

CONSERVATIVE SEGMENT

(English translation of original French version)

INTRODUCTION

The conservative segment in euros or “Segment B” has been in existence since January 1, 2005. It allows the active beneficiaries, who are referred to below as “the beneficiaries”, to protect themselves against the short-term volatility of the stock markets during their last years of membership in order to preserve their retirement capital.

CHARACTERISTICS

Segment B is open to all beneficiaries who are 55 years and older and who wish to invest in it.

Subscriptions may be made once a year and are made on a totally voluntary basis.

Consequently, it is up to the beneficiary to decide, from one year to the next, whether or not he/she wishes to invest in the Segment B and, if so, what amount.

Subscriptions are irreversible: once investments have been transferred to the Segment B, they may no longer revert to the growth segment in euros or “Segment A”.

This measure prevents speculation and ensures the management stability of the short-term segment.

SHARE SUBSCRIPTION PROCEDURE

Shares are subscribed on January 1 by converting A shares into B shares in accordance with the written instructions forwarded by the beneficiaries at the latest on 30 November of the preceding year.

PAYMENTS INTO BENEFICIARIES' ACCOUNTS

For beneficiaries who have invested **part** of their capital in the Segment B, the “employer” contributions and the personal contributions made will continue to be converted into Segment A.

They will be able to track the trend in the value of their capital on the account statement they receive every quarter. The statement details both the information relating to the Segment A and that relating to the Segment B.

For beneficiaries who have invested the **totality** of their capital in the Segment B, the “employer” contributions and the personal contributions made will from now on be converted into Segment B.

Beneficiaries will be able to track the trend in the value of their capital on the account statement which they receive every quarter. The statement details only the information relating to the Segment B.

CALCULATION OF THE VALUE OF THE “B” SHARE

The value of the “B” share is calculated once a month.

The CPIC building and the income/expenditure relating to it are allocated exclusively to Segment A .

PROCEDURE

Once a year, at the beginning of the third quarter, CPIC forwards to beneficiaries who are/will reach 55 years of age in the course of the year some information about the Segment B and a subscription form. Beneficiaries who are interested have until the 30 of November of the current year to return said form duly completed and signed. The instructions it contains will take effect on January 1 of the following year.

Once a year, during the first half of the year, beneficiaries between 56 and 70 years will be sent information about the new deadlines for subscriptions to the Segment B via the invitation to attend the General Assembly. They have access to the general information on Segment B and to the subscription form on the CPIC’s website (www.cpic.ch). Beneficiaries who are interested have until the 30 of November of the current year to return said form duly completed and signed. The instructions it contains will take effect on January 1 of the following year.

CORRESPONDENCE

All correspondence must be sent to CPIC.

English translation of the original French text. The authentic French version shall prevail.