

## **Information about Martellus Capital AG and the financial services it offers pursuant to the FinSA**

In the context of our statutory obligations, with this document we are hereby providing you with information about Martellus Capital AG (hereinafter referred to as “THE COMPANY” or “WE/US”), the financial services we offer and the associated risks, our process for dealing with conflicts of interest, our remuneration principles, our clients’ legal recourse in the case of disputes and other key aspects related to our business activity. The information contained in this document may change from time to time. You can download the latest version of the document in a digital format from our website, or obtain a hard copy from our business address.

With this document Martellus Capital AG is complying with its statutory information obligations pursuant to the Federal Act of 15 June 2018 on Financial Services (FinSA; *Bundesgesetz vom 15. Juni 2018 über die Finanzdienstleistungen – FIDLEG*). We welcome the opportunity to answer any further questions you may have in the context of a private discussion.

MARTELLUS CAPITAL  
(Unsigned cover sheet)

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# 1 Information about Martellus Capital AG:

## 1.1 About the Company

MARTELLUS CAPITAL AG (“THE COMPANY”) is a public limited company established under Swiss law that has its registered office and domicile on Seehofstrasse 4 in 8008 Zurich. Clients and other business partners can contact us in Zurich during normal local business hours using the following contact details:

<b>Name</b>	Martellus Capital AG
<b>Address</b>	Seehofstrasse 4
<b>Postal code/city</b>	8008 Zurich
<b>Phone</b>	+41 44 521 54 41
<b>E-mail</b>	info@martellus.ch
<b>Web</b>	martellus.ch

<b>Commercial register No.</b>	CHE-101.605.962
<b>VAT No.</b>	507.359

## 1.2 Our services

## 1.3 Regulatory status

THE COMPANY IS A FINMA-LICENSED ASSET MANAGER IN ACCORDANCE WITH ART. 2 PARA. 1 FINIA AND MEETS THE REQUIREMENTS OF THE FEDERAL ACT OF 15 JUNE 2018 ON FINANCIAL SERVICES (FINANCIAL SERVICES ACT, FINSA; SR 950.1). IN ADDITION, THE COMPANY IS AFFILIATED WITH OMBUD FINANCE SWITZERLAND (OFS), 16 BOULEVARD DES TRANCHÉES, 1206 GENEVA, IS SUPERVISED BY THE SUPERVISORY ORGANISATION OF AOOS - SCHWEIZERISCHE AKTIENGESELLSCHAFT FÜR AUFSICHT AND IS A MEMBER OF THE SWISS ASSOCIATION OF ASSET MANAGERS (SAAM). THE COMPANY IS SUBJECT TO SUPERVISION WITH REGARD TO ANTI-MONEY LAUNDERING AND THE PROFESSIONAL CODE OF CONDUCT BY THE SELF-REGULATORY ORGANISATION Schweizerische Aktiengesellschaft für Aufsicht (AOOS), Clausiusstrasse 50, 8006 Zurich.

Pursuant to the Federal Act of 15 June 2018 on Financial Institutions (FinIA; *Bundesgesetz vom 15. Juni 2018 über die Finanzinstitute – FINIG*), THE COMPANY IS SUBJECT TO PROFESSIONAL CONFIDENTIALITY LAWS.

THE COMPANY IS AUTHORIZED TO PROVIDE INVESTMENT ADVICE AND ASSET MANAGEMENT SERVICES SOLELY IN SWITZERLAND. THE LEGAL RELATIONSHIP BETWEEN THE CLIENT AND THE COMPANY IS SOLELY SUBJECT TO SWISS LAW.

## 2 Service provision principles

### 2.1 No third-party distribution ties

THE COMPANY provides its services independently of banks and suppliers of financial products. There are no exclusive obligations. On request from its clients, THE COMPANY recommends banks and securities firms for the deposit of the clients' assets, which in THE COMPANY's judgement and experience ensure the best execution of the client's orders in terms of price, quantitative and qualitative criteria. In doing so it will also consider the extent of the client's assets and their proportion to the overall volume of assets managed by THE COMPANY.

The company works with third-party providers in connection with the issue of other financial products (in particular structured bonds and managed certificates). We also recommend corresponding financial products to clients and use them in discretionary asset management. Investment strategies and investment universe

THE COMPANY offers its clients standard strategies that are aligned with their investment goals or agrees individual investment strategies with its clients. We seek to match the investment strategy used with the client's investment experience and knowledge. However, in the scope of discretionary asset management mandates we also reserve the right to use financial products that do not match the client's experience or knowledge without providing the client with a separate explanation of the detailed properties and risks of these products. If the client requests an investment strategy that does not match their knowledge or experience, we will warn the client accordingly.

Clients that do not request discretionary asset management but require investment advice are advised generally in the context of a portfolio that is intended to be aligned with our advice. In doing so we take account of the client's investment goals, his knowledge and experience and his appetite and tolerance for risk. We inform our advisory clients of the properties and risks of the financial products that we recommend, pursuant to the statutory requirements.

The investment universe used by THE COMPANY is deliberately maintained within manageable limits. We predominantly use collective investments, actively managed certificates and also structured bonds to ensure an appropriate level of diversification of the client's investment opportunities and risks. We use investments in individual securities (e.g. specific equities) in order to set a focus within the portfolio in respect of optimised returns. We use derivatives and forward transactions for specific risk management of the portfolio as a whole at the most efficient cost level.

### 2.2 Information on the type and extent of risk disclosure

On its own initiative, THE COMPANY provides the client with information about any special risks associated with the buying, selling, and holding of financial products. The brochure "*Risks Involved in Trading Financial Instruments*" published by the Swiss Bankers Association (SBA) is used by THE COMPANY for this purpose. On agreement of a contract, we ask our clients to confirm that they have received, read and understood this document. We expect clients who do not understand the

information presented in the aforementioned document to expressly seek further information or clarification from us.

If the client agrees on a discretionary asset management mandate with THE COMPANY, THE COMPANY will make investments independently, bearing in mind the client's stated investment goals and in the context of the investment strategy agreed with the client, without obtaining the agreement of the client in the individual case. THE COMPANY will also take account of the client's investment horizon. Where investment horizons extend to several years, THE COMPANY will also make investments in longer-term financial instruments that therefore in some circumstances cannot be returned or sold at market prices (i.e. to the stock exchange). In this context, THE COMPANY can also make investments in financial instruments that are not open to retail clients in the sense of the FinSA, are not traded on an exchange or that can only be terminated at certain times or with a certain period of notice. This may result in delays to the availability of income from the sale.

The client is informed of additional risks of the investment strategy that THE COMPANY uses for its clients in discretionary asset management in the context of an advisory meeting.

THE COMPANY wants to offer its clients services that are compatible with their financial situation, risk tolerance and risk appetite. This requires the clients to disclose their financial situation, knowledge, and experience. Should a client provide incomplete, false or no information in this respect, THE COMPANY cannot ensure that the strategies and individual investments recommended and applied are suited to the client's overall circumstances. This can give rise to various risks or concentrations of risks, regarding unbalanced investments, an inappropriate overall mix of investments, etc. Owing to a lack of information, THE COMPANY cannot identify, assess, or control these risks. We expect our clients to discuss any material changes to their financial situation with us. This will allow us to check whether the strategies that have been agreed and individual investments are still aligned with their personal circumstances.

### **2.3 Fees and payments to the Company**

THE COMPANY endeavours to provide its clients with good value for money. Its efforts in this respect are primarily focused on the overall asset management costs for the client. Since many of the financial services and products, including those of equivalent quality to that offered by THE COMPANY, include marketing costs in the price, THE COMPANY seeks to recover part of these marketing costs. This revenue is included in THE COMPANY's general income statement and, if the client has selected the contract variant that authorises THE COMPANY to receive the aforementioned compensation from third parties, is used to benefit the client by a corresponding reduction in the asset management fees. Staff salaries are not directly dependent on benefits from third parties. The benefits from banks, fund companies and issuers serve to cover running costs, which are designated for improving the quality of service.

THE COMPANY's fee for its services comprises the administration fee paid by its clients and may also include benefits from banks, fund companies and issuers ("benefits from third parties").

The fee charged to the client is generally calculated as a percentage of the assets under management, both for discretionary asset management and for investment advice in a portfolio context.

The individual asset management or investment advice agreement concluded with each client governs whether the third-party compensation should be paid to THE COMPANY or passed on to the client.

Depending on the client's custodian bank and the investments undertaken, the level of third-party benefits may vary greatly. At the client's request we will exclusively recommend custodian banks and financial products, and will exclusively make investments, that do not generate third-party compensation.

Third-party benefits may be incurred as follows:

Deposit fees that are charged to the client by the bank:	0%–25%;
Brokerage fees that are charged to the client by the bank:	0%–50%.

THE COMPANY receives benefits of between 0% and 1.0% of the assets invested from fund managers.

If units in collective investment schemes are subscribed for the client, up to 3% of the investment volume may be reimbursed to THE COMPANY from premiums on the issue amount.

In the case of investments in certificates and structured bonds, placement fees amounting to up to 3% of the investment volume may be levied.

Banks may pay up to 50% of their currency and volume-dependent trading margin to THE COMPANY in respect of foreign exchange transactions.

If a client borrows funds to invest, the lending institute will pay THE COMPANY up to 25% of the credit interest charged to the client.

In total, such compensation may amount to up to 2% of the client assets managed by THE COMPANY per year.

These benefits serve as compensation for THE COMPANY's services to banks, fund companies and issuers regarding regulation. They also cover THE COMPANY's marketing services. The breakdown of these areas is not calculated. Banks and issuers also provide THE COMPANY with technical and other services at no charge (in particular, financial analyses, access to financial information systems, occasional hospitality). These services are incurred exclusively by THE COMPANY. THE COMPANY's clients are not entitled to any discount on agreed fees and other services on this basis.

If THE COMPANY is unable to reach an investment decision based on an asset management contract, at the client's request it may submit a personal recommendation regarding financial instruments. For this purpose, it will provide the client with key information documents prepared by or on behalf of the issuers and will provide information about the risks and costs associated with the recommended financial instrument (including any remuneration it receives itself).

## 2.4 Best execution of client orders

THE COMPANY executes orders from and for clients in the scope of asset management and representation of clients exclusively via the client's relevant custodian bank. Where we carry out investment activities for clients exclusively based on powers of attorney limited to administrative acts, this is a guarantee of best execution in our opinion for the custodian banks that we recommend in terms of the price. The companies recommended by THE COMPANY also offer the

best guarantee for probability, speed and security of the execution at best prices under normal market conditions.

If THE COMPANY issues client orders for multiple clients and at multiple custodian banks, it is not possible to guarantee that the orders for all clients can be executed at the same conditions.

In individual cases, THE COMPANY will subscribe financial instruments directly from the issuer. It will do this in cases where it can avoid issue surcharges by doing so.

## 2.5 Exercise of voting rights

THE COMPANY only exercises voting rights associated with financial assets (in particular equity securities such as shares) if expressly requested to do so on a particular occasion by its clients. THE COMPANY will not inform its clients of occasions on which clients are able to exercise voting rights unless requested to do so by the client.

## 2.6 Potential registration obligation when acquiring shares

Should THE COMPANY as part of its asset management operations acquire shares of officially quoted companies that collectively are subject to registration, THE COMPANY will file the mandatory reports.

# 3 Information about conflicts of interest

In asset management and investment advisory, conflicts of interest are not always wholly unavoidable. The interests of clients and the interests of THE COMPANY, its staff and shareholders may differ or be contradictory. THE COMPANY therefore informs its clients, in relation to potential conflicts of interest, of the following:

- If and when THE COMPANY itself manages the financial products that it recommends to clients or uses for the purposes of investing the client' assets ("in-house products"), THE COMPANY itself achieves higher income than when using products from third parties. In some circumstances this can result in a conflict of interests due to incentives to use in-house products when financial products of a third-party provider would be more representative of the clients' interests.

THE COMPANY only uses in-house products as an additional element of the investment universe at its disposal. The costs of in-house products (administrative and management costs) do not differ from those of comparable products offered by third-party providers.

- Benefits from banks, fund managers and issuers may create incentives to produce increased sales of securities or to select more products that generate higher remuneration, even though these do not represent the best option in the clients' interests.

The potentially undesirable effects of these contradictory interests cannot be completely excluded through organisational measures. This is particularly true as THE COMPANY is managed by its owners. We offset any residual conflict of interest by providing our clients with comprehensive information and giving them the choice of excluding in contract those

service providers and products that pay commissions or agreeing that commissions from third parties should be transferred to the client. Nevertheless, THE COMPANY does not provide its clients with any assurances that the overall costs of asset management will therefore be lower.

- In the case of subscription of financial products issued for the first time (in particular initial public offerings [IPOs] of shares), client subscriptions may be in competition with the subscriptions of THE COMPANY and/or its employees. If an issue is oversubscribed this may result in reduced client allotments.  
Such cases should only occur very infrequently, if at all, given the investment universe managed by THE COMPANY. THE COMPANY's investment strategies do not include subscription of shares in IPOs. If clients request that THE COMPANY subscribe on their account, we will disclose whether and to what extent THE COMPANY and its employees who are involved in investment activities are also subscribing.
- If THE COMPANY or its employees make investments in the same financial instruments as parts of the client assets, the client may suffer disadvantages for various reasons. Statutory rules prohibit us from undertaking any transactions that could entail such disadvantages, such as front, parallel or after-running. Our compliance with this prohibition is monitored. Furthermore, THE COMPANY and its employees may, as part of their own asset management, invest in the same financial instruments in which client assets are also invested. Internal rules prohibit THE COMPANY or its employees from abusing any inside information to which they are party. Moreover, THE COMPANY only makes investment decisions based on publicly accessible information and on the basis of financial analysis prepared by its employees or contractors.
- If THE COMPANY issues client orders for multiple clients and at multiple custodian banks, it is not possible to guarantee that the orders for all clients can be executed at the same conditions. THE COMPANY organises the issuing of orders so that serious disadvantage of individual clients is avoided. However, it is not possible to guarantee that all clients will be treated in the same way in terms of pricing and timing.

## 4 Presentation of accounts by the Company to the client

THE COMPANY submits a report on its operations to its clients based solely on the bank documents issued for the client. The documents and statements regarding the client's accounts and securities accounts at the custodian bank show THE COMPANY's fee as remuneration and not as expenses for managing assets. A performance expressed in percentage points is therefore shown as slightly better than actual performance in accordance with expenses.

THE COMPANY will present the client with account, custody account and performance summaries specified in the client's contract from its custodian bank and on request.



The publication of additional documents and information is subject to Article 72 et seq. of the FinSA and the provisions of data protection law.

## 5 Additional information

### 5.1 Information about the delegation of significant services

THE COMPANY carries out the investment activity on behalf and for the account and risk of the client. It also reserves the right to outsource significant operational tasks of THE COMPANY to third parties. THE COMPANY will ensure that the third parties to which activities are outsourced have the necessary capabilities, expertise and experience and the required approvals and registrations to carry out these activities. The asset manager will only be liable for the proper due diligence in the selection, instruction, and supervision of these third parties.

Relationships with entities through which THE COMPANY arranges third-party services for its clients, such as banks, issuers, lawyers, tax consultants and trustees, do not constitute delegation.

### 5.2 Information on collection of information, data processing and client classification

THE COMPANY classifies all its clients pursuant to the provisions of the FinSA. Clients classified as retail clients may in some circumstances request classification as professional investors. THE COMPANY collects information from its clients about their personal and financial circumstances in the scope of client classification and to comply with statutory obligations in the prevention and combating of money laundering and terrorist financing. In this context, THE COMPANY may also create personal profiles and handle particularly sensitive personal data. If the client refuses to provide such information, THE COMPANY may in some circumstances be unable to provide specific services or must not engage in or must terminate a business relationship.

### 5.3 Client information pursuant to the Swiss Collective Investment Schemes Act (CISA)

Based on the written asset management contract agreed with THE COMPANY, clients are considered as qualified investors in the context of the legislation on collective investment schemes. This means it is also possible to undertake investments in products that are solely available to qualified investors. These products are generally not intended for non-qualified investors and are subject to lower investor protections.

Any client can provide THE COMPANY with a written statement that they do not wish to be treated as a qualified investor. In this case, no investments will be made in financial products that are intended for qualified investors. Any existing investments in such products will be disposed of at the earliest opportunity.

## 5.4 Unclaimed assets

Sometimes, contact with clients is lost and the assets are unclaimed. Clients and their heirs may ultimately forget that the assets exist. The following recommendation is made to avoid loss of contact and assets become unclaimed:

- **Changes to name and address:** Please inform us immediately of any changes to your name, address, or place of residence.
- **Special instructions:** Please inform us of longer periods of absence and any redirection of correspondence to another address and provide details of how you may be contacted urgently during this time.
- **Power of attorney:** It may be recommended to identify an authorised person whom the asset manager can approach if contact is lost.
- **Information about authorised persons and last will/testament:** A further option to avoid the loss of contact and consequential unclaimed assets is to name an authorised person who is informed of the relationship with the asset manager. However, an asset manager is only able to provide information to such an authorised person if they hold a written power of attorney. In addition, the assets concerned may be mentioned in a document such as a last will/testament.

The asset manager is happy to respond to any questions. Further information can be found in the Swiss Banking publication “Contactless and dormant assets”. The publication can be found on the Internet: [www.swissbanking.org/en](http://www.swissbanking.org/en)

## 5.5 Complaints/ombudsman

THE COMPANY treats all complaints from clients very seriously. All complaints are investigated and assessed internally by persons not involved in the business relationship. Clients who are not satisfied with the way in which their complaint has been handled or with the outcome of a complaint can launch a free investigation procedure with the ombudsman office responsible for THE COMPANY. THE COMPANY’s ombudsman is OFS, Ombud Finance Switzerland, Rue du Conseil Général 10, 1205 Geneva. Ombudsman proceedings may be conducted in German, French, Italian or English.

## 5.6 Additional information

At your request, your asset manager will be happy to provide additional information about potential conflicts of interest in conjunction with the services they provide and arrangements that have been made to protect clients.