

Herrn
Rudolf Elmer
im Hause

Zürich, 15. Februar 1994
KH/GRB

Sehr geehrter Herr Elmer

Wir freuen uns, Ihnen unsere Vereinbarung über Ihren zukünftigen Einsatz als Chief Accountant bei der Julius Baer Bank and Trust Company Ltd., Grand Cayman, überreichen zu dürfen. Dazu gelten die folgenden Abmachungen:

1. Vertragsbeginn und -dauer

Sie werden Ihre Tätigkeit in Grand Cayman am 1. September 1994 aufnehmen. Es ist vorgesehen, dass Sie diese während 5 Jahren ausüben, wobei beide Parteien im Rahmen der obligationsrechtlichen Kündigungsfristen das Vertragsverhältnis auflösen können.

2. Gehalt

Sie beziehen ein Bruttogehalt von USD 110'000.-- p.a.. Darin enthalten sind eine pauschale Wohnungszulage von USD 10'000.-- (vgl. Pt. 5.2.). Es stehen Ihnen keine der in der Schweiz üblichen Zulagen zu.

Der Bonus stellt eine vom Geschäftsgang abhängige Variable dar.

3. Sozialversicherung

3.1. AHV/IV/ALV bzw. Pensionskasse

Sie geniessen weiterhin den sozialversicherungsrechtlichen Schutz in der Schweiz (AHV/IV/ALV). Ferner bleiben Sie Mitglied unserer Pensionskasse. Die Abrechnung erfolgt über den Personaldienst in Zürich.

Als Grundlage für die Berechnung der Beiträge ist ein Schattensalar festzusetzen, welches für 1994 CHF 120'000.-- beträgt. Daraus ergeben sich die folgenden jährlichen Beitragsleistungen:

AHV/IV/ALV	5.05% von CHF 120'000.--	CHF 6'060.--
ALV	1.00% von CHF 97'200.--	CHF 972.--

CHF 7'032.--
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PK	8.50% von CHF 91'800.--	CHF 7'803.--
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Für die AHV/IV/ALV-Beiträge werden wir Ihnen am Jahresende separat Rechnung stellen. Wir bitten Sie, die PK-Beiträge von CHF 650.25 monatlich auf folgendes Konto der Bank Julius Bär zu überweisen:

0847.1304 (Stiftung für Personalfürsorge)

3.2. Krankenkasse

Sie sind für den Versicherungsschutz gegen Krankheit selbst besorgt.

3.3. Unfall

Sie bleiben im bisherigen Rahmen bei der Berner Allgemeinen gegen Unfall versichert, soweit sich nicht aus einer obligatorischen Versicherung in Grand Cayman eine Doppelversicherung ergibt.

4. Ferien/Aufenthalt in der Schweiz

Die Dauer der Ferien richtet sich nach den lokalen Bedingungen, wobei Sie einen Mindestanspruch von 4 Wochen haben.

Pro Anstellungsjahr oder mindestens 8 Monate davon steht Ihnen (und Ihrer Familie) eine Reise in die Schweiz zu. Die Rechnung für die Reisekosten senden Sie bitte an den Personaldienst in Zürich.

5. Spesenentschädigungen

Die Bank übernimmt im Zusammenhang mit Ihrem Auslandsaufenthalt folgende Kosten:

5.1. Umzug Zürich - Grand Cayman

- Kosten der Wohnungsauflösung in Zürich
- Allfällige Lagerkosten in der Schweiz
- Fracht- und Reisekosten Zürich - Grand Cayman

5.2. Wohnung Grand Cayman

- Eine Wohnungszulage von USD 10'000.-- p.a.
- Kosten, die in einem normalen Rahmen im Zusammenhang mit der Einrichtung Ihrer Wohnung entstehen (Vorhänge, elektrische Geräte etc.). Die entsprechenden Gegenstände bleiben im Eigentum des Arbeitgebers. Ein allfälliger Erlös bei einem Verkauf anlässlich Ihrer Rückkehr in die Schweiz ist dem Arbeitgeber zu erstatten.

5.3. Rückkehr Grand Cayman - Zürich

Bei einer Wiederaufnahme der Tätigkeit bei einer anderen Gruppengesellschaft

- Kosten der Wohnungsauflösung in Grand Cayman
- Fracht- und Reisekosten Grand Cayman - Zürich

6. Militärpflichtersatz

Sofern Sie die obligatorischen Dienstleistungen nicht erfüllen können, übernimmt die Bank den Militärpflichtersatz. Sollten Sie nach Ihrer Rückkehr in die Schweiz den versäumten Militärdienst nachzuleisten haben, werden Sie uns die Militärpflichtzahlungen zurückerstatten.

7. Weitere Bedingungen

7.1. Anstellungsbedingungen

Mit Ausnahme der vorstehend speziell erwähnten Punkte gelangen die bei der Bank in Grand Cayman gültigen Anstellungsbedingungen zur Anwendung und Sie stehen unter lokalem Vertrag.

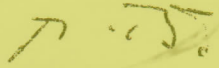
7.2. Vertragsänderungen

Die vorliegenden vertraglichen Vereinbarungen können im gegenseitigen Einvernehmen jederzeit geändert werden.

Für Ihre Tätigkeit in Grand Cayman wünschen wir Ihnen bereits heute viel Erfolg und Befriedigung.

Mit freundlichen Grüßen

Bär Holding AG


Rudolf Bär


Dr. P. E. Brunner

Briefdoppel

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Antitake Bestäubung

2. Julius Bär

Mr.
Rudolf Elmer
P.O. Box 1100
Georg Town
Cayman Islands B.W.I.

3. Employee Benefits

You will remain both in the BJB-ZRH retirement and insurance plans and in the Swiss social security systems and in addition participate in the BJB-ZRH insurance continuity of benefits

3. Employee Benefits

4. Relocation

The Bank will provide you with single air tickets (business class) for you and your eligible dependent family members from Grand Cayman to the location of your new assignment.

You will be entitled at the Bank's expense, to store or ship personal belongings to the new location based on estimates from a reputable shipping company.

You will also receive a relocation allowance of one and a half months' gross salary to cover the cost of moving your household goods and a half month's gross salary to cover the cost of moving your car.

5. Mobility Premium

After successful completion of the assignment, JBBT-GCM will pay one month's gross salary to you.

This payment will be made at the end of your assignment.

The decision as to the suitability of any residence taken into account in the personal management, whose approval must be obtained before leaving.

Home Leave Travel

You and your dependent family members will be provided with return Economy Class air tickets from Grand Cayman to Zurich, for this purpose.

However, if possible, you should plan to take home leave coinciding with any business trips you may undertake to Zurich.

Julius Baer Bank and Trust Co. Ltd.

Assignment as Chief Operating Officer

Dear Mr. Elmer

Following our recent discussions, we are pleased to confirm the terms of your assignment with JBBT-GCM in Grand Cayman. This offer replaces the assignment between you and JBHOLD-ZRH concluded on February 15th, 1994. The following specific terms and conditions will apply.

1. Appointment

You will be based at JBBT-GCM as a holder of an A-Signature in the position of Chief Operating Officer. You will be subordinated to the Chief Executive Officer of JBBT-GCM. However on a functional basis you will report according to the Business Line structure of Julius Baer Group.

You will agree on performance objectives, which will be used as the basis for both your formal appraisal and your bonus.

It is anticipated that this assignment will last approximately 3 years, provided suitable performance standards are maintained. Your contractual relationship with JBBT-GCM during this time is according to the Expatriate Agreement between you and BJB-ZRH. The exact duration of the assignment will depend upon the business needs of the Bank.

This assignment is offered on the following terms.

2. Compensation

- a) Your salary for this assignment is \$ 145'000 gross per year.
- b) You can opt to have an amount of up to 25 % of your local salary paid to your home country account in the home country currency.

This option has to be exercised at the time of the assignment and thereafter annually per the beginning of the year. The exchange rate applied is according to the current market rate at that time.

3. Employee Benefits

You will remain both in the BJB-ZRH retirement and insurance plans and in the Swiss social security systems and in addition participate in the local pension plan, to ensure continuity of benefits.

4. Relocation

The Bank will provide you with single air tickets (business class) for you and your eligible dependent family members from Grand Cayman to the location of your new assignment.

You will be entitled, at the Bank's expense, to store or ship personal belongings to the new location based on estimates from a reputable shipping company.

You will also receive a relocation allowance of one and a half-month's gross salary to cover any and all miscellaneous expenses in connection with the move. The allowance is paid at the time of relocation by JBBT-GCM.

5. Mobility Premium

After successful completion of the assignment, JBBT-GCM will pay one month's gross salary to you.

This payment will be made at the end of your assignment.

6. Accommodation

The decision as to the suitability of any residence - taking into account the personal / family situation and the professional position and status - lies with local management, whose approval must be obtained before lease / rent agreements are exchanged.

15 % of the local gross salary is considered as housing expenses. Housing costs exceeding the respective amount are compensated by JBBT-GCM.

7. Home Leave Travel

You and your dependent family members will be entitled to one home leave visit for every 12 month of your assignment, the dates of which should be agreed in advance with your superior, and which will be taken as a part of your normal vacation allowance. You will be provided with return Economy Class air tickets from Grand Cayman to Zurich, for this purpose.

However, if possible, you should plan to take home leave coinciding with any business trips you may undertake to Zurich.

8. Working Conditions

Working conditions (including vacation entitlement) are in accordance with JBBT-GMC's policy.

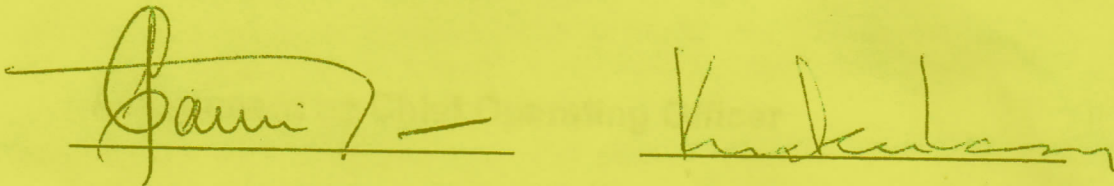
This letter reflects the Bank's current policies and fulfilling assignment. Should any of these be changed, your contract will be subject to the revised policies.

May we kindly ask you to sign and return the enclosed copy to this effect, and retain this original for your records.

If you have any questions regarding this letter, please do not hesitate to contact us.

Yours sincerely,

Julius Baer Bank and Trust Co. Ltd.

Two handwritten signatures are visible on a yellow rectangular background. The signature on the left is written in cursive and appears to be 'Gamm'. The signature on the right is also in cursive and appears to be 'Kuckulam'.

I accept the assignment on the terms offered.

Place and Date: Nov 16th, 1999

Signature: R Elmer

Rudolf Elmer

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Julius Bär
EMPLOYMENT AGREEMENT

THIS AGREEMENT is made with effect from the 1st day of September 2002 and replaces the Assignment as Chief Operating Officer agreement dated September 1, 1999.

BETWEEN:

- (1) Julius Baer Bank and Trust Company Ltd. of Windward III, Third Floor, Safehaven Corporate Centre, West Bay Road, P.O. Box 1100GT, Grand Cayman, Cayman Islands ("the Employer")

AND:

- (2) Rudolf Elmer of George Town, Grand Cayman, Cayman Islands ("the Employee")

NOW IT IS AGREED as follows:

1. Interpretation

In this agreement:

- 1.1 unless the context otherwise requires words importing one gender include all other genders and words importing the singular include the plural and vice-versa.
- 1.2 any reference to a statutory provision shall be deemed to include a reference to any statutory modification or re-enactment of it;
- 1.3 the clause headings do not form part of this Agreement and shall not be taken into account in its construction or interpretation.

- 1.4 References in this Agreement to any clause sub-clause schedule or paragraph without further designation shall be construed as references to the clause sub-clause schedule or paragraph of this Agreement so numbered.

2. **Job Title**

- 2.1 The Employer shall employ the Employee from September 1, 2002 in the capacity of Senior Vice President and Chief Operating Officer at SafeHaven Corporate Centre, West Bay Road, Grand Cayman or such other location within the Cayman Islands as the Employer may determine from time to time. The Employee's terms and conditions of employment contained herein are (unless herein expressly excluded) supplemented by the Employee Guidelines dated 10th May 2001 as modified by the Employer from time to time (the "Employee Guidelines").
- 2.2 In addition to the duties which this job normally entails (a description of which is attached hereto signed by both parties and marked Annex A) the Employee may from time to time be required to undertake additional or other duties as necessary to meet the needs of the Employer's business.

3. **Remuneration**

The Employer shall pay the Employee by Bank Transfer at the rate of US\$190,000.00 per year payable by equal monthly installments in arrears on or around the 25th day of each calendar month, which shall be reviewed by the Employer in January of each year and the salary rate may, at the discretion of the Employer, be increased with effect from any such review date. In addition, the Employer may at its discretion review the Employee's salary rate at such other date as the Employer shall deem appropriate. Any proposed increase in the salary rate from time to time shall be communicated by the Employer to the Employee in writing. The Employee may be entitled to receive a bonus at a rate to be decided by the Employer from time to time. Bonus payments will normally be paid in

February in each year. The Employer reserves the right to end or amend the bonus scheme without notice at any time.

4. Hours of Employment

- 4.1 The Employee's normal hours of employment shall be from 8.30am to 5.00 pm on Monday to Friday (inclusive) during which one hour may be taken for lunch.
- 4.2 The Employee may be required to work such hours outside normal hours of employment as the Employer considers necessary to meet the needs of the business and the Employee shall not be paid for such further hours.

5. Holidays

The Employee shall (in addition to the usual public holidays) be entitled to paid holidays in accordance with the Employee Guidelines.

6. Sickness

- 6.1 In the event of absence on account of sickness or injury the Employee (or someone on his behalf) must inform the Employer of the reason for the Employee's absence as soon as possible and must do so no later than the end of the working day on which absence first occurs.
- 6.2 In respect of absence lasting two or fewer calendar days the Employee is not required to produce a medical certificate unless specifically so requested by the Employer.
- 6.3 In respect of absence lasting more than two calendar days the Employee must on the earlier of the eighth calendar day of absence or immediately on his return to work provide

the Employer with a medical certificate stating the reason for absence and thereafter provide a like certificate each week or at such intervals as may be determined by the Employer to cover any subsequent period of absence and/or, at the discretion of the Employer, to undergo a medical examination.

- 6.4 The Employee will be paid his normal basic remuneration for ten working days in total in any one calendar year for absence from work due to illness. Entitlement to payment is subject to notification of absence and production of medical certificates in accordance with clauses 6.1 to 6.3 above.

7. Pension

The Employee shall be entitled on commencement of employment to become and remain a member of the Employer's pension scheme (a description of which is contained in the Employee Guidelines) and the Employer shall be entitled to retain out of each monthly payment of salary due to the Employer under this Agreement the amount attributable to contributions due from the Employee under the terms of the pension scheme.

8. Insurance

The Employer shall pay the annual premium in a medical expenses insurance scheme for the Employee and the Employee's spouse (if unemployed) and children while aged under 18 years and (without obligation) for the disability and for the death of the Employee in accordance with the Employee Guidelines.

9. Discipline

The disciplinary rules applicable to the Employee are contained in the Employee Guidelines.

10. Termination of Employment

- 10.1 The Employer shall have the right to terminate the Employee's employment immediately without notice or payment in lieu of notice if:
- 10.1.1 the Employee is guilty of serious misconduct within the meaning of Section 50(1) of the Labour Law (1996 Revision) (as amended) (the "Law").
 - 10.1.2 the Employee is guilty of misconduct following the receipt of a written warning within the meaning of Section 50(3) of the Law.
 - 10.1.3 the Employee has failed to perform his duties in a satisfactory manner following the receipt of a written warning within the meaning of Section 52(1) of the Law.
 - 10.1.4 the Employee is otherwise in serious breach of the Employee Guidelines.

11 Confidentiality

The Employee shall not at any time during his employment (except so far as is necessary and proper in the course of his employment) or at any time after his employment has terminated disclose to any person any information as to the practice, business, dealings or affairs of the Employer or any of the Employer's customers or clients or as to any other matters which may come to his knowledge by reason of his employment.

12 Entire Understanding

Except for the Employee Guidelines and the memorandum dated September 16, 2002 to the Employee from Bernhard Hodler and Roland Haas, this Agreement contains the entire understanding between the parties and supersedes all previous agreements and arrangements (if any) relating to the employment of the Employee by the Employer.

13 Variation

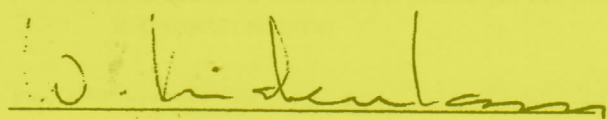
No variation or amendment of this Agreement or oral promise or commitment related to it shall be valid unless committed to in writing and signed by or on behalf of both parties.

14 Governing Law and Jurisdiction

14.1 This Agreement shall be governed by and construed in accordance with Cayman Islands law.

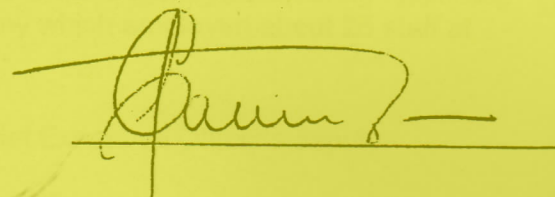
14.2 The parties to this Agreement submit to the exclusive jurisdiction of the Cayman Islands Labour Tribunals and Courts.

IN WITNESS WHEREOF the parties hereto have executed this Agreement the day and year above written.

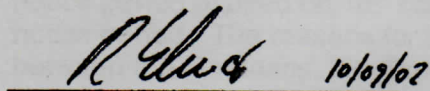


Julius Baer Bank and Trust Company Ltd.

by: Walter Knabenhans



Charles Farrington



Rudolf Elmer