

**Statement by Philipp M. Hildebrand, Chairman of the Governing Board of the Swiss National Bank,  
9 January 2012, Berne**

---

I am proud of what we at the Swiss National Bank – backed by the public's confidence – have achieved since I joined the Governing Board in 2003. I have derived great satisfaction from giving our country's concerns an emphatic voice in the international arena – be it as Governor with the International Monetary Fund, as Member of the Board of Directors at the Bank for International Settlements, or as Vice-President of the Financial Stability Board.

Our country and the SNB have experienced turbulent and challenging times as a result of the global financial crisis, which has since evolved into a dramatic European sovereign debt crisis. In autumn 2008, the SNB had to act decisively, when UBS and the Swiss financial system needed to be stabilised. In addition, with its resolute monetary policy, the SNB has contributed significantly to ensuring price stability at all times and to reducing the impact of the global crisis on the Swiss economy.

I personally spoke out strongly – and early on – in favour of considerably higher capital requirements for the big banks. When it became necessary to revise the regulations in order to alleviate the 'too big to fail' issue, the SNB went to great lengths and also managed to find the support needed.

In the past few years, the SNB's policies have been successful. They have contributed to the stability and prosperity of our country. At a time in which Europe is experiencing what is probably the most threatening economic and financial situation since the Second World War, we have, to date, succeeded in protecting and strengthening the stability and competitive ability of our country as a result of decisive and far-reaching decisions and measures.

The last three weeks have been a difficult period for my family and for me, but certainly also for the current President of the Swiss Confederation, Eveline Widmer-Schlumpf and her predecessor, Micheline Calmy-Rey. I would like to thank both of them for their decisive management of this extraordinarily difficult process. I also thank my colleagues in the SNB Governing Board, Thomas Jordan and Jean-Pierre Danthine, and all the staff for their magnificent work and excellent collaboration in the past few years. Finally, I want to thank all the numerous committed citizens and companies for the confidence they have shown in the SNB.

At the news conference last Thursday, I promised to fully disclose the private financial transactions conducted in August 2011 and, in this connection, to publish the relevant e-mails sent on the 15<sup>th</sup> and 16<sup>th</sup> of August 2011. I am now able to fulfil this promise. On the 5<sup>th</sup> and 6<sup>th</sup> of January 2012, I obtained knowledge of additional pieces of information (e-mail from the account manager dated 16 August 2011 and Bank Sarasin's related report). All relevant e-mails and documents are enclosed with this statement.

In view of the continuing public debate centred on these financial transactions, and following detailed examination of all the documents and thorough reflection since the news conference, I have come to the conclusion that it is not possible to provide conclusive and final evidence that my wife did indeed initiate the foreign exchange transaction on the 15<sup>th</sup> August without my knowledge. The fact is: my word is my bond. I had no knowledge of my wife's transaction on that day.

Unfortunately, mistakes were made in connection with these transactions. I detailed these on Thursday, and I apologise for them. I deeply regret these mistakes as well as the entire situation. At least these mistakes have made it possible for us to identify weaknesses in the SNB's internal regulations, as well as its requirements in terms of transparency and code of conduct. The focus now should be on resolutely eliminating these weaknesses. This will allow the SNB to retain its credibility, which is its greatest asset. I am confident that the SNB will emerge stronger from what are admittedly exceptionally difficult circumstances.

As a result of this regrettable matter, I have concluded that I might not, for some time, be in a position to make the kinds of tough decisions and to implement them with the same rigour and success as in the past.

Conscious as I am of the challenges currently facing our country, and given my responsibility for my office and for the SNB as an institution, I have therefore decided to relinquish my post with immediate effect.

This is a step which saddens me greatly. I have always considered the office of Chairman of the SNB Governing Board to be an immense privilege, and I simply cannot imagine a more challenging activity. I depart on good terms and, above all, wiser and more experienced than a few weeks ago.

Philipp M. Hildebrand



Sarasin GlobalSar - IID (EUR) A

Prospekt | März 2011

Disclaimer - Edition Switzerland

Performance was calculated on the basis of net asset values (NAV) and gross dividends reinvested. When calculating performance, all the costs charged to the fund were included to give the net performance. Additional commissions, costs and taxes charged at the investor level have a negative impact on performance. The bank and/or the fund's broker may receive or pay a one-off and/or recurring commission in connection with this product, the amount of which will be communicated to you upon request. Investments in foreign currencies also run a currency risk, as the return in the investor's reference currency may be smaller or greater as a result of currency fluctuations. Source for performance figures: Sarasin Investmentfonds Ltd, Datastream & SIX. The statements in this document neither constitute an offer nor an invitation to buy shares of the fund. All details are provided for marketing and information purposes only and should not be misinterpreted as investment advice.

The (sales) prospectus, the simplified prospectuses as well as the annual and semi-annual reports of Sarasin Investmentfonds SICAV are available free of charge from the paying agent and the representative in Switzerland (Bank Sarasin & Co. Ltd, Elisabethenstrasse 62, P.O. Box, CH-4002 Basel).

The accuracy, completeness or correctness of the information contained in this publication is not guaranteed. If not explicitly stated otherwise, figures are not verified. Persons domiciled in the USA or US nationals are not permitted to hold shares in Sarasin Investmentfonds SICAV, and units in Sarasin Investmentfonds SICAV may not be publicly sold, offered or issued to anyone residing in the USA or to US nationals. This publication is intended only for investors in Switzerland.

Zurich, 15.2.11 :

BP 6009717 :

(A)

Please transfer

(1)

1/4 of each

- Swiss Re
- ZFS

shares into a new sub-acc ✓  
"Natalia"

+

(2) Fr. 10'000 Nestle shs. ✓

+

(3) Fr. 10'000 Weatherford shs. ✓

+

(4) Cash (from my CHF-acc) USD 20'000.- ✓

(B) 1) Buy Roche, Nestle + Weatherford for CHF 25k ✓  
for my own acc. (portfolio)

Signature Verified  
Felix Scheuber  
Executive Director  
PBZUSQEE  
9599

# Sarasin GlobalSar - IID (EUR) A

English as of March 2011

## Investment Policy

Sarasin GlobalSar - IID (EUR) invests globally in a broadly diversified selection of equities and fixed-income paper with a focus on the leading markets and currencies. Making use of special investment techniques and instruments the fund manager aims to reduce price fluctuations of the fund and to optimise the return.

Sarasin GlobalSar - IID (EUR) is intended as a core investment with euro as reference currency for private investors.

## Fund Information

Investment company	Sarasin Investmentfonds SICAV, Luxembourg
Custodian bank	RBC Dexia Investor Services Bank S.A., Luxembourg
Portfolio Management	Sarasin & Partners LLP, London
Domicile of fund	Luxembourg
ISIN code	LU0058893917
Swiss Sec.-No.	377 951
Launch date	5 July 1995
Accounting currency	EUR
Dividend payment date	October
Payment 2010	EUR 0,98
Sales fee	max. 5%
Management fee	1.50% p.a. + performance fee
Custodian fees	max. 0.1% p.a.
Benchmark (BM)	3m EUR Libor +3%*

\*new since 14.08.2008; before customized; details see annual report

## Current Fund Data

Offer price per share	EUR 249.55
Fund size in millions	97.00

## Statistical Ratios

Volatility	10.19%
Correlation	0.30
Beta	0.74
Sharpe Ratio	0.29

The statistical ratios are calculated on the basis of the previous months (36 months, basis EUR). Risk-free interest rate: 2.05%

## Risk Profile

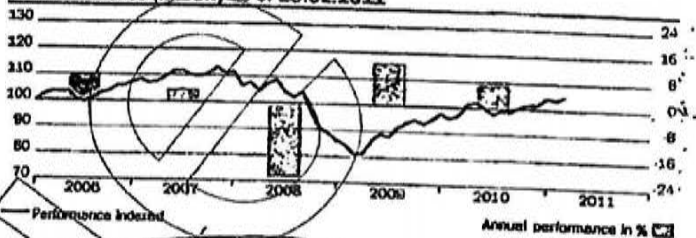
average

This fund is part of the risk class 3 (Risk classes: 1: low; 2: moderate; 3: average; 4: above average; 5: high). Please find a detailed description of the risks as well as of the risk classes in our prospectus. Usually the following principle applies: the higher the risk (price volatility), the longer your investment horizon should be. However, higher risks can potentially be rewarded by higher returns.

## Top Ten Holdings

3.750% Germany 04.01.15	2.74%
Sarasin CI Global Property Fund	2.09%
Gold Bullion perp.	1.99%
Citigroup FDG 23.07.14 S&P 600	1.87%
Investec EM DEBT	1.58%
Sarasin AgrSar Fund - B	1.26%
6.700% RBS 21.07.11	1.24%
Central Japan Railway	1.09%
5.025% Scot & STH EN 10	1.04%
RWC Funds Global Fund - B	1.02%

## Net Performance (In EUR) as of 28.02.2011



Past performance does not guarantee future returns. The performance shown does not take account of any commissions and costs charged when subscribing and redeeming units.

## Asset Allocation

	long	short	net
Equities	57.60%	7.90%	49.70%
Bonds	22.40%	0.00%	22.40%
Other	3.40%	0.00%	3.40%
Alternative Investments	9.70%	0.00%	9.70%
Total	93.10%	7.90%	85.20%

## Currency Allocation

74.21% EUR A	8.32% Other F
17.10% JPY B	-0.28% CHF
0.37% GBP C	-8.26% USD

## Source

Sarasin Investmentfonds Ltd

Data as of 28 February 2011

Client Contact Report

EINGEREICHT VON NOBEL &amp; HUG

Order Nr: 368606728

## Contact Basics

Business Partner	Hildebrand, Philipp	Contact Date	15.08.2011 14:51:33
Relationship Manager	Scheuber Felix	Contact type	Visit Out
Contact place	2730265	Attendee	
Title	Review - update		

## Contact Notes

Contact Notes

- review of accounts / portfolio
- we discussed world financial markets in general and the equity/currency markets in particular; there is still no desire to implement a discretionary managed portfolio (signed PM mandate to be still kept on hold!)
- instead, and in order to benefit from the current low prices, he wants me to
  - a) buy the following equities: Roche, Nestle & Weatherford (for CHF25k each) for his main account and CHF10k each of Nestle and Weatherford for his daughter Natalia's new sub-acc.
  - b) buy USD20k from his CHF-acc. and transfer it to also to the new Natalia sub-acc.
  - c) consider increasing his USD-exposure but he would leave it up to his wife Kashya to so decide.
- Later on I visited Kashya at her office and she was very keen to do this. We eventually agreed that she e-mails me her wish (see below)
- I brought to his attention
  - a) the current attraction of subordinated Insurance bonds and for which we are going to launch a new fund which is being managed by Twelve Capital AG, their CEO used to be head of ILS at Horizon21, the owner (R.M.Frey) of which he used to know very well. I left him with a research paper "Credit Focus" for his perusal but he said that he has no time whatsoever to deal with this and asked me to speak to Kashya on this in more detail (which I then did & I left her some literature on it which she promised to read....., but did not seem to like the idea)
- I also left him fact sheet & flyer of one of our flagship fund Sarasin Global Sar-IIIID A which is also available in CHF and which may well fit into the new "Natalia pension portfolio". Despite the recent market turbulence this fund has done reasonably well.
- Kashya mentioned that she may look at buying Put options on Gold soon, i.e. when the time is right.....
- I invited him to "Christie's Dinner" at the Dolder Grand on 24th November 2011 and asked him to save the date; proper Invitation will follow in due course. Unfortunately, Kashya won't be around on that date as she will be in Dubai attending some art business of her own >>>> look up Lisa Schürmann's e-mail dd. 9.8.11

Thanks Felix that is great.

Kind regards,

Kashya

On Aug 15, 2011, at 2:50 PM, Scheuber Felix wrote:

Thank you for this, Kashya.

Following my return to the office I actioned your wish and I am pleased to confirm that I sold CHF400k vs. USD at a rate of 0.7929 bringing the overall USD exposure of the account to roughly 50%.

Client Contact Report

Order Nr: 368606728

Whilst writing I also confirm that

a) we bought the following shares:

- Roche at 128.90
- Nestle at 49.14 (for both the ?main? & Natalia?s a/c)
- Weatherford at 13.95 (for both the ?main? & Natalia?s a/c)

b) we will transfer a quarter of each of the current ZFS & SwissRe shareholdings into the new ?Natalia? sub a/c.

In order to comply with the ?VSB? rules I need to let Philipp sign the attached form ?A? which I will physically forward to his office address for his signature, together with a return envelope.

Thank you and best regards,

Felix

From: Kashya Hildebrand [mailto:kashya@kashyahildebrand.org]  
 Sent: Montag, 15. August 2011 13:20  
 To: Scheuber Felix  
 Subject: dollar exposure.....

Dear Felix,

As discussed we would like to get our dollar FX exposure up to 50% in our account. As discussed our current dollar exposure is 31%. We would like to increase our dollar exposure to 50%. Feel free to call me if you have questions.

kind regards,

Kashya

Relationship Manager	Approved	Client Services Center
(Date)	(Date)	(Date)
(Signature)	(Signature)	(Signature)

Status: Frozen / Inserted By User: Scheuber Felix

**From:** Scheuber Felix  
**Sent:** Dienstag, 16. August 2011 08:00  
**To:** Hildebrand Philipp M.  
**Cc:** Kashya Hildebrand (kashya@kashyahildebrand.org)  
**Subject:** RE: dollar exposure.....

**EINGEREICHT VON NOBEL & HUG**

Dear Philipp,

I have taken due note of what you say below. Also I am and will be very observant of the current SNB trading rules, a copy of which you handed to me earlier this year.

As regards the actual dollar purchase order: Yes, Kashya yesterday gave me the verbal order, followed by the e-mail later on. I also remember you saying in our yesterday's conversation that if Kashya wants to increase the USD exposure then it is fine with you.

Best regards,  
Felix

PS to both of you: As regards the subordinated insurance bonds briefly discussed yesterday I truly believe you should give it a good think: The regulatory changes in the European insurance industry ("Solvency II") are creating unique investment opportunities and early repayments of same offer an excellent opportunity for capital gains, in addition to the currently attractive running yields.

---

**From:** Hildebrand Philipp M. [mailto:pmh@snb.ch]  
**Sent:** Dienstag, 16. August 2011 07:36  
**To:** Scheuber Felix  
**Cc:** 'Kashya Hildebrand'; Kuhn Hans  
**Subject:** RE: dollar exposure.....

Dear Felix, Dear Kashya

Thank you for the equity orders and the opening of Natalia's sub account as well as the transfers into that account. However, I am surprised reference to a dollar transaction in your email. We never discussed any dollar purchases yesterday. Given Kashya's email response and copy to me, I assume she gave you the order. Please confirm that. I will obviously speak to her as well today. Needless to say, Kashya has full authority on our account. Nonetheless, in the future, for compliance reasons, you are not authorized to execute any currency transactions unless the order comes from me or I confirm it. In other words, when it comes to currency transactions, I need to know and sign off on any trades that Kashya might instruct you on. Also, please note that any currency position in the account must be held for at least six months, in line with our internal SNB rules on personal investments.

Best,  
Philipp

PS: Kashya: sorry about that but currencies really are a special case here.

PPS: Felix and Kashya: I am copying Hans Kuhn, our General Counsel on this email.

---

**From:** Kashya Hildebrand [mailto:kashya@kashyahildebrand.org]  
**Sent:** Montag, 15. August 2011 15:10  
**To:** Scheuber Felix  
**Cc:** Hildebrand Philipp M.; Ritter Kevi  
**Subject:** Re: dollar exposure.....

Thanks Felix that is great.

kind regards,

Kashya

On Aug 15, 2011, at 2:50 PM, Scheuber Felix wrote:

Thank you for this, Kashya.

Following my return to the office I actioned your wish and I am pleased to confirm that I sold CHF400k vs. USD at a rate of 0.7929 bringing the overall USD exposure of the account to roughly 50%.

Whilst writing I also confirm that

- a) we bought the following shares:
  - Roche at 128.90
  - Nestle at 49.14 (for both the "main" & Natalia's a/c)
  - Weatherford at 13.95 (for both the "main" & Natalia's a/c)
  
- b) we will transfer a quarter of each of the current ZFS & SwissRe shareholdings into the new "Natalia" sub a/c.

In order to comply with the "VSB" rules I need to let Philipp sign the attached form "A" which I will physically forward to his office address for his signature, together with a return envelope.

Thank you and best regards,  
Felix

**Bank Sarasin & Co.Ltd.**

Loewenstrasse 11  
CH-8022 Zurich

Telephone 0041 44 213 95 99

Fax 0041 44 213 96 69

E-mail [felix.scheuber@sarasin.ch](mailto:felix.scheuber@sarasin.ch)

Tel.mobile 0041 79 212 5670

<image001.png>

[www.sarasin.com](http://www.sarasin.com)

 Sustainable Swiss Private Banking since 1841

 Please consider the environment before printing this e-mail

---

**From:** Kashya Hildebrand [mailto:kashya@kashyahildebrand.org]

**Sent:** Montag, 15. August 2011 13:20

**To:** Scheuber Felix

**Subject:** dollar exposure.....

Dear Felix,

As discussed we would like to get out dollar FX exposure up to 50% in our account. As discussed our current dollar exposure is 31%. We would like to increase our dollar exposure to 50%. Feel free to call me if you have questions.

kind regards,

Kashya



aisstrasse 58  
8001 Zürich / Switzerland  
Tel. +41 44 210 02 02  
Fax. +41 44 210 02 15  
[www.kashyahildebrand.org](http://www.kashyahildebrand.org)

-----  
This message is for the addressee's use only and may contain confidential, proprietary or legally privileged information. No confidentiality or privilege is waived or lost by any mistransmission.

If you are not the intended recipient, any direct or indirect use, disclosure, printing, copying or distribution of this message or of the parties to it is prohibited and may be unlawful. Please notify the sender urgently and delete the message and any copies (including hardcopies) of it immediately.

There are risks in communicating by E-Mail. E-Mail is susceptible to data corruption, delay, interception and unauthorized amendment. Whilst all adequate care has been taken, Bank Sarasin & Co. Ltd and its group entities do not accept liability for any damages resulting from E-Mail use.

Bank Sarasin & Co. Ltd and its group entities reserve the right to monitor and save all email communication through their networks. Any views expressed in this message are those of the individual sender, except where the message states otherwise and the sender is authorized to state them to be the views of Bank Sarasin & Co. Ltd and/or its group entities.

-----  
<Formular\_A.pdf.pdf>

---

This e-mail message has been sent using TLS

---

This e-mail message has been sent using TLS

---

This message contains confidential information and is intended only for the individual named. If you are not the named addressee, you should not disseminate, distribute or copy this e-mail. Please notify the sender immediately by e-mail if you have received this e-mail by mistake and delete this e-mail from your system. E-mail transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The Swiss National Bank therefore does not accept liability for any errors or omissions in the contents of this message which arise as a result of e-mail transmission. This message is provided for information purposes only.

Mit PPH besprochen; auf meine Sicht  
keine Handlungsbedarf, nur Sicherheit, dann  
wie üblich

HUG

BEILAGE NR.

4

EINGEREICHT VON NOBEL & HUG



SARASIN

Nachhaltiges Schweizer Private Banking seit 1841.

Nobel & Hug  
Rechtsanwälte  
Prof. Dr. Peter Nobel  
Dufourstrasse 29  
8032 Zürich

Zürich, 9. Januar 2012

Ihre Kontaktperson: Felix Scheuber / T: +41 (0)44 213 95 99

### Klarstellung

Sehr geehrter Herr Nobel,

Ihrem Wunsch entsprechend, halte ich hiermit gerne schriftlich fest, dass mir der FX-Auftrag vom 15. August 2011 (d.h. die Erhöhung der USD-Exposure auf 50% der damaligen Währungsallokation) von Kashya Hildebrand in Ihrer Galerie aus eigener Initiative mündlich erteilt wurde.

Wir haben dann vereinbart, dass

- A) ich das FX-Geschäft nach meiner Rückkehr in die Bank auslösen werde, was ich gleichentags gemacht habe, und
- B) Kashya mir das Geschäft per E-Mail entsprechend bestätigt.
- C) Dieses E-Mail ist dann auch am selben Tag um 13.20 bei mir eingetroffen.

Ich bestätige, dass obiger Sachverhalt der reinen Wahrheit entspricht.

Freundliche Grüsse  
Bank Sarasin & Cie AG

Felix Scheuber  
Stellvertretender Direktor