

# Information on the financial services provided by Premium Assets SA

Any gender-specific language in this text should be understood as referring to all the individuals, regardless of their gender.

Dear Sir/Madam,

Switzerland has adopted both the Federal Act on Financial Services (FinSA) and the related implementing ordinance (FinSO). These came into force on 1 January 2020. The (main) period allowed for their implementation expires on 31 December 2021. This new legislation is intended to improve investor protection.

Premium Assets SA (referred to hereafter as the 'Asset Manager') is subject to this law.

Our intention with this information brochure is to inform you about Premium Assets SA, the measures we take to avoid loss of contact or dormant assets, the financial services we offer, and the associated risks. It also covers how we deal with conflicts of interest and how mediation proceedings with the relevant mediation body are initiated. The information contained in this brochure may change periodically. You can ask for the most recent version of the brochure from our business address or on our website, in "our brochures" on the home page.

We provide you with information on the costs and expenses associated with the financial services delivered in the relevant contract documentation (mandate agreement).

For information on the risks generally associated with financial instruments, please see the enclosed brochure entitled 'Risks Involved in Trading Financial Instruments' from the Swiss Bankers Association (SBA). The brochure is available from the SBA website ([www.swissbanking.ch/en](http://www.swissbanking.ch/en)).

This brochure satisfies the information obligations under the Federal Act on Financial Services (FinSA) and gives you an overview of the financial services offered by the Asset Manager. If you want more detailed information, we are happy to arrange a discussion in person.

Premium Assets SA

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## **1. Information on the Asset Manager**

### **1.1 Name and address**

**Premium Assets SA**  
**Quai Gustave-Ador 30**  
**1207 Geneva**  
**+41 22 810 81 00**  
**+41 22 810 81 01**  
**<https://premium-assets.ch/>**

**UID: CHE-341.430.196**  
**VAT number: CHE-341.430.196.TVA**

### **1.2 Field of activity**

The Asset Manager's registered office is in Geneva. It offers asset management services, investment advice services across the portfolio, and services associated with the receipt and transmission of instructions relating to financial instruments (execution only).

### **1.3 Supervisory body**

Since 1 January 2020, the Asset Manager has been subject to the Federal Act on Financial Institutions (FinIA). In this regard, it has been granted by FINMA a licence as an 'Asset Manager' as per article 17 & seq. of FinIA (Swiss Financial Market Supervisory Authority – FINMA - Laupenstrasse 27 - CH-3003 Bern).

The Asset Manager is currently affiliated with the supervisory organisation (SO) from AOOS by virtue of article 43a of the Federal Financial Market Supervision Act (FINMASA).

The contact details for the SO are as follows:

Organisme de surveillance AOOS - Société anonyme suisse de surveillance  
Rue Rousseau 30  
1201 Geneva.

### **1.4 Professional confidentiality**

The Asset Manager is subject to professional confidentiality in accordance with the Federal Act on Financial Institutions (FinIA).

### **1.5 Financial links with third parties**

The Asset Manager has financial links with third parties, and this may result in a conflict of interest. It is a question of potential incentives to recommend investment products, with a view to benefiting from this. The third parties in question are mainly issuers of structured products. The Asset Manager may also include certificates, which it manages, in its clients' portfolios. The result may be double remuneration.

The Asset Manager has taken a number of measures to reduce these risks. In doing so, it limits the exposure for any given position or asset class, ensures transparency for its clients, and limits the remuneration received to a percentage of the assets under management (AUM).

## **2. Dormant assets**

Sometimes, contact with clients may be lost, and assets may go unclaimed as a result. To avoid loss of contact or assets going unclaimed, the following are recommended:

- **Change of name and address:** should the client change location, mailing address or name, he should immediately inform the Asset Manager.
- **Reference to a contact person:** the application form asks people to designate an authorised person whom the Asset Manager may approach if contact is lost.
- **Information to trusted persons and testamentary provisions:** another way of avoiding loss of contact and dormant assets is for a trusted person to be informed of the relationship with the Asset Manager. However, the Asset Manager may only provide any such trusted person with information if it has written authorisation to do so. There is also the option to make reference to the assets concerned in a will.

The Asset Manager is at the client's disposal for any demand he may have on this regard. Further information can also be found in the brochure "Guidelines on the treatment of assets without contact and dormant assets held at Swiss banks" issued by the Swiss Bankers Association (SBA). The brochure is available on the SBA website ([www.swissbanking.ch/en](http://www.swissbanking.ch/en)).

### 3. Classification according to FinSA

FinSA requires financial service providers to classify their clients. Classification takes account of their personal financial situation, their experience or expertise in financial matters, or certain aspects defined – on a statutory basis – for businesses. The level of investor protection and the scope of the investment universe will depend on this classification.

Except in the case of professional or institutional clients *per se* and unless there is communication or agreement to the contrary, Premium Assets generally classes its clients as **private clients**.

This status obliges the Asset Manager to comply with all the various codes of conduct in accordance with FinSA, but may also restrict the authorised investment universe.

The client may, to the extent legally permissible and provided they satisfy the legal conditions, state that they wish to switch to another client category. Upon changing category, the client will enjoy either greater protection (opting in) or lesser protection (opting out).

### 4. Information on financial services offered by the Asset Manager

#### 4.1 Asset management

##### 4.1.1 Type, characteristics, and function of the financial service

Within the framework of asset management, the Asset Manager manages the assets in the name, on behalf, and at the risk of the client who has deposited them with a custodian bank. The Asset Manager executes transactions at its own discretion and without consulting the client. In doing so, the Asset Manager ensures that the transactions it executes reflect the client's financial situation and investment objectives, as well as the investment strategy agreed with the client, and also ensures that the composition of the portfolio is suited to the client.

##### 4.1.2 Rights and obligations

Within the framework of asset management, the client has the right to have the assets in their portfolio managed. The Asset Manager carefully chooses the investments in the portfolio from the market offer taken into account. The Asset Manager ensures that risks are appropriately spread insofar as the investment strategy allows. It regularly checks the assets it manages and ensures that the investments are consistent with the agreed investment strategy and suit the client.

#### 4.1.3 Risks

In principle, asset management involves the following risks, which are deemed to be a matter for the client and are therefore borne by them:

- **Risk associated with the chosen investment strategy:** Various risks may arise from the investment strategy chosen and agreed with the client (see below). The client bears these risks in full. These risks are described and explained accordingly before the investment strategy is agreed.
- **Risk in terms of asset preservation** or the risk of a decline in value of the financial instruments in the portfolio: this risk, which can vary between financial instruments, is borne in full by the client. For the risks associated with various financial instruments, please refer to the brochure entitled 'Risks Involved in Trading Financial Instruments' from the Swiss Bankers Association.
- **Information risk on the part of the Asset Manager** or the risk the Asset Manager does not have sufficient information to make a well-informed investment decision: in the course of asset management, the Asset Manager takes account of the client's financial situation and investment objectives (suitability check). If the client provides the Asset Manager with insufficient or incorrect information regarding their financial situation and/or their investment objectives, there is a risk the Asset Manager will not make the appropriate investment decisions for the client.
- **Risk as a qualified investor in collective investments:** clients relying on asset management as part of a long-term asset management relationship are regarded as qualified investors within the meaning of the Federal Act on Collective Capital Investment Schemes. Qualified investors have access to forms of collective investments which are available to them alone. This status allows them to take account of a broader range of financial instruments when putting together the portfolio. Collective investments aimed at qualified investors may be exempted from regulatory requirements. These financial instruments are not subject to Swiss provisions or only to some extent. This may give rise to risks, particularly in terms of liquidity, investment strategy, or transparency. Detailed information on the risk profile of a specific collective investment can be found in the documentation accompanying the financial instrument and, as applicable, in the basic information sheet and the prospectus.
- **Concentration risk:** the risk of incurring substantial losses as a result of the negative performance of a small number of financial instruments, due to a temporary or lasting reduction in portfolio diversification. Concentration risk arises when a significant proportion of the portfolio is invested in securities from a single issuer, a specific economic sector or a single geographical region. The asset manager strives for risk diversification but cannot avoid with certainty a temporary concentration on certain types of financial instruments or investment categories.

Asset management also involves certain risks which are deemed to be a matter for the Asset Manager. The Asset Manager has taken appropriate measures in response to these risks, particularly with a view to observing the principle of good faith and the principle of equal treatment when processing client instructions. In addition, the Asset Manager ensures optimal execution of client instructions.

#### 4.1.4 Market offer under consideration

The market offer under consideration, for the purpose of selecting financial instruments, comprises both own financial instruments (structured products, actively managed certificates) and ones from third parties. Within the scope of asset management, the following financial instruments are available to clients: individual securities (e.g. shares, debt securities, rights), investment funds, structured products, derivatives.

## 4.2 Investment advice across the portfolio

### 4.2.1 Type, characteristics, and function of the financial service

Within the scope of investment advice across the portfolio, the Asset Manager advises clients on transactions involving financial instruments, while taking into account the portfolio as a whole. For this purpose, the Asset Manager ensures that the recommended transaction suits the client's financial situation and investment objectives (suitability check) and the investment strategy agreed with the client. The client then decides themselves how far they wish to follow the Asset Manager's recommendation.

### 4.2.2 Rights and obligations

In the case of investment advice across the portfolio, the client is entitled to suitable personal investment recommendations. Any investment advice across the portfolio takes place at the initiative of both the client and the Asset Manager, within the scope of the market offer under consideration, for the selection of financial instruments. The Asset Manager advises the client to the best of its knowledge and with the same diligence it habitually applies to its own affairs.

The Asset Manager informs the client immediately of any significant difficulty which might affect the orderly processing of the instruction. The Asset Manager also informs the client on a regular basis of any investment advice agreed and provided.

### 4.2.3 Risks

In principle, investment advice across the portfolio involves the following risks, which are deemed to be a matter for the client and are therefore borne by them:

- **Risk associated with the chosen investment strategy:** Various risks may arise from the investment strategy chosen and agreed with the client (see below). The client bears these risks in full. These risks are described and explained accordingly before the investment strategy is agreed.
- **Risk in terms of asset preservation** or the risk of a decline in value of the financial instruments in the portfolio: this risk, which can vary between financial instruments, is borne in full by the client. For the risks associated with various financial instruments, please refer to the brochure entitled 'Risks Involved in Trading Financial Instruments' from the Swiss Bankers Association.
- **Information risk on the part of the Asset Manager** or the risk the Asset Manager does not have sufficient information to come up with an appropriate recommendation: in the course of investment advice across the portfolio, the Asset Manager takes account of the client's financial situation and investment objectives (suitability check) as well as their needs. If the client provides the Asset Manager with insufficient or incorrect information regarding their financial situation, their investment objectives, or their needs, there is a risk the Asset Manager cannot provide them with suitable advice.
- **Information risk on the part of the client** or the risk the client does not have sufficient information to be able to make a well-informed investment decision: even though the Asset Manager takes due account of the portfolio when providing investment advice across the portfolio, it is the client who makes the investment decisions. Consequently, the client needs specialist knowledge in order to understand financial instruments. There is a risk therefore that the client may not follow appropriate investment recommendations due to a lack of or insufficient financial knowledge.
- **Risk associated with the timing of instruction processing** or the risk the client issues a purchase or sale instruction too late after consulting the Asset Manager, which may result in price losses: the recommendations made by the Asset Manager are based on the market data

available at the time it is consulted and are only valid for a short time given how they depend on the market.

- **Risk of a lapse in monitoring** or the risk the client does not monitor their portfolio sufficiently or at all: before issuing an investment recommendation, the Asset Manager reviews the composition of the portfolio. Apart from advice, the Asset Manager is not obliged at any time to monitor the composition of the portfolio. Insufficient monitoring by the client may be associated with various risks such as concentration risks.
- **Risk as a qualified investor in collective investments:** clients relying on investment advice across the portfolio as part of a long-term investment advice relationship are regarded as qualified investors within the meaning of the Federal Act on Collective Capital Investment Schemes. Qualified investors have access to forms of collective investments which are available to them alone. This status allows them to take account of a broader range of financial instruments when putting together the portfolio. Collective investments aimed at qualified investors may be exempted from regulatory requirements. These financial instruments are not subject to Swiss provisions or only to some extent. This may give rise to risks, particularly in terms of liquidity, investment strategy, or transparency. Detailed information on the risk profile of a specific collective investment can be found in the documentation accompanying the financial instrument and, as applicable, in the basic information sheet and the prospectus.
- **Concentration risk:** the risk of incurring substantial losses as a result of the negative performance of a small number of financial instruments, due to a temporary or lasting reduction in portfolio diversification. Concentration risk arises when a significant proportion of the portfolio is invested in securities from a single issuer, a specific economic sector or a single geographical region. The asset manager strives for risk diversification but cannot avoid with certainty a temporary concentration on certain types of financial instruments or investment categories.

Investment advice across the portfolio also involves certain risks which are deemed to be a matter for the Asset Manager. The Asset Manager has taken appropriate measures in response to these risks, particularly with a view to observing the principle of good faith and the principle of equal treatment when processing client instructions. In addition, the Asset Manager ensures optimal execution of client instructions.

#### 4.2.4 Market offer taken into account

The market offer under consideration, for the purpose of selecting financial instruments, comprises both own financial instruments (structured products, actively managed certificates) and ones from third parties. Within the scope of investment advice across the portfolio, the following financial instruments are available to clients: individual securities (e.g. shares, debt securities, rights), investment funds, structured products, derivatives.

### 4.3 Execution only

#### 4.3.1 Type, characteristics, and function of the financial service

Execution only refers to financial services which are limited to the simple transmission of client instructions by the Asset Manager without any advice or management. In the case of execution only, instructions are only ever initiated by the client and transmitted by the Asset Manager. The Asset Manager does not check whether the transaction in question corresponds to the client's knowledge or experience (appropriate type) or their financial situation and investment objectives (suitability). If the client executes instructions at some point in the future, the Asset Manager will not have to remind them that it does not check whether something is of the appropriate type or suitable.

#### 4.3.2 Rights and obligations

In the case of execution only, the client has the right to issue instructions to purchase or sell financial instruments within the scope of the market offer under consideration. The Asset Manager is obliged to transmit for execution any instructions given with the same diligence it habitually applies to its own affairs.

The Asset Manager informs the client without delay of any significant circumstances which might affect the orderly processing of the instruction. The Asset Manager also informs the client on a regular basis of any instructions agreed and executed.

#### 4.3.3 Risks

In principle, execution only involves the following risks, which are deemed to be a matter for the client and are therefore borne by them:

- **Risk in terms of asset preservation** or the risk of a decline in value of the financial instruments in the portfolio: this risk, which can vary between financial instruments, is borne in full by the client. For the risks associated with various financial instruments, please refer to the brochure entitled 'Risks Involved in Trading Financial Instruments' from the Swiss Bankers Association.
- **Information risk on the part of the client** or the risk the client does not have sufficient information to be able to make a well-informed investment decision: in the case of execution only, the client makes the investment decisions without any intervention from the Asset Manager. Consequently, the client needs specialist knowledge in order to understand the financial instruments and time to familiarise themselves with the financial markets. If the client does not have the necessary knowledge or experience, they are at risk of investing in a financial instrument which is not appropriate for them. A lack of or insufficient financial knowledge may also lead to the client making investment decisions which do not correspond to their financial situation and/or their investment objectives.
- **Risk associated with the timing of instruction processing** or the risk the client issues an instruction to purchase or sell at an inopportune time, which may result in price losses.
- **Risk of a lapse in monitoring** or the risk the client does not monitor their portfolio sufficiently or at all: the Asset Manager is under no obligation at any time to provide any monitoring, warning, or information. Insufficient monitoring by the client may be associated with various risks such as concentration risks.

Execution only also involves certain risks which are deemed to be a matter for the Asset Manager. The Asset Manager has taken appropriate measures in response to these risks, particularly with a view to observing the principle of good faith and the principle of equal treatment when processing client instructions. In addition, the Asset Manager ensures optimal execution of client instructions.

#### 4.3.4 Market offer under consideration

The market offer under consideration, as regards the selection of financial instruments, is based on that associated with the custodian bank chosen by the client.

### 5. Dealing with conflicts of interest

#### 5.1 In general

Conflicts of interest may occur if the Asset Manager:

- obtains for itself, in violation of the principle of good faith, some financial advantage or avoids a financial loss to the detriment of clients;

- has some interest in the result of a financial service provided to clients which is contrary to that of the clients;
- has some financial or other incentive, when providing financial services, to place the interests of certain clients above the interests of other clients; or
- in violation of the principle of good faith, accepts from third parties an incentive in the form of financial or non-financial advantages or other benefits relating to a financial service provided to the client.

Conflicts of interest may occur, within the scope of execution only, from investment advice across the portfolio and from asset management. They result in particular from clashes involving:

- multiple client instructions;
- client instructions involving own operations or other interests specific to the Asset Manager; or
- client instructions with operations involving employees of the Asset Manager.

In order to identify conflicts of interest and avoid them putting the client at a disadvantage, the Asset Manager has taken organisational measures:

- The Asset Manager has implemented an independent control function, which monitors investments and operations involving employees of the Asset Manager where necessary as well as compliance with market codes of conduct. Thanks to effective control and penalty measures, the Asset Manager is therefore able to avoid conflicts of interest.
- When executing instructions, the Asset Manager observes the priority principle, i.e. all instructions are transmitted in chronological order based on when they were received.
- The Asset Manager obliges its employees to inform it of any mandates which may result in a conflict of interest.
- The employees of the Asset Manager may not accept gifts, hospitality, or travel opportunities which may cause a conflict of interests.
- The Asset Manager pursues a remuneration policy which does not create incentives for improper conduct.
- The Asset Manager gives its employees regular training and ensures that they have the necessary specialist knowledge.
- The Asset Manager consults the control function in the event of any potential conflicts of interest and has it approve them.

If any disadvantage to the client's interests cannot be ruled out, despite these measures, the Asset Manager informs its clients in a suitable manner.

## **5.2 Information on conflicts of interest**

Despite the measures taken by the asset manager, a disadvantage to the customer's interests cannot be ruled out due to the possible incentive to recommend or favor investment products in order to receive benefits. This applies in particular to management fees for certificates managed by the asset manager and retrocessions when structuring structured products. Double remuneration can arise, both for the financial service and for the financial instrument.

To reduce this risk, the asset manager has taken a number of measures. It limits exposure by position and by asset class, ensures transparency towards its clients and limits the remuneration received to a percentage of the AUM managed. It ensures compliance with the industry-standard selection process

for financial instruments, based on objective criteria, and prohibits any form of incentive remuneration that favors proprietary financial instruments.

### **5.3 Separate remuneration from and to third parties**

Within the scope of providing financial services, the Asset Manager can receive remuneration from third parties. The Asset Manager informs its clients of the type, extent, calculation criteria, and scale of remuneration it may receive from third parties within the scope of providing the financial service in the contractual documents. The client refuses any remuneration from the third party, and the Asset Manager keeps this. The Asset Manager has taken appropriate internal measures to avoid any conflict of interest which may result.

### **5.4 Other information**

On request, the Asset Manager is happy to provide you with additional information regarding any potential conflicts of interest relating to the services provided by the Asset Manager and regarding the measures taken to protect the client.

## **6. Mediation body**

The client's satisfaction is the Asset Manager's priority. However, if the Asset Manager has rejected a claim on your part, you may initiate mediation proceedings with the mediation body. In such cases, please contact:

**OFS**

**Rue du Conseil Général 10**

**1205 Geneva**

**+41 22 808 04 51**

**<https://ombudfinance.ch/accueil/>**

## **7. Processing of Personal Data**

The Asset Manager attaches great importance to the protection of its clients' personal data. It only collects personal data strictly necessary for the proper conduct of its business.

In order to comply with the legal provisions applicable, in particular as a part of the client segmentation process and its compliance with anti-money laundering laws, the Asset Manager collects and processes information from and on its clients and prospective clients, in particular:

- their personal and professional information (e.g. name, date of birth, postal address, telephone number, family and marital information and KYC documents),
- their financial and tax circumstances (e.g. income, movable assets and real estate, debts and liabilities),
- their knowledge and experience as regard financial products and services.

In this context, it may also collect particularly sensitive personal data on its clients, individuals representing them, on controlling persons and beneficial owners of assets under management as well as personal data on family members and other individuals having personal and commercial ties with its clients.

The Asset Manager not only processes personal data obtained from its clients, but also processes personal data collected through publicly available sources and private sector data providers focusing on data relevant in the field of financial services.

The company may and will share personal data with third parties such as outsourcing partners and agents (e.g. IT and hosting providers), custodian banks, audit companies or authorities, within the framework of applicable legal requirements.



The Asset Manager may also share personal data with other financial services providers, which also render services to the clients in question.

Such outsourcing and business partners may be located in foreign countries. In this case, personal data may be disclosed as it complies with Swiss law. If personal data is disclosed to a State that cannot guarantee adequate protection as set out in the Data Protection Act, the Asset Manager will put in place adequate technical, organizational, and legal measures to protect the personal data, including binding contractual commitments with the personal data recipient.

The Asset Manager, its directors and employees as well as all of its outsourcing partners and agents are subject to professional secrecy obligations pursuant to the Financial Institutions Act.

If the client refuses to disclose the requested information, the Asset Manager may not be able to provide specific services, may not be allowed to enter into a business relationship or must terminate the relationship.

The Asset Manager must not and will not delete this information upon or shortly after termination of a business relation but will keep this data stored as required by applicable legislation. In general, the Asset Manager stores personal data for a period of 10 years from the termination of a business relationship. However, a longer period of time may apply.

The Asset Manager maintains adequate internal guidelines and compliance programs for the processing of personal data.

If you have any question about data processing, please contact in writing our compliance department to the below address:

Premium Assets SA  
Quai Gustave-Ador 30  
1207 Genève

PREMIUM ASSETS SA