 2 December 2011

1. Scope and purpose

The Board of Directors issues this Share Registration Regulation (the “Regulation”) on the basis of section 685a and 685d et seq. of the Swiss Code of Obligations and article 6 of the Articles of Association of Schaffner Holding AG (the “Company”).

This Regulation sets out in detail the rules governing the recognition and registration of share purchasers and nominees as voting shareholders; the authority structure in relation to the share register; the maintenance of the share register; and the monitoring of the shareholdings recorded in the share register.

2. Recognition of share purchasers as voting shareholders

2.1 In accordance with article 6 para. 3 of the Articles of Association of the Company, purchasers of shares¹ are upon their request recorded as voting shareholders in the share register by the Board of Directors if the purchasers state expressly that they have acquired and will hold the shares for their own account.

2.2 Recognition as a shareholder with voting rights thus requires both that the shareholder in question bears the economic risk incident to ownership of the shares to be registered, and that, in the application for registration, the shareholder express-

¹ Translation Note: All equity shares of Schaffner Holding AG are “Namenaktien”, normally translated as “registered shares”. However, this Regulation addresses the fact that “registered shares” are sometimes not actually registered in the share register. To avoid confusion, this English translation of the Regulation therefore uses the term “shares” instead of “registered shares”.

ly declares to the Company that the shareholder has acquired and will hold the shares for the shareholder's own account.

- 2.3 In reliance on article 6 para. 3 of the Articles of Association and the above recognition requirements derived from it, applicants (purchasers holding legal title to the shares) are thus not recognized as voting shareholders if they have acquired, and are holding, the shares as a result of a securities lending transaction or similar transaction that gives them legal ownership without the associated economic risk (economic risk within the meaning of section 2.2 of this Regulation).
- 2.4 However, the Board of Directors reserves the right to register nominees as voting shareholders under article 6 para. 4 of the Articles of Association and section 4 of this Regulation.
- 2.5 Anyone who establishes beneficial ownership of the shares within the meaning of article 6 para. 2 of the Articles of Association is recognized as a voting shareholder if the shareholder discloses to the Company the legal basis for the establishment of beneficial ownership and if the recognition does not conflict with the aims and essential features of this Regulation.

3. Registration of share purchasers

- 3.1 For each registration in the share register as a voting shareholder, a personally signed registration application or a registration authorization must be on file at the respective SIX SIS AG custodian bank, containing all of the following information:
- For individuals: last name, first name, nationality, and address
 - For legal entities: entity name, registered office, and address.
- 3.2 Any registration in the share register requires evidence of the acquisition of full legal title to the shares or evidence of the establishment of beneficial ownership.
- 3.3 The legal owner of the shares is registered as a voting shareholder if the conditions for recognition as a "full shareholder" (a shareholder with full rights) under this Regulation are fulfilled.

- 3.4 Registration applications by natural and legal persons (i.e., by individuals and legal entities) must include an express declaration that the applicant has acquired and holds the shares in the applicant's own name and for the applicant's own account.
- 3.5 In the case of registration applications by shareholders holding the shares for their own account where the applicant's resulting voting rights reach or rise above 3% of votes or any of the further thresholds set out in section 20 of the Stock Exchange Act (5%, 10%, 15%, 20%, 25%, 33⅓%, 50% and 66⅔% of votes), the registration is not performed until the Company has received a complete disclosure notification by the applicant pursuant to section 20 of the Stock Exchange Act. If the disclosure notification meets the legal requirements (i.e., if it contains the legally required information about the beneficial owner), the applicant (i.e., the acquired stock) is registered in the share register as having voting rights. If the disclosure notification is not made within the 20-day deadline specified in section 685g of the Swiss Code of Obligations, or is incomplete, the application for registration with voting rights is denied and the shareholder (i.e., the acquired stock) is registered in the share register as non-voting. The manager of the share register promptly informs the registrar (the company retained under section 6.2 of this Regulation to operate the share register) about the disclosure notification made.
- 3.6 If it is unclear whether the registration requirements are met, the Company may request additional information before the applicant is recorded in the share register as a voting shareholder. In particular, the Company may request express confirmation that the party to be registered bears the economic risk associated with the acquired shares.
- 3.7 If the requirements for recognition are met, the official applicant (i.e., the natural or legal person directly holding the shares) is registered as a voting shareholder.
- 3.8 The applicant must also undertake to inform the Company promptly of any material changes in the information provided in the registration application (especially in the event of a change of beneficial owner).
- 3.9 The Company is entitled to request, even at a later date and without giving reasons, confirmation of the information provided by shareholders which led to registration as voting shareholders.

4. Registration of nominees

- 4.1 Persons who do not expressly declare in their registration application that they hold the shares for their own account are classified as nominees. In accordance with article 6 para. 4 of the Articles of Association, by default any single nominee is registered in the share register as holding voting shares only up to a maximum of 5% of the Company's share capital recorded in the Swiss commercial register of companies.
- 4.2 Above this limit of 5%, the Board of Directors registers shares of nominees in the share register as voting shares only if (i) the nominee discloses to the Company the names, addresses and Company shareholdings of the persons for whose account the nominee holds 0.5% or more of the share capital registered in the commercial register, and (ii) an agreement exists between the nominee and the Company which specifies the nominee's position and the details of the nominee's notification obligations. The registrar (the company retained under section 6.2 of this Regulation to operate the share register) is responsible for sending the nominee agreement to the respective nominee and for collecting the information to be disclosed. If complete disclosure is not made within the 20-day deadline specified in section 685g of the Swiss Code of Obligations or if no nominee agreement is concluded between the Company and the nominee within this period, the nominee is registered in the share register as non-voting in respect of these shares.
- 4.3 Where legal entities or groups with joint legal status are related to one another by capital, voting rights, management or in some other manner, they are deemed to constitute a single purchaser, as are all natural or legal persons or groups with joint legal status that, by agreement, as a syndicate or in any other way, act in a coordinated manner with a view to circumventing the nominee rules.
- 4.4 In the case of registration applications by nominees where the nominee's resulting voting rights reach or rise above 3% of votes or any of the further thresholds set out in section 20 of the Stock Exchange Act (5%, 10%, 15%, 20%, 25%, 33 $\frac{1}{3}$ %, 50% and 66 $\frac{2}{3}$ % of votes), the registrar operating the share register under section 6.2 of this Regulation advises the nominee of the notification requirements under section 20 of the Stock Exchange Act.

- 4.5 The Board of Directors may authorize exemptions from these nominee provisions in some cases.

5. Registration as a non-voting shareholder or nominee

- 5.1 Shares in respect of which the requirements (as set out in this Regulation or in any amendments thereto) for registration as a voting shareholder are not, or no longer, fulfilled are registered in the share register as non-voting shares.
- 5.2 Any reclassification of shareholders' or nominees' shares as non-voting is notified to the shareholder or nominee, accompanied by a request to satisfy the requirements for registration as a voting shareholder within ten calendar days.
- 5.3 When shareholders or nominees are registered in the share register as non-voting, they are promptly informed of this by the registrar retained under section 6.2 of this Regulation to operate the share register.
- 5.4 Registered non-voting shareholders and registered non-voting nominees cannot exercise the voting rights associated with the shares nor other rights related to the voting rights. However, they are not restricted in exercising any of their other shareholder rights, including also pre-emptive rights. At the General Meeting, the shares registered as non-voting are treated as unrepresented (see section 685f para. 2 and 3 of the Swiss Code of Obligations).

6. Maintenance of the share register and monitoring of shareholdings

- 6.1 In accordance with article 6 para. 1 of the Articles of Association, the Company maintains a share register.
- 6.2 The Company may outsource the operation of the share register to a company specializing in such services (a registrar). The employees of the registrar are required to perform their role in accordance with the intent of this Regulation and with the instructions of the share register's manager. At present the share register is operated by ShareComm Services AG, based in Opfikon, Switzerland. The as-

sociated details are set out in a separate agreement between the Company and ShareComm Services AG.

- 6.3 The manager of the share register is the Chief Financial Officer (CFO) of the Company. The manager of the share register ensures that, when he is absent, a deputy is acting on his behalf. The share register manager reports to the Chairman of the Board. The Chairman and the Chief Executive Officer receive regular reports on the shareholder structure (including share deregistrations above a certain size of shareholding). The Chairman determines the format, frequency and recipients of these reports. The Board of Directors annually receives a report on the shareholder structure. The Chairman determines the format of these reports.
- 6.4 The authority structure for the approval of shareholder registrations in the share register is as follows:
- Registration applications for up to 5,000 shares per transaction that either clearly meet or clearly do not meet the requirements for registration as a voting shareholder or nominee: Approval by the registrar (the company commissioned to operate the share register under section 6.2 of this Regulation).
 - All applications for registration as a nominee under section 4.1 and 4.2 of this Regulation: Approval by the registrar.
 - Registration applications for more than 5,000 shares per transaction and all other transactions which do not clearly meet the requirements for registration as a voting shareholder or nominee, or in which there is uncertainty: Approval by the manager of the share register.
 - All registration applications of shareholders or groups of shareholders that hold the shares for their own account where the applicant's resulting voting rights reach or rise above 3% of votes or any of the further thresholds set out in section 20 of the Stock Exchange Act (5%, 10%, 15%, 20%, 25%, 33⅓%, 50% and 66⅔% of votes): Approval by the manager of the share register.

Exceptional cases can at any time be referred for approval to the Chairman or, if absent, to the Vice Chairman of the Board.

- 6.5 Applications by purchasers for recognition or for registration in the share register shall be processed within the 20-day deadline specified in section 685g of the Swiss Code of Obligations. The manager of the share register is responsible for the prompt processing of registration applications and for ensuring that, to the ex-

tent necessary under the provisions of this Regulation, additional inquiries are undertaken within this time period. In the unusual event that an application cannot be processed by this deadline (for example, if further inquiries under section 3.6 of this Regulation are pending), the application shall be declined. In this case, if the registration requirements later prove to be met, the applicant shall be informed of this and advised that, upon renewed application and given unchanged circumstances, the applicant will without further delay be entered as voting in the share register.

- 6.6 If the operation of the share register provides indications that declarations by a registered voting shareholder or nominee may be incomplete, false or no longer correct, the share register's manager arranges for the necessary inquiries, including in particular with regard to the beneficial owners of the shares in question. The manager of the share register proposes a course of action to the Chairman of the Board for approval.

7. Deletion of registration as a voting shareholder or nominee

- 7.1 If a registration resulted from incorrect, incomplete or misleading information, the registration in the share register as a voting or non-voting shareholder or as a nominee may, after hearing the affected party, be voided with retroactive effect to the date of registration. Registrations can also be deleted (or reclassified as non-voting) when a registered shareholder refuses to provide the requested information or fails to provide requested evidence (regarding beneficial owners, etc.) despite prior warning.

- 7.2 The authority to decide on deleting or reclassifying the registration of a voting shareholder or nominee or on terminating the relationship with a nominee rests with the Chairman of the Board of Directors. The affected party must be informed of a deletion immediately.

8. Record date and closure of share register in connection with General Meetings

- 8.1 Under article 13 para. 4 of the Articles of Association, in the notice of the General Meeting the Board of Directors announces the record date at which registration in

the share register is required for participation in and voting at the meeting, and thus announces the length of the closure of the share register.

- 8.2 The record date for registration is generally the fifth trading day before the day of the General Meeting. Accordingly, the closure of the share register as a rule is in effect from the fourth trading day before the day of the General Meeting, until and including the day of the General Meeting.

Deletions from the share register can be made during the closure under section 8.2 of this Regulation. Thus, despite the closure, a share seller is struck from the share register to the extent of the shares sold, if the sale is reported to the Company or to the manager of the share register during the closure. An admission ticket already issued in the seller's name is automatically voided by the deletion from the share register. In the event of partial sale of a shareholding, the admission ticket previously sent to the seller must be exchanged on the meeting date at the registration desk. The notice of the General Meeting shall state this requirement.

9. Closing provisions

- 8.1 This Regulation takes effect upon its adoption by the Board of Directors.
- 8.2 The Board of Directors may amend this Regulation at any time.

Luterbach, 2 December 2011

For the Board of Directors:



Daniel Hirschi
Chairman



Kurt Ledermann
Secretary

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In the interest of readability, this document may use language that is not gender-neutral. Any gender-specific references should be understood to include masculine, feminine and neuter as the context permits.