

I N V E S T M E N T G U I D E L I N E S
(A N L A G E R E G L E M E N T)
o f
A L P I N E S E L E C T A G
Z U G

I Basics

1. Purpose of the Company

The purpose of the Company is set out in Article 2 of the Articles of Association and reads as follows:

"The purpose of the Company is the direct or indirect acquisition, the continuous administration and the sale of participations in Swiss and foreign enterprises of all kind.

The Company may open branch offices and subsidiaries in Switzerland and abroad and may engage in any commercial, financial or other activities which are related to the purpose of the Company."

2. Basic Investment Policy

The basic investment policy set out in Article 3 of the Company's Articles of Association. It reads as follows:

"The Company is an investment company according to the SWX Swiss Exchange listing regulation for Investment Companies. The following are the basic guidelines of its investment policy:

- the Company aims to provide investors an attractive capital growth through the investment of its assets in enterprises of all kind in Switzerland and abroad and in opportunities created by corporate events, for example spin-offs, mergers and acquisitions (inclusive going private transactions), IPOs, bankruptcies, recapitalizations and share buy backs;
- investments can be made in foreign currencies and can be hedged against the Swiss Franc according to the discretion of the Board of Directors;
- the Company may borrow capital in a maximum amount of up to 50% of its total assets to pursue the investment objectives.

- the Company may invest and engage in financial instruments such as options, futures, securities lending and borrowing and others in order to protect and enhance its asset base.

The Board of Directors must state the details of the investment policy in a regulation which has to be provided to shareholders and potential investors upon request."

Based upon this policy the Board of Directors issues the following investment guidelines:

II Investment Guidelines

3. Investment Objectives

The purpose of the Company is to generate absolute returns for shareholders by investing in a portfolio of companies in Switzerland and abroad.

The Company may effectuate such investments through subsidiaries.

4. Investment Strategy

4.1. The Company shall make use of opportunities created by corporate events such as, but not limited to:

- spin-offs (*Abspaltungen*);
- mergers and acquisitions (*Fusionen, Unternehmenskäufe*);
- going private transactions (*Dekotierungen*);
- initial public offerings (*Börsengänge*);
- bankruptcies (*Konkurse und Nachlassverfahren*),
- recapitalisations (*Rekapitalisierungen, Kapitalerhöhungen etc.*);
- share buy backs (*Aktienrückkäufe*).

4.2. The principal guidelines for the implementation of this investment strategy are as follows:

- Geographic area: the Company may invest globally. Its main focus, however, is in Switzerland.
- Investment universe: there are no restrictions as to the Company's investment universe; the Company may also invest in shares of other investment companies or in other collective investment vehicles;
- Securities: the Company may invest in all types and classes of equity securities (including listed shares and private equity securities, preferred shares etc.), other securities convertible into equity securities and financial derivatives (warrants, options and futures, swaps etc.) as well fixed income instruments (bonds, certificates of deposits, money market instruments, currencies etc.);
- Listed and unlisted securities: long and short positions;
- Use of derivatives: derivatives may be used as an investment, for capital protection and, for purposes of efficient portfolio management;
- Short selling: the Company may establish short positions as a hedge against specific long positions as well as establishing naked short positions;
- Pledging: the Company may pledge any of its assets in connection with investment transactions and margins for derivatives transactions and short sales;
- Securities lending: the Company may from time to time enter into securities lending transactions as a means of efficient portfolio management, provided that such securities lending transactions are made within a standardized lending system organized by a recognized securities clearing institution or by a highly rated financial institution and the Company receives adequate securities or guarantees until termination of the lending agreement;
- Borrowings: borrowings to fund investments may be incurred up to a maximum amount of 50 % of the net asset value of the Company. In the event of structured transactions where the risk is limited, the Company and its subsidiaries may incur borrowings of up to 150 % of its net asset value. Any borrowing must be approved by the board of directors. Neither the Company nor the subsidiaries may grant loans to third parties.

Diversification: typically, the portfolio will be invested in securities of different companies, but the portfolio of the Company may be concentrated at times in a small number of investments.

5. Investment Process

The Board of Directors of the Company meets regularly to discuss and review investment opportunities. The Company may also employ outside investment advisors as the Board of Directors deems fit.

Investment decisions will be taken by the Board of Directors.

The Board of Directors may set up an Investment Committee and appoint persons having profound investment knowledge as Committee Members. The function of the Investment Committee shall be purely advisory and shall not restrict the Board of Directors' power to decide. The Board of Directors may enact Rules in order to regulate the tasks and membership of the Investment Committee in more detail.

6. Risk Control

Risk control and active monitoring are an integral part of the investment process. Aside from the active and systematic risk control and monitoring, the following factors support the control of the investment risk:

- long and short positions reduces risk from long-only positions;
- exposures can be hedged through derivatives;
- in extraordinary situations, liquidity can be raised to 100%.

III Final Provisions

7. Entry into Force

Subject to the ordinary shareholders' meeting, this Regulation enters into force on 11 December 2006. It replaces all prior investment guidelines.

8. Amendments

The Company's Investment Guidelines may be amended by the Board of Directors at any time, in whole or in part. The Board may from time to time impose further investment restrictions, as shall be compatible with or in the interest of the share-holders. The shareholders will be informed of any change in the Company's Investment Guidelines on the Company's website www.alpine-select.ch and press releases or a notification in the Swiss Official Gazette of Commerce as set forth in the Additional Rules for the Listing of Investment Companies issued by the SWX Swiss Exchange. Amendments will become effective not earlier than 30 days after the date of publication.

Resolved by the Board of Directors on 11 December 2006