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**Agreement**

between

**University of Zurich**

Rämistrasse 71, CH-8006 Zürich,

(each hereinafter referred to as the "**Academic Partner**")

and

**Swiss Finance Institute Stiftung**

Walchestrasse 9, CH-8006 Zurich

(hereinafter referred to as "**SFI**")

hereinafter with the Academic Partners referred to as "**Parties**"

regarding

**Cooperation with Academic Partners**

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## **SECTION I. PREAMBLE**

### **Art. 1 Parties, Aim, and Focus**

- 1.1 SFI is a foundation, in accordance with article 80 et seq. of the Swiss Civil Code, domiciled in Zürich with the following purpose:
- "To promote world-class research and education in Switzerland, by means of competitively awarded funding for university institutions and networks which will enhance the advantages of Switzerland as a scientific and financial center, with results that are useful and relevant for teaching purposes and in practice."
- 1.2 SFI was founded and is financed by the banks in Switzerland, through the Swiss Bankers Association and its member banks, as well as other key players of the Swiss financial center. SFI pursues its purpose in cooperation with Swiss Universities and the Swiss Federal Government.
- 1.3 As a public-private partnership, SFI aims to contribute to the Swiss financial center as a whole. SFI seeks to foster high-quality research, education, and knowledge transfer at the highest level in Switzerland in banking & finance (Focus Areas, see Section II, Article 2). In addition to academic excellence and training top talent, SFI expects its faculty to actively contribute to a critical and constructive discussion about Swiss policy and the Swiss financial industry.
- 1.4 Each Academic Partner has proven expertise in the Focus Areas.
- 1.5 Each Academic Partner is fully committed to cooperation in a national network of research and education in the Focus Areas and is fully committed to improving and co-financing relevant research activities and programs.
- 1.6 The Parties cooperate on a long-term basis in research and education in the Focus Areas. The Parties achieve this through substantial commitments and contributions, in cash or in-kind.

IT IS AGREED as follows:

## **SECTION II. FUNDAMENTALS**

### **Art. 1 Objectives**

- 1.1 This Agreement defines the relationship between the Parties and outlines the base principles of the Parties' cooperation.
- 1.1.1 The Parties strive for excellence and global recognition in research and university-level and doctoral education, particularly, but not only, in the Focus Areas by fostering top-quality research, education, and knowledge transfer activities.
- 1.1.2 The Parties understand that close cooperation optimizes the benefits of research and education and that close cooperation is in the best interest of the Swiss scientific and financial centers and ultimately Switzerland as a whole.

- 1.1.3 Each Academic Partner co-funds Research Activities, Professorships, and the PhD Program in the Focus Areas.
- 1.2 The Parties agree to cooperate on a non-exclusive basis in particular by:
  - 1.2.1 Maintaining a first-grade finance faculty through co-financing of professors of worldwide renown;
  - 1.2.2 Strengthening the doctoral program of Academic Partners with a focus on finance;
  - 1.2.3 Promoting (by SFI) and coordinating (by SFI and the Academic Partners) a Swiss-wide network structure for research and PhD education in the Focus Areas.
- 1.3 The Parties agree that this Agreement preserves independence of academic research and education.

## **Art. 2 Focus Areas**

- 2.1 SFI focuses on Banking & Finance.
- 2.2 Finance studies and addresses the ways in which individuals, businesses and organizations raise, allocate, and manage monetary resources over time. There may be linkages to other domains such as monetary economics. Over the years, finance has branched out in several directions and borrowed ideas and methods from many other disciplines. Thus, the Parties recognize that the richness of modern finance is linked to its interdependence with other disciplines. An active discussion between the Scientific Council and the Faculty will be conducted on a regular basis.
- 2.3 The specific Focus Areas are determined and defined by the Foundation Board in collaboration with the SFI Scientific Council ("Scientific Council").

## **Art. 3 Forms of Collaboration**

- 3.1 Research Activities
  - 3.1.1 SFI may support qualified SFI Faculty by granting research budgets ("Individual Research Budget").
  - 3.1.2 SFI can provide SFI Faculty competitively awarded financial support for specific research activities ("Research Fund").
  - 3.1.3 SFI can provide support to improve the overall research environment for the benefit of all SFI Faculty of Academic Partners (database support, academic conference sponsoring, etc).
- 3.2 Professorships
  - 3.2.1 SFI sponsors professorships by awarding SFI Chairs ("Chairs") to qualified individuals. SFI can sponsor professorships by awarding SFI Chairs ("Chairs") to qualified individuals upon the request of the concerned academic institution.
  - 3.2.2 In approved cases, SFI sponsors select visiting professors ("Visiting Professors") by contributing salary supplements and expenses related to the visit (travel and housing). Each Academic Partner shall provide the financing of infrastructure (offices, equipment, etc.) and administration of organizing the visit.

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- 3.3      **PhD Program**
- 3.3.1      Unless otherwise mutually agreed, SFI sponsors qualified PhD Students by contributing a limited number of "Stipends" for the first year of the program and by sponsoring PhD courses of the PhD Program ("PhD Courses").
- 3.3.2      Each Academic Partner finances a significant number of first year PhD courses for its PhD Students, the infrastructure (offices, equipment etc.) for first year students.
- 3.4      **Interactivity and Knowledge Transfer between Practice and Academia**
- 3.4.1      The SFI sponsored Professors fully commit to interactivity and knowledge transfer between practice and academia. This may take the form of presence in media, presentations and participation in events, teaching in continuing education, etc.
- Art. 4      Quality Requirements**
- 4.1      SFI Research Activities, Faculty, and the PhD Program shall meet the quality requirements of the highest standards. Such fundamental requirements are set by the Foundation Board based on the recommendations of the Scientific Council and set forth in key performance indicators.
- 4.2      As a general guideline, the requirements for SFI Chairs shall correspond to the scientific qualifications required to get an offer for a corresponding position at a top finance department internationally.
- 4.3      The requirements of SFI Fellows, individuals of high academic achievement fully in line with the objectives of this cooperation but not qualifying for SFI Chairs, shall correspond to the scientific qualifications as determined by the Scientific Council.
- 4.4      The SFI PhD program standards and requirements shall be in line with the top academic programs in finance.
- Art. 5      Critical Size Requirements**
- 5.1      Appendix D sets forth a framework for critical size requirements for each Academic Partner (for each individually) to reach the goals of this Agreement. In particular:
- 5.1.1      The respective Academic Partner agrees, as far as their own financial situation allows it, not to decrease the number of academic slots dedicated to SFI Chairs currently devoted to the discipline of banking and finance. Detailed requirements are outlined in Appendix D which forms an integral part of this agreement.
- 5.1.2      The respective Academic Partner agrees to maintain a PhD Program as outlined in this Agreement and as specified in Appendix D.

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**Art. 6      Organization****6.1      Organization****6.1.1      Close Cooperation among SFI, Academic Partners, and the SFI Network**

- (a)      Each Academic Partner agrees to closely cooperate with the other Academic Partners.
- (b)      Each Academic Partner will delegate representation in the interface with SFI to one member of the local SFI Senior Chairs.

**6.1.2      Representation in Foundation Board**

- (a)      The Academic Partners shall have the right to jointly with the other Academic Partners of the same geographic area nominate (and remove) one representative as member of the Foundation Board in accordance with Article 5 Section 2 of the Charter of SFI dated 3 August 2005. The appointed representative elected by the Academic Partners shall be a member of the University Management (Schulleitung/ Universitätsleitung).
- (b)      The Foundation Board may reject a nominee or remove a representative if the person in question is not or is no longer a member of the respective Academic Partner's University Management.

**SECTION III.                      SPONSORING****Art. 1      Principles**

1.1      SFI shall provide support, financial or other, commensurate to the level of commitment and engagement by the Academic Partners.

1.2      The anticipated amounts and durations of sponsorships are provided for in Appendix C.

1.3      Any granting of an SFI sponsored chair or renewal thereof is subject to a comprehensive review by the Scientific Council.

1.4      SFI shall provide sponsoring to Academic Partners according to the following criteria:

1.4.1      The Scientific Council and the Foundation Board shall jointly define the criteria for Professorships, Research Activities, and the PhD Program qualifying for sponsorship from SFI.

1.4.2      The SFI Research Support Guidelines shall be made available to the Academic Partners.

**1.5      Obligations of the Academic Partners**

1.5.1      All of the funds sponsored by SFI have to be used solely for the dedicated purpose and solely by the sponsored person, subject to Section III, article 2.4 below. SFI may request a detailed report for the allocation of the funds used.

1.5.2      Academic Partners commit to provide all necessary information concerning Professorships, Research Activities, and the PhD Program or any other

relevant information in a timely fashion, leading to the most efficient and effective use of funds.

## **Art. 2      Financing Commitments**

### **2.1      Research funding**

2.1.1      The Academic Partners shall finance the total cost for the base salary, infrastructure, secretariat, standard research support, and standard services necessary for research projects and according to the standards in place at the respective Academic Partner institute, subject to Section III, art. 2.4. below.

2.1.2      SFI shall provide, alone or with other sponsors, research funding according to the standards in place for SFI research activities.

### **2.2      Professorships**

2.2.1      The Academic Partners shall finance professorships according to the standards in place at the respective Academic Partner institute. This includes base salary, infrastructure, secretariat, standard research support, and standard services, subject to Section III, art. 2.4. below.

2.2.2      SFI shall finance SFI Chairs. This payment is the differential needed to attract and retain a qualified academic at the Academic Partner institute. The payment should be in line with the legal constraints of each Academic Partner.

### **2.3      PhD Program**

2.3.1      Unless otherwise mutually agreed, and also to foster its cooperation with the Academic Partners, SFI shall sponsor PhD Students by:

- (a)      Contributing a "Stipend" for the first year of program;
- (b)      Sponsoring PhD courses of the PhD Program ("PhD Courses"); and
- (c)      Providing standard research support.

2.3.2      The Academic Partners shall provide financing of the PhD Students as follows:

- (a)      By financing a significant number of first year PhD courses for its PhD students, in line with the quality requirements of the SFI PhD Program.
- (b)      By providing infrastructure (offices, equipment etc.) for first year students.
- (c)      By providing Base Salary and infrastructure of the PhD Students from the second year onwards of the program.

### **2.4      Overhead**

SFI supports infrastructure needed for PhD Students and Research material by granting an annual lump sum of CHF 25'000.00 per academic partner.

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**Art. 3 Duties & Obligations****3.1 Research Funding**

3.1.1 Beneficiaries of research funding shall be committed to provide to SFI all necessary information concerning research activities on a regular basis and as requested (ad hoc reporting).

3.1.2 Any change in academic status or the funding-relevant situation shall be reported by the beneficiary and his/her Academic Partner to SFI immediately and in writing.

**3.2 Sponsored Professors**

3.2.1 Professors holding an SFI Chair shall have an obligation to:

- (a) If possible, teach executive-level students at their universities or at SFI;
- (b) be actively involved in the major research activities and events of SFI; and
- (c) be available periodically for knowledge transfer in oral or written form.

Within the normal course of due diligence and University's standard requirements the following general rules apply:

- (d) SFI Chairs undertake best efforts to produce world-class research under double affiliation of the Academic Partner and SFI;
- (e) to teach bachelor and master's classes at their universities according to the usual requirement of each Academic Partner, supervise the associated bachelor and master's theses, and direct PhD theses including those of SFI PhD students;
- (f) to seek actively alternative sources for research funding (internationally and locally, public and private sources).
- (g) Furthermore, professors holding an SFI Senior Chair are expected to place students in top universities or to prepare them for a successful industry career.

3.2.2 The specific requirements will be set forth as part of individual agreements between sponsored professors and SFI.

**3.2.3 SFI PhD Program**

- (a) Each Academic Partner commits to fully support the PhD Program in manners conducive to developing and maintaining a world-class PhD program in the Focus Areas.
- (b) Each Academic Partner commits to encourage and support PhD students to be involved in the major research activities of SFI.
- (c) Each Academic Partner commits to fully support the SFI PhD Program within their institute.

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**Art. 4 Future Sponsorships**

- 4.1 The Parties will review on a regular basis other possibilities of sponsorship that could contribute to the pursuit of the objectives set forth in Section II/Article 1 of this Agreement.

**SECTION IV. GOVERNANCE**

**Art. 1 Governing & Advisory Bodies**

- 1.1 SFI Foundation Board
- 1.1.1 The main governing body of SFI is the Foundation Board. It includes representatives of its founding members as well as representatives of its academic partners by regional grouping.
- 1.1.2 The Foundation Board is advised by the Scientific Council on matters of scientific content.
- 1.2 Scientific Council
- 1.2.1 The Scientific Council is governed by the Organizational Rules of the Scientific Council of the Swiss Finance Institute Foundation.
- 1.2.2 The Scientific Council adopts for its conduct the Guidelines, subject to the approval by the Foundation Board.

**Art. 2 Decision Rights**

- 2.1 SFI will make sponsoring commitments in accordance with the principles of this Agreement. Decisions for each commitment will be taken on a case by case basis and based on objective criteria that shall be communicated to the Academic Partners.
- 2.2 The Foundation Board will render its decisions based on the recommendations of the Scientific Council.
- 2.3 The Foundation Board has the right to delegate decision authority to SFI Management in specific instances, in accordance with the Foundation Board's by-laws.

**Art. 3 Appointments**

- 3.1 Each Academic Partner shall appoint the professors. Academic Partners appointing professors intended for inclusion in the SFI Faculty shall have the appointment proposal reviewed by the Scientific Council. In case the Scientific Council does not support the appointment, the Academic Partners remain free to appoint the candidate as professor, but with the understanding that this appointment does not qualify for financial support from SFI.
- 3.2 For SFI Chairs and Fellows, each Academic Partner shall nominate candidates which shall be reviewed by the Scientific Council and approved by the SFI Foundation Board. Candidates are individuals from the finance faculty and interdisciplinary areas making a significant contribution to the Focus Areas.



- 3.3 Following a positive recommendation by the Scientific Council and approval by the Foundation Board, the candidate will be appointed as a member of the SFI Faculty.

**Art. 4 Reviews**

- 4.1 The review by the Scientific Council will bear on scientific quality in the Focus Areas and on contributions to SFI. Within the limits of the scientific review, the Scientific Council has the right to receive timely information, to submit written or oral comments and to receive feedback on such comments from the Academic Partner

- 4.2 Each Academic Partner agrees to grant SFI the right to periodically review the evaluations, admissions and achievements of SFI sponsored PhD Students. In addition, SFI will be informed about established requirements for PhD Students and will also be consulted for requirements of successfully completing the SFI PhD program.

**Art. 5 Timely Processes**

- 5.1 Subject to compliance with the respective Academic Partner's statutes and ordinances, the Academic Partners commit to a timely appointment of SFI Chairs approximately 1-2 years between the vacancy and the nomination.
- 5.2 The Parties commit to a timely review process of SFI Chairs and to align the review process for tenure-track assistant professors, when possible, with the review process in place at the respective Academic Partner institute.

**SECTION V. BRANDING, INTELLECTUAL PROPERTY AND INFORMATION RIGHTS**

**Art. 1 Branding**

**1.1 Reference to SFI**

- 1.1.1 Each Academic Partner shall during the term of this Agreement have the right and, taking into account to the extent necessary requirements set forth by other stakeholders, the obligation to dominantly and prominently use the name "Swiss Finance Institute" "SFI" and SFI's logo ("SFI Brand") in relation to sponsoring received from SFI. The use of the SFI Brand includes:

- (a) the use of SFI's logo on all visual media, such as print, web, video, giveaways, clothing, etc.,
- (b) the use of SFI's name where logo use is not possible and in all oral appearances, such as speeches, interviews, intros, etc.,
- (c) the use of SFI's name in all audio media, be it live or on recordings,
- (d) the use of SFI's logo in the organizer's own media as well as in third-party and public media,
- (e) for scientific, journalistic, or promotional purposes.

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- (f) dominant and prominent use of the SFI Brand includes primary affiliation with SFI in the first or second position of the naming of the relevant institutions and sponsors, and in a public manner. For instance:
    - i. primary affiliation of SFI Faculty in branding activities in professional and public activities, e.g. "Member of the Swiss Finance Institute, XXXX" or "SFI Professor, XXXX".
    - ii. primary affiliation in publications of SFI Chairs, e.g. "Prof. XYZ, XXXX and Swiss Finance Institute" or "Prof. XYZ, Swiss Finance Institute, XXXX".
    - iii. primary affiliation of SFI PhD students, e.g. "Swiss Finance Institute PhD Student, XXXX".
- 1.1.2 Each Academic Partner shall use the SFI Brand in appropriate manner. In particular:
- (a) The Academic Partner shall use (exclusively) the logo and other branding data and material as provided by SFI.
  - (b) When using the name of SFI, the Academic Partner shall refer to the full name or "SFI" as appropriate under the circumstances.
  - (c) Each Academic Partner shall submit the plan for the uses of the SFI Brand and all specific uses of the SFI Brand to SFI for approval prior to execution.
- 1.1.3 Each Academic Partner shall use the SFI Brand on all appropriate occasions. Occasions are appropriate wherever the Academic Partner's brand, or a comparable sponsor's brand is used.
- 1.1.4 Each Academic Partner shall use the SFI Brand in appropriate intensity. The intensity is appropriate where the reach of the use of the SFI Brand (given e.g. by position, size, duration, frequency, rating) and the quality of such use correspond with SFI's overall contribution relative to the sponsoring as a whole as well as to the contribution of comparable sponsors.
- 1.2 The right granted to the Academic Partners as set forth above is non-exclusive and royalty free; SFI may, in particular, grant such right to use the SFI Brand to other academic institutions, professors and other academics it sponsors and/or supports. Substantial discrepancies within the context of branding and intellectual property shall be mutually discussed.

## **Art. 2 Rights Reserved**

- 2.1 Any rights in, and any intellectual property rights with regards to, the combination of the words "Swiss Finance" and "Swiss Finance Institute" and "SFI" as well as any other intellectual property for which SFI grants the Academic Partners the right to use (collectively, "SFI IP Rights") shall remain with SFI. The Academic Partners shall transfer any such SFI IP Rights licensed to them or otherwise acquired by them during the term of this Agreement to SFI at any time upon first demand. For the avoidance of doubt, nothing in this Agreement shall be construed as restricting or in any other way affecting other intellectual property rights originated by the Academic Partners.

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**Art. 3 Intellectual Property**

- 3.1 This Agreement shall not affect present and future intellectual property rights originating by the Academic Partners and their staff, irrespective of an affiliation with SFI, and excluding SFI IP Rights.

**Art. 4 Information Rights**

- 4.1 The Parties shall inform each other on a continuing and regular basis (at least once a year) on all relevant issues in connection with this Agreement. Additionally, either Party may request of the other Party any further information it may reasonably require in connection with this Agreement.

**SECTION VI. MISCELLANEOUS**

**Art. 1 Terms and Termination**

1.1 Agreement

- 1.1.1 This Agreement will become effective upon signing by the Parties on a fixed term basis and will mature on 31 December 2020. It will be automatically renewed thereafter for consecutive terms of 5 years each, unless terminated by any Party by giving written notice 6 months prior to 31 December 2020 or, thereafter, to the end of any subsequent renewal period.

- 1.1.2 This Agreement is the entire agreement between the Parties regarding its subject matter and replaces any existing agreements.

1.2 Sponsorship Commitments

- 1.2.1 Each of the Parties may terminate this Agreement at any time upon ninety (90) days' prior written notice to the other Party, for breach by the other Party of any of the material provisions hereof, including, but not limited to, the non-performance of a sponsorship commitment, provided that during such ninety (90) day period the default is not resolved to the reasonable satisfaction of the Party giving notice.

**Art. 2 Confidentiality**

- 2.1 In general, this Agreement and its contents, except for its existence as such and its general content, shall be kept confidential by the Parties, except as required by law. As public institutions, Academic Partners may be obliged to disclose external funding.

- 2.2 This obligation survives termination infinitely, including upon termination of this Agreement.

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**Art. 3      Limitation of Liability, No Third Party Rights, No Partnership**

- 3.1      To the extent legally permissible, any liability of each Party, its officers, employees or agents for damages is excluded, except for gross negligence or willful misconduct.
- 3.2      Nothing in this Agreement shall constitute any rights of third parties and no Party has the right to represent the other Party towards third parties. No third party shall have any right to directly invoke any of the rights granted under this Agreement or any commitment granted in connection with this Agreement. Each Party shall refrain from any act or statement that could give a third party the impression that such rights might exist.
- 3.3      The Parties do not form a partnership in accordance with article 530 Swiss Code of Obligation and each Party shall be severally and not jointly liable to any other Party.

**Art. 4      Assignment**

- 4.1      No Party shall assign its rights or duties hereunder without a prior written approval of the other Party, except for transfers by SFI in case of a restructuring (including mergers).

**Art. 5      Amendments**

- 5.1      Any amendment of this Agreement (including this provision) has to be made in writing.

**Art. 6      No Waiver**

- 6.1      No waiver of any provision of this Agreement shall be effective except by a document in writing duly executed by the Party so waiving. The failure of any of the Parties to enforce any of the provisions of this Agreement or any rights with respect thereto shall in no way be considered as a waiver of such provisions or rights or in any way affect the validity of this Agreement. The waiver of any breach of this Agreement by any Party shall not operate to be construed as a waiver of any other prior or subsequent breach.

**Art. 7      Severability**

- 7.1      If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the Parties to the fullest extent possible. In any event, all other provisions of this Agreement shall remain valid and enforceable to the fullest extent possible.

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**Art. 8      Governing Law and Jurisdiction**

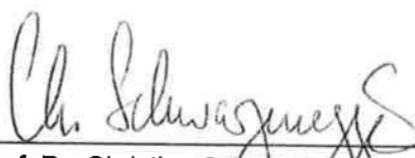
8.1      This Agreement shall be subject to and governed by the substantive laws of Switzerland.


- 8.2 Any dispute, controversy or claim arising out of or in relation to this Agreement shall be settled by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers of Commerce in force on the date when the notice of arbitration is submitted in accordance with these rules. The number of arbitrators shall be 1, the seat shall be in Zürich and the arbitral proceedings shall be conducted in English.

Place, Date: 2.12.2016

**University of Zurich**

  
Prof. Dr. Michael Hengartner,  
Rector


  
Prof. Dr. Christian Schwarzenegger,  
Prorector Law & Economics

  
Prof Dr. Harald Gall  
Dean of the Faculty of Business,  
Economics and Informatics

Place, Date: Zürich, 25.11.2016

**Swiss Finance Institute**

  
Olivier Steimer, President

  
Christoph Streib, CFO

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**Appendix B: Definitions**

Academic Members	Universities that have entered into a cooperation agreement with Swiss Finance Institute to a lesser degree of engagement than this Agreement
Academic Partner	Partner Universities, in this instance University of Zurich or other (contract specific)
Agreement	The present Cooperation Agreement
Appointment, appoint	The term includes promotions to professorship and to the SFI Faculty, respectively
Base Salary	Base salary including salary-related costs
Cost	Salary-related costs such as social security, pension and other costs.
Expenses	Costs linked to the administration of SFI Chair contracts such as working permit, moving costs, and other expenses.
Focus Areas	Areas in the field of banking & finance as further determined in accordance with Section II, Article 2
Foundation Board	SFI Foundation Board
Guidelines	SFI Scientific Council Guidelines
Knowledge Transfer	Know-how Exchange, namely between industry and academia
Parties/Party	The Academic Partner[s] and SFI or any of them
Partner Universities	Universities that have entered into a cooperation agreement with SFI equivalent to this Agreement
PhD Students	Partner Universities' doctoral students taking part in the SFI PhD Program
PhD Courses	First year or Advanced PhD Courses within the PhD Program sponsored by SFI
PhD Program	Partner Universities' doctoral program in Banking & Finance supported by SFI
Research Activities	Any research related activities, products, or services including Research Budgets, Funds, and Support, aimed at improving, supporting, or expanding the research environment
Research Budget	Financial sponsoring for professors not holding an SFI Chair but approved by the Scientific Council
Research Fund	Competitively awarded financial sponsoring for specific projects or initiatives of professors of the SFI Faculty
Research Support	Financial sponsoring for research aimed at improving the research environment (academic conferences, database support, etc).
Scientific Council	SFI Scientific Council

SFI	Swiss Finance Institute Stiftung
SFI Adjunct	A professor associated with SFI with considerable know-how in a given field of expertise relevant to SFI and with excellent skills for training professional students.
SFI Assistant Professorships	SFI funded Assistant Professorships awarded to selected assistant professors with anticipated top track record (see Appendix D)
SFI Chairs	SFI Senior Chairs and SFI Junior Chairs (see Appendix C)
SFI Faculty	Professors committed to collaboration with SFI and with professorships in research fields including finance and fields complementary to finance (fields that are important to banking & finance, but are likely to apply a different methodology, e.g. law, ethics, psychology etc.). This includes SFI Chairs, SFI Fellows, SFI Tenure Track Assistant Professors, SFI Adjuncts, and SFI Visiting Professors.
SFI Fast Track Chairs	Exceptional tenure-track assistant professor with anticipated top track record and establishing international visibility and reputation (see Appendix C)
SFI Fellows	Faculty members from Academic Partner and Academic Member institutes with full-time professorships who are interested in working with SFI and can contribute to SFI's goals. Individuals of high academic achievement fully in line with the objectives of this cooperation but who do not necessarily fulfil all of the criteria to receive SFI Chair funding.
SFI IP Rights	As defined in Section V Article 2
SFI Junior Chairs	Newly promoted fully tenured professor with demonstrated publication success in top journals and with anticipated top track record and establishing international visibility and reputation (see Appendix C)
SFI Network	Taken together, all Academic Partners, Members, and SFI Faculty
SFI Research Support Guidelines	Research support guidelines, requirements, and processes as set forth by SFI.
SFI Senior Chairs	SFI Senior Full Professorships and SFI Senior Full Professorships "Exceptional cases" (see Appendix C)
SFI Tenure Track Assistant Professorships	Tenure-track assistant professor with demonstrated publication success in top journals or with anticipated top track record (see Appendix C)
Universities	Accredited universities in Switzerland
Visiting Professors	Professors of another university invited to serve as a member of the faculty of the Universities for a limited period of time sponsored by the Swiss Finance Institute

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## **Appendix C: Sponsorships – Definitions and Amounts**

### **Definitions:**

#### **SFI Professors:**

- 1) **SFI Faculty:** Collectively, all groups of professors from the Academic Partner and Member institutes, including Professors and Chairs, who contribute to SFI through high-quality academic achievement, education and training, and knowledge transfer between academia and industry. All Chairs, Tenure Track Assistant Professors, Adjuncts, and Visiting Professor appointments are made with the recommendation of the Scientific Council and the approval of the Foundation Board. These professors include:
  - a. **SFI Fellows:** Faculty members from Academic Partner and Academic Member institutes, or individual professors, who are interested in working with SFI and can contribute to SFI's goals. Individuals of high academic achievement fully in line with the objectives of this cooperation but who do not necessarily fulfil all of the criteria to receive SFI Chair funding.
  - b. **SFI Adjunct Professor:** A professor associated with SFI with considerable know-how in a given field of expertise relevant to SFI and with excellent skills for training professional students.
  - c. **SFI Tenure Track Assistant Professors:** Tenure track assistant professors with anticipated top track record for whom SFI provides full (for existing cases at the signing of this agreement) or partial (for future cases) base salary support.
  - d. **SFI "Fast Track" Chair:** exceptional tenure track assistant professor with anticipated top track record.
  - e. **SFI Junior Chair:** Newly promoted fully tenured professor with demonstrated publication success in top journals and with anticipated top track record and establishing international visibility and reputation.
  - f. **SFI Senior Chair:** An outstanding, fully tenured professor with a proven top track record for academic achievement and with high international visibility and distinguished reputation.
  - g. **SFI Senior Chair "Exceptional cases":** A very highly distinguished professor with an outstanding and world-class track record.
- 2) **SFI Visiting Professor:** Professors visiting one of SFI's Academic Partner institutes for a specific period and who, given their high-quality research in finance, have been reviewed and approved by the Scientific Council and the Foundation Board.

#### **SFI Research Support:**

- 1) **Individual Research Budget:** Funds provided by SFI to support research carried out by SFI Faculty members, to the exclusion of personal compensation.
- 2) **Research Funding:** Competitively awarded funding provided by SFI to support research projects and knowledge transfer activities by Swiss-based researchers.

#### **SFI PhD Program:**

- 1) **Sponsored Stipend for first year:** Stipend made available to PhD students during their first year of studies in the SFI PhD program, provided by SFI.
- 2) **Sponsoring of Base Salary for second year and on:** Base salary made available to PhD students after their successful first year of study, provided by the Academic Partner.
- 3) **Sponsoring of first year PhD courses:** Teaching fees or support for instructors of first-year PhD courses, provided by SFI or by the Academic Partner.

- 4) **Sponsoring of advanced PhD courses:** Teaching fees or support for instructors of advanced PhD courses, provided by SFI or by the Academic Partner.

**Infrastructure:**

- 1) Infrastructure englobes the basic facilities, services, and support necessary to carry out day-to-day university operations and activities (offices, equipment, secretarial and administrative support, etc.). This is provided by the Academic Partner. No additional charge or deduction will be made on funds provided by SFI to fund this infrastructure, except the amount mentioned at article 2.4 Section III.

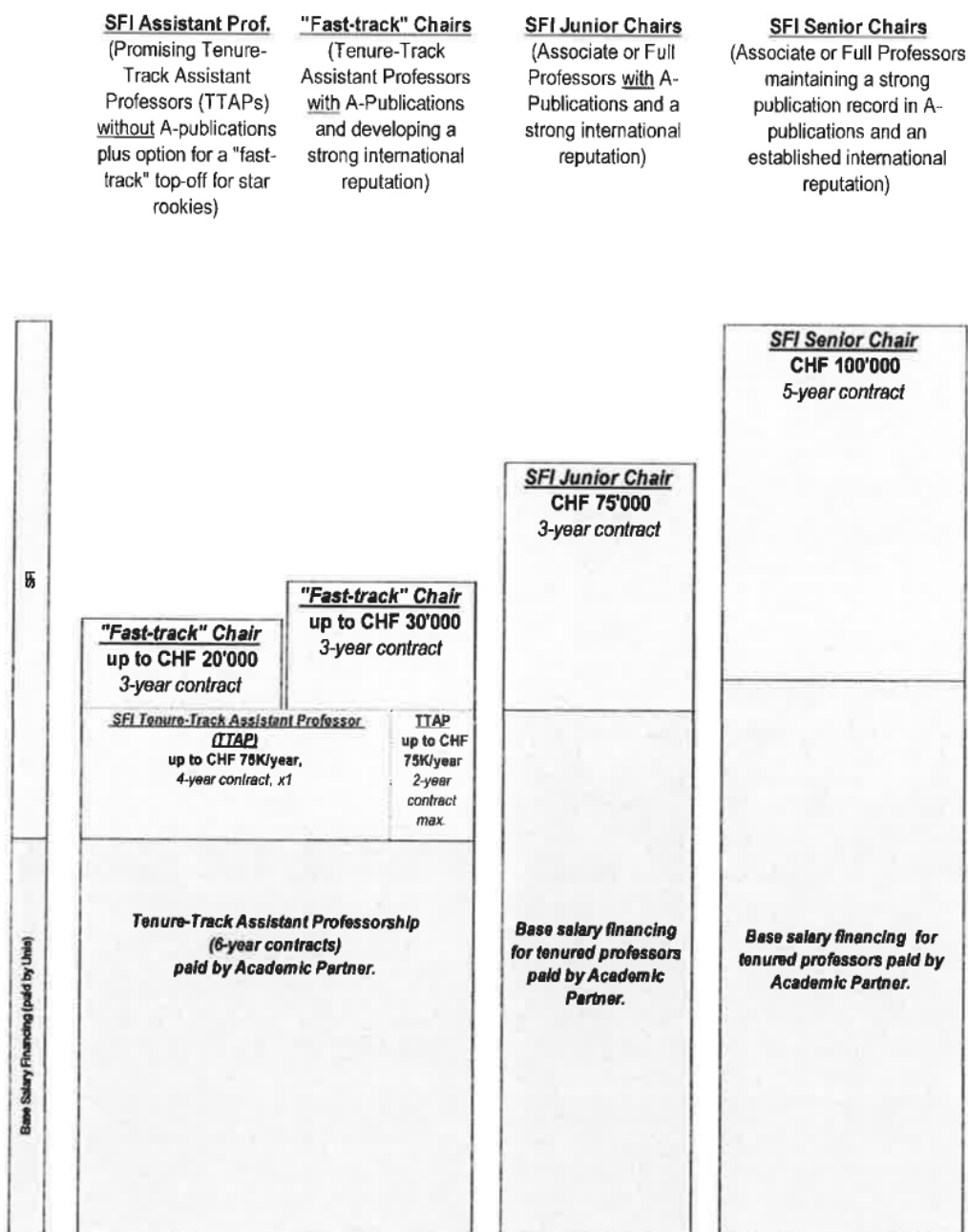
**Reference Amounts:**

	Sponsoring Amount	Duration
<b>SFI Faculty</b>		
<b>1.</b>	<b>Per SFI Tenure Track Assistant Professorship</b>	
	Can be up to CHF 75'000 per year (full-time position, including Cost) only if it's accepted by the Academic Partner's rules.	<ol style="list-style-type: none"> <li>1) Contract established in conjunction with tenure-track assistant professor appointment at the Academic Partner institute.</li> <li>2) Initial 4-year support, with option to extend up to 6 years. Shorter, in case of promotion at the Academic Partner institute during those 6 years.</li> <li>3) Complete re-evaluation by Scientific Council and approval by Foundation Board during year 3, in order to continue into second period, i.e. years 5 to 6. Funding is terminated at the end of year 4, if the Scientific Council recommends so.</li> <li>4) At any time, in cases of serious underperformance, funding may be revoked on the recommendation of the Scientific Council and approval by the Foundation Board.</li> </ol>
<b>2.</b>	<b>Per SFI "Fast Track" Chair</b>	
	Can be up to CHF 30'000 per year (full-time position, including Cost) only if it's accepted by the Academic Partner's rules.	<ol style="list-style-type: none"> <li>1) Contract established in the case of particularly promising tenure track assistant professor candidates whose hiring requires an additional financial commitment.</li> <li>2) This Chair is awarded, upon recommendation of the Scientific Council and approval of the Foundation Board, separately from an SFI Tenure Track</li> </ol>

		<p>Assistant Professor appointment at the Academic Partner institute</p> <p>3) Limited to a maximum of 6 years support. The amount of support is intended to be incremental, based on individual merit as set forth by the Scientific Council. Complete re-evaluation by Scientific Council and approval by Foundation Board during year 3, with a view to renewal or promotion. Funding is terminated at the end of year 4, if the Scientific Council recommends neither promotion nor renewal.</p>
<b>3.</b>	<b>Per SFI Junior Chair</b>	
	Can be CHF 75'000 per year (full-time position, including Cost) only if it's accepted by the Academic Partner's rules.	<p>1) 3 years, with possible renewal once, subject to complete re-evaluation of performance during year 3 by the Scientific Council.</p> <p>2) Funding is terminated at the end of year 4, if the Scientific Council recommends so.</p>
<b>4.</b>	<b>Per SFI Senior Chair</b>	
	Can be up to CHF 100'000 per year (full-time position, including Cost) only if it's accepted by the Academic Partner's rules.	<p>1) 5 years, renewable indefinitely subject to complete re-evaluation of performance by the Scientific Council before each renewal. Funding is terminated at the end of year 5 or any renewal period, if the Scientific Council recommends so.</p> <p>2) In the case of new Senior Chair appointments, the initial appointment will be for 3 years, with a possibility to extend to 5 years after evaluation by the Scientific Council. Funding is terminated at the end of year 3 or any renewal period, if the Scientific Council recommends so.</p>
<b>5.</b>	<b>Per SFI Senior Chair "Exceptional cases"</b>	
	Discretionary only if it's accepted by the Academic Partner's rules.	Discretionary
<b>6.</b>	<b>Per SFI Visiting Professor</b>	
	Visiting package	Up to CHF 80'000 (gross, i.e. including Cost and expenses for SFI)

## SFI Research – Maximum Chair Financial Support Structure (unless otherwise stipulated in Appendix D)

Prototypical Career Path for SFI Chairs



SFI Scientific Council is the evaluating body making recommendations for approval by the Foundation Board

Max. CHF **95k**  
total cost to  
SFI/year

Max. CHF **105k**  
total cost to  
SFI/year

Max. CHF **75k**  
total cost to  
SFI/year

Max. CHF **100k**  
total cost to  
SFI/year

- ☒ Universities hire outstanding professors with internationally competitive incentives.
- ☒ Professors have a predictable and clear support system.
- ☒ SFI targets investment based on individual merit and need.

<b>Research Support</b>		
<b>6.</b>	<b>Research Budget and Research Fund</b>	
	Individual Research Budget	Up to CHF 2'000 (gross, i.e. including Cost and expenses for SFI)
	Individual Research Fund	Up to CHF 100'000 (gross, i.e. including Cost and expenses for SFI)
<b>7. SFI PhD Program</b>		
	Sponsored Base Salary (Stipend) for first year	CHF 30'000 per PhD student per first year (gross, i.e. including Cost and expenses for SFI).
	Sponsoring of first year PhD courses	Up to CHF 1'000 per 60 minutes of doctoral teaching (gross, i.e. including Cost and expenses for SFI)
	Sponsoring of instructors of advanced PhD courses	Up to CHF 30'000 per block course plus travel expenses (gross, i.e. including Cost and expenses for SFI)
<b>8. Infrastructure</b>		
	Infrastructure within Academic Partner Institute	Provided by Academic Partner Institute except the amount mentioned at article 2.4 Section III.

This document may be updated by the Parties periodically.

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## **Appendix D: Academic Partner – Specific Conditions**

### **University of Zurich**

**Geographical Area:** Zurich

#### **Professorships:**

- Chairs: 7

Existing professorships currently held or in consideration for this present Agreement:

- 1) Kuebler, Felix (SFI Chair)
- 2) Nyborg, Kjell (SFI Chair)
- 3) Ongena, Steven (SFI Chair)
- 4) Rochet, Jean-Charles (SFI Chair)
- 5) Wagner, Alexander (SFI Chair)
- 6) Vacant (SFI Chair)
- 7) Vacant (SFI Chair)

#### **1. Commitments for the Academic Partner's SFI Chair positions:**

- a) Commitment not to decrease in the future the number of SFI Chairs existing today, unless mutually agreed with SFI.
- b) Commitment to replace existing full professorships of SFI Chairs that become vacant with full professors or tenure track assistant professors who qualify for SFI Chairs, in case of:
  - i) Retirement;
  - ii) Reducing their work engagement below 100% at the Academic Partner institute;
  - iii) In the case of faculty changes such as demotion, termination, or departure.
- c) The Academic Partner is expected to make a replacement appointment in due time (approximately 1-2 years) of the termination of the existing SFI Chair contract. Should this requirement not be met, funding for this position may be revoked by SFI.

#### **2. Continuity of existing agreements:**

Existing agreements between SFI and University of Zurich, in particular the formal written confirmation to finance the base salary of a SFI approved senior professor at UZH (CHF 250'000 p.a.) as of 4 December 2009, are *not* altered by the present agreement and Appendix D.



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**PhDs:**

A set number of PhD stipends are awarded to the academic partner in view of supporting first-year students accepted in the SFI PhD Program. The number of stipends is determined by SFI and is subject to change.

- PhD students:
  - a) 2-3 students in the SFI program per Chair
  - b) Up to 6, 1<sup>st</sup> year student stipends per annum

This document may be updated by the Parties periodically.