

Information on the Financial Services of Lugaresi Ness Partner AG

This information sheet fulfils the information requirements under the Federal Act on Financial Services (FinSA) and is intended to provide you with an overview of the financial services offered by the asset manager Lugaresi Ness Partner AG.

1. Information about the company

Lugaresi Ness Partner AG, Elisabethenstrasse 23, 4051 Basel

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Lugaresi Ness Partner (hereinafter LNP AG) is a stock corporation (paid-in capital CHF 200,000) established under Swiss law with its registered office in Basel at Elisabethenstrasse 23. The management of LNP AG consists of Daniele Lugaresi, Christoph Ness and Ioannis Coulaxides. They are also the shareholders of LNP AG. Riedweg & Hrovat AG, Basel, supports LNP AG in administrative, corporate and organizational matters, it is also a shareholder of LNP AG.

2. Professional secrecy

The asset manager is subject to professional secrecy in accordance with the Financial Institutions Act.

Supervisory authority

The asset manager holds a license pursuant to Art. 5 para. 1 of the Financial Institutions Act, which has been granted to him by the Swiss Financial Market Supervisory Authority FINMA, Laupenstrasse 27, 3003 Bern. Furthermore, the asset manager is supervised by the supervisory organization AOOS - Schweizerische Aktiengesellschaft für Aufsicht, Claudiusstrasse 50, 8006 Zurich.

3. Ombudsman Service

LNP AG is affiliated with the independent ombudsman's office OFS Ombud Finance Switzerland, which is recognized by the Federal Department of Finance. Disputes about legal claims between the client and the financial services provider should be settled by the Ombudsman's Office as far as possible within the framework of a mediation procedure.

OFS Ombud Finance Switzerland, 10, rue du Conseil-Général, 1205 Geneva

Contact details: ☎ +41 22 808 04 51 | contact@ombudfinance.ch | www.ombudfinance.ch

4. Information about the services offered

The business activities of LNP AG comprise portfolio-related asset management services, investment advisory services and execution-only services for domestic and foreign private and professional clients, offering of domestic and foreign collective investment schemes, advice on financial matters (financial planning, custody analyses, pension solutions, foundations and trusts, insurance analyses, succession planning and financial market studies).

A portfolio-related asset management mandate is understood to mean the management of a totality of the client's assets. In this case, the client delegates to LNP AG the decision on the investments (based on a limited asset management mandate from the custodian bank), whereby this is made in accordance with the agreed investment strategy.

In the case of the contract for comprehensive investment advice with LNP AG, a personal recommendation relating to individual financial instruments is given to the client. However, the decision to buy or sell ultimately remains with the client.

In the case of the Execution Only contract, the client instructs LNP AG to place an order for the assets deposited with the bank, without any obligation on the part of the asset manager to advise or warn. The decision to buy or sell lies exclusively with the client.

For detailed information on the main rights and obligations arising from an asset management or investment advisory agreement, please refer to the corresponding agreements between LNP AG and its clients.

LNP AG provides its asset management and investment advisory services independently of banks and providers of financial products. There are no exclusive relationships. Upon request, LNP AG recommends to the customer banks for the deposit of the customer's assets which, in its own opinion, offer a guarantee for the best possible execution of the customer's orders from the point of view of price and quality (best execution). The size of the client's assets and their relation to the total volume of assets managed by LNP AG are also taken into account.

5. General risks in trading with financial instruments

The investment advisory and asset management services involve financial risks. LNP AG provides the brochure «Risks Involved in Trading Financial Instruments» to all clients before concluding a contract.

6. Risks in connection with the service offered

For a presentation of the risks that may arise from the investment strategy for the client's assets, we refer to the document «Risk Profile and Investment Strategy». This is an attachment to the asset management agreement or comprehensive investment advisory agreement signed by the client. In the case of comprehensive investment advice and execution only, LNP AG provides its private clients with the basic information sheet of the financial instrument in question, if such a sheet is available.

7. Handling conflicts of interest

Conflicts of interest may arise if the asset manager:

- can achieve a financial advantage for himself or avoid a financial loss at the expense of clients in breach of good faith;
- has an interest in the outcome of a financial service provided to clients which is contrary to that of the clients;
- has a financial or other incentive in the provision of financial services to place the interests of particular clients above the interests of other clients; or
- accepts, in breach of good faith, an inducement in the form of financial or non-financial benefits or services from a third party in relation to a financial service provided to the client.

Conflicts of interest may arise in connection with execution only, comprehensive investment advice and asset management. They arise in particular from the coincidence of

- several client orders;
- client orders with own transactions or other own interests of the asset manager or companies affiliated with the asset manager; or
- Client orders with transactions of the employees of the asset manager.

In order to recognise conflicts of interest and to prevent them from having an effect to the detriment of the client, the asset manager has issued internal directives and taken organizational precautions:

- The asset manager has established a control function that monitors the asset manager's investment and employee transactions as well as compliance with the rules of market conduct. Through effective control and sanction measures, the asset manager can thus avoid conflicts of interest.
- In the execution of orders, the asset manager observes the priority principle, i.e. all orders are entered immediately in the chronological order in which they are received.
- The asset manager obliges his employees to disclose mandates which may lead to a conflict of interest.
- The asset manager designs his remuneration policy in such a way that no incentives are created for frowned-upon conduct.
- The asset manager trains his employees on a regular basis and ensures that they have the necessary specialist knowledge.
- The asset manager consults the control function in the case of potentially conflict-of-interest matters and has them approved by it.

8. Cost information

A fee is charged for the services rendered, calculated on the assets under management and/or on a performance basis. For more detailed information, please consult your signed contract with LNP AG.

9. Compensation by and to third parties in particular

Within the framework of the provision of financial services, the asset manager accepts compensation from third parties. The asset manager informs his clients of the nature, scope, calculation parameters and ranges of third-party compensation which may accrue to the asset manager in the provision of the financial service. **The client waives the third-party compensation and the asset manager retains it.** The asset manager has taken appropriate internal measures in order to avoid conflicts of interest arising from this.

Bandwidths:

- **If the custodian bank has agreed its usual fees and charges with the client, LNP AG shall receive the following compensation from the amounts debited by the bank: Custody fees (up to 50 %), brokerage/issuing commissions (up to 50 %), foreign exchange business (up to 50 % of the bank's margin - bank rate less interbank rate).**
- **In the event of a change of bank: a one-off finders fee of up to 0.25 % of the assets under management may be paid for administration, AMLA checks and due diligence.**

- **LNP AG receives from fund management companies or custodian banks (which hold the fund assets) a fee of up to 50% of the management fee charged to the fund assets (portfolio maintenance commission).**
- **When acquiring structured products, LNP AG receives a fee of up to 2% of the placed volume. For the management of Actively Managed Certificates, LNP AG receives a fee of up to 2% of the placed volume.**

10. Information on the market offer taken into account

LNP AG generally pursues an «open universe approach» and tries to make the best possible choice for the customer when selecting financial instruments. In addition, products developed in-house can also be used for the efficient implementation of the investment strategy.

11. Additional information for clients domiciled in the European Economic Area

Communication between LNP AG and the customer can take place in German, French or English. Orders may be transmitted in person during a visit, by telephone or e-mail. LNP AG reports at least once a year in a comprehensive report on the current asset status. If desired, reporting can be quarterly or monthly. According to the definition of MiFID II, LNP AG is not independent, as it cannot be ruled out that there is a sufficient range of financial instruments (diversification in terms of type and issuer/provider) in the client portfolios under MiFID II. LNP AG classifies all clients domiciled in the European Economic Area as private clients, as they enjoy the highest legal protection status. Under certain conditions, opting up is possible at the customer's request.

12. Outsourcing of operational tasks

LNP AG has outsourced the following key operational tasks to third parties: accounting, preparation of VAT statements and tax returns, IT support and development, development and maintenance of the portfolio management system including interface handling and compliance services and document management system. The providers of these services are linked to LNP AG by written contracts. Data processing and storage is in Switzerland and complies with current regulatory requirements. These guarantee a high quality of the service provided and are bound by corresponding confidentiality provisions.

13. Reporting

In addition to the bank vouchers, LNP AG also reports to its clients on its activities by means of its own reporting system. In the custodian bank's receipts and statements, LNP AG's fee can be shown as a purchase and not as asset management costs. A performance expressed in percentage points is thus shown slightly better than the effective performance after costs. The LNP AG annual report shows the performance figures, the income streams and the performance-neutral transactions in more detail.

14. Disclaimer

The contents published in this document are provided for information purposes only. It does not constitute an offer in the legal sense, nor a solicitation or an individual recommendation, and therefore cannot replace client advice.