

Information on the Financial Services Act

The Swiss Financial Services Act (hereinafter referred to as «FinSA») entered into force on 1 January 2020 and must be fully implemented by financial service providers by the end of 2021. In particular, it serves to strengthen investor protection and the Swiss financial centre and creates a level playing field for financial service providers such as banks and asset managers.

Private Bank Bellerive Ltd (hereinafter referred to as «PBB») hereby informs you of the key aspects of the implementation of FinSA and its impact on your client relationship.

This text applies analogously to female persons, legal entities and to a plurality of persons.

Presentation, supervisory status and contact

PBB is a bank domiciled in Zurich with the legal form of a joint stock company and is subject to the Federal Act on Banks and Savings Banks (Banking Act). As a universal bank, it offers the usual banking services, with the core business being asset management. The majority shareholder is the state-guaranteed Graubündner Kantonalbank. PBB is supervised by the Swiss Financial Market Supervisory Authority (FINMA).

Contact details:

Private Bank Bellerive Ltd
Mittelstrasse 6/PO Box
8034 Zurich
+41 44 388 64 64
info@bellerivebanking.ch
www.bellerivebanking.ch

Swiss Financial Market Supervisory Authority FINMA
Laupenstrasse 27
3003 Bern
+41 31 327 91 00
info@finma.ch
www.finma.ch

Client segmentation under FinSA

FinSA distinguishes between retail clients and professional clients. The professional clients category also includes institutional clients. This classification determines the client protection applicable. Retail clients enjoy the highest level of investor protection. Specifically, this includes carrying out a comprehensive suitability and appropriateness assessment for asset management as well as extensive information, documentation and reporting obligations.

In order to offer you the best possible level of investor protection, PBB classifies all its clients as retail clients. It is not possible to switch to another client segment.

Client segmentation under the Collective Investment Schemes Act (hereinafter referred to as «CISA»)

CISA has also been amended as a result of FinSA. It contains, among other things, rules for classifying clients as non-qualified or qualified investors. If you have agreed in writing on a long-term asset management relationship with PBB or an independent external asset manager of PBB, you are considered a qualified investor for the purposes of CISA. This classification creates additional opportunities, but at the same time also entails additional risks. It makes it possible to acquire financial instruments with higher risks. For example, foreign collective investment schemes or structured products, which entail a higher level of risk, may be acquired as part of an asset management relationship. The foreign collective investment schemes offered only to qualified investors are often not subject to equivalent, but only limited prudential supervision by a financial market supervisory authority or none at all, and therefore do not enjoy any or only limited investor protection (such as duties concerning documentation, information, termination or risk diversification and redemption obligations with regard to the units issued) under CISA or the corresponding foreign decrees or regulations. Generally speaking, financial instruments that are only available to qualified investors may have a lower degree of transparency and include investment strategies that would not be permitted for non-qualified investors.

If you are classified as a qualified investor, you may waive this status. To do this, you must declare the waiver to PBB in writing or in another form verifiable by text. If you are classified as a non-qualified investor, investments reserved for qualified investors have to be sold. In addition, PBB reserves the right to end the asset management relationship with you.

Financial services of PBB

Asset management

PBB offers asset management services to its clients. This means PBB managing the client's financial instruments in accordance with the investment strategy agreed between the client and PBB. Under asset management, the client delegates the investment decisions to PBB, which carries out the transactions at its own discretion and without consulting the client within the framework of the agreed investment strategy.

Acceptance and handling of client orders («execution-only» orders)

With «execution-only» orders, PBB only executes orders placed by the client (regardless of the type of order) to buy or sell financial instruments without prior advice. Investment decisions are taken by the client themselves.

Investment advice

PBB does not offer investment advice and does not make any personal recommendations on financial instruments.

Suitability and appropriateness assessment

In order for PBB to act in the best interests of the client, it carries out a suitability and appropriateness assessment before implementing asset management. These are based on information provided by the client to PBB. On the basis of the client's knowledge and experience, PBB assesses whether an asset management mandate is appropriate for them. It is appropriate if the client understands how it works and accepts the consequences of the purchase. If the client does not yet have sufficient knowledge and experience of asset management, PBB informs the client accordingly. Based on the financial circumstances (in particular regarding assets, type and amount of regular income and current and future financial obligations) and investment objectives (information on the time horizon and purpose of the desired investment, risk appetite and any investment restrictions), PBB agrees with the client an investment strategy that is suitable for them. Subsequently, PBB takes investment decisions that are aligned with the defined strategy in the interest of the client.

If a client orders PBB to buy or sell financial instruments («execution-only» orders), PBB does not carry out a suitability or appropriateness assessment and does not monitor the investments made by the client. This information is only provided here and will not be repeated for every «execution-only» order.

Risk information

Trading in financial instruments involves opportunities and risks. It is important that you know and understand these risks before using a financial service.

The brochure «Risks Involved in Trading Financial Instruments» issued by the Swiss Bankers Association (SBA) contains general information about typical financial services as well as the nature and risks of financial instruments. Familiarise yourself with this information before entering into your agreement and contact your relationship manager if you have any questions. The brochure can be found at www.bellerivebanking.ch/legal.

Product information

Issuers of financial instruments generally provide a product information sheet (key information document, KIID, etc.) for each individual product. This contains information about the features of the product as well as its risks and costs. It makes it possible to compare different products. The individual product information sheets – if provided by the issuer – can be found at www.gkb.ch/produktinformationen (the website of our majority shareholder). Your relationship manager will be happy to help you find the right product information sheet.

Market offers

In order to select the most suitable financial instrument for the client, PBB takes into account direct investments and financial instruments from carefully selected third-party providers from an investment universe defined by PBB itself. PBB itself does not offer its own products. PBB may nevertheless instruct third-party providers to prepare individual investment solutions for the client (e.g. structured products) and use these when managing the assets. The issuer of such financial instruments is always another financial services provider. More detailed information is available at www.bellerivebanking.ch/legal.

Cost information

Costs and fees are incurred for PBB's services, which are charged directly to the client's account and affect the performance of the portfolio. Please refer to the current «Fees and Commissions» brochure at www.bellerivebanking.ch/general and the financial service agreements entered into with PBB; for product-specific costs, see the product information sheets.

Best execution of client orders

PBB ensures that the best possible outcome is achieved in terms of cost, time and quality when executing client orders. The PBB Best Execution Policy can be found at www.bellerivebanking.ch/legal.

Conflicts of interest and business ties

PBB endeavours to protect the interests of its clients when providing financial services. However, it is the nature of the business that conflicts of interest cannot always be avoided. Taking into account the legal requirements, PBB has therefore taken measures to ensure that conflicts of interest are handled transparently and appropriately. For more information, please see our Conflict of Interest Policy at www.bellerivebanking.ch/legal.

Ombudsman's office

If PBB does not meet your expectations, please contact your relationship manager for an amicable solution. If no amicable solution can be found, you can contact the Swiss Banking Ombudsman. This is an independent institution that is responsible for arbitration with our clients and aims to settle disputes by means of reconciliation. The procedure is free of charge for you. As a rule, the Banking Ombudsman only becomes active after you have submitted the complaint to PBB in writing and it has had the opportunity to state its position.

Contact details:

Swiss Banking Ombudsman
Bahnhofplatz 9
P.O. Box
8021 Zurich
+41 43 266 14 14 (German/English)
+41 21 311 29 83 (French/Italian)
www.bankingombudsman.ch

Legal notice

This information has been prepared exclusively for clients of PBB.

PBB assumes no liability for the contents of this information being up to date, appropriate, accurate, complete or correct. PBB's General Terms and Conditions of Business and any special agreements between the client and PBB always apply.

We would also be happy to provide you with the documents mentioned in physical form. You can obtain these from your relationship manager.

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