



Decree

Tax Exemption (cantonal tax, general municipal taxes, direct federal tax)

I. Under the name **pEp Stiftung** there exists a Foundation in the sense of Art. 80 ff. ZGB (Swiss Civil Code), with registered office in Winterthur, on the basis of the Public Deed of 21 October 2015 and the Commercial Register entry dated 5 November 2015. The Foundation is subject to the civil law supervision of the Swiss Federal Department of Home Affairs EDI.

II. According to § 61 lit. g StG (Cantonal Tax Act) and Art. 56 lit. g DBG (Direct Federal Taxation Act) legal entities that pursue public or charitable purposes are exempt from taxation on the earnings and capital which are exclusively and irrevocably used for such purposes. Commercial objectives are on principle not classed as charitable. The acquisition and administration of significant capital holdings in other companies is deemed to be charitable when the interest in maintaining the company is subordinate to the charitable purpose, and no management activities are performed.

III. The Foundation has the purpose of promoting the protection of the private sphere and the promotion of the freedom of expression and freedom of information, in a selfless manner (Deed, Art. 2).

Because no commercial or self-help purposes are pursued, and the Foundation funds cannot be misappropriated even after dissolution of the Foundation (Deed, Art. 10, and Declaration of the Foundation Board of 22 December 2016), it is justified to exempt the Foundation from taxation from the date of its founding because it pursues charitable aims, pursuant to § 61 lit. g StG and Art. 56 lit. g DBG.

IV. The tax exemption is based on the present Foundation Deed. Any change to the deed or dissolution of the Foundation would have to be reported to the Cantonal Tax Office of Zurich, Law Department. The latter is entitled to view the annual report and annual financial statements, and to request further information.

The Cantonal Tax Office decrees

1. The **pEp Stiftung**, with registered office in Winterthur, shall be exempt from cantonal tax and the general municipal taxes as well as from the direct federal tax, from the time of its founding, for the pursuit of charitable purposes.
2. Any change to the deed or dissolution of the Foundation is to be reported to the Cantonal Tax Office of Zurich, Law Department. The annual report and annual financial statements, and further information, are to be submitted to that office when requested.
3. An appeal may be lodged in writing against this Decree **within thirty days** after it has been served, at the Cantonal Tax Office of Zurich, Law Department, Bändliweg 21, Postfach, 8090 Zürich,
 - **concerning cantonal and municipal taxes:** by the applicant and the municipality,
 - **concerning the direct federal tax** by the applicant and the Cantonal Tax Office, Department of Federal Tax

4. With notice to:

- a) the pEp Foundation, Mr Hernâni Marques Madeira, Oberer Graben 4, 8400 Winterthur, for the attn. of the Foundation,
- b) the Tax Office of the City of Winterthur,
- c) the Cantonal Tax Office, DAAD.

Zurich,
rh4/sts

27. Jan. 2017

Cantonal Tax Office of Zurich
Law Department
The Legal Secretary:

[Signature]

Sent on:

27. Jan. 2017

lic.iur. Isabelle Wirth