

Information on the Swiss Federal Financial Services Act ([FinSA](#))

FinSA aims to improve client protection and to establish comparable regulatory framework conditions for the rendering of financial services by financial services providers.

In this context, it defines rules of conduct that financial services providers must comply with in relation to their clients when rendering financial services with respect to financial instruments, such as discretionary management or investment advisory services, or the distribution or offering of collective investment schemes (hereinafter 'financial services').

This FinSA-related document is intended to provide clients of L1D AG (hereinafter "L1D") with information about the services and products it offers as well as other information as required by FinSA.

1. General information about L1D

a. Contact, legal form

L1D is a company limited by shares (*Aktiengesellschaft*) incorporated and existing under the laws of Switzerland, having its registered office at Limmatquai 1, 8001 Zurich, Switzerland and registered with the Canton of Zurich under the number CHE-376.585.439.

b. Regulatory status and association

L1D is authorized and supervised by the Swiss Financial Market Supervisory Authority (FINMA, Laupenstrasse 27, 3003 Bern,) as a manager of collective assets.

L1D is a member of the *Asset Management Association Switzerland* as of September 2022.

2. L1D's financial services

a. General information

L1D acts as a portfolio manager and investment adviser to foreign collective investment schemes and offers those investment schemes in Switzerland. L1D only services professional and institutional clients as defined in FinSA.

b. Asset management

L1D provides asset management services to collective investment schemes domiciled abroad. Those collective investment schemes are reserved for qualified investors/ professional and institutional clients as defined in FinSA.

c. Investment advisory

L1D provides investment advisory services to collective investment schemes domiciled abroad. Those collective investment schemes are reserved for qualified investors/ professional and institutional clients as defined in FinSA.

d. Distribution or offering of collective investment schemes

L1D provides, promotes, distributes and offers collective investments schemes exclusively to professional and institutional clients

e. Acceptance and handling of client orders (execution-only transactions)

L1D does not provide any execution-only services to its clients.

3. Client classification

In the context of the provision of financial services, FinSA gives rise to an obligation to categorize clients. For this reason, L1D assigns its clients to the three categories of 'Retail Clients', 'Professional Clients' and 'Institutional Clients'. L1D does not provide financial services to Retail Clients.

Please find below a brief description of the FinSA client categories:

a. Retail Clients

Retail Clients are generally deemed to be all clients who are not Professional or Institutional Clients.

b. Professional clients

In addition to regulated financial intermediaries (e.g. banks or regulated asset managers), Professional Clients include insurance companies and central banks, as well as occupational pension schemes with professional treasury operations and other occupational pension institutions providing professional treasury operations, public bodies and enterprises with a professional treasury operation, large enterprises (that exceed two of the following thresholds: total assets of CHF 20 million, revenue of CHF 40 million or equity of CHF 2 million) and private investment structures with professional treasury operations put in place for high-net-worth individuals. Less extensive client protection regulations are in place with regard to Professional Clients compared to Retail Clients, but these are more extensive than those that need to be complied with vis-à-vis Institutional Clients.

c. Institutional Clients

Certain Professional Clients are deemed to be Institutional clients and are treated as a separate client category. These are regulated financial intermediaries (e.g. banks or regulated asset managers), insurance companies, central banks and certain public bodies with professional treasury operations. The clients assigned to this category are subject to the least extensive client protection regulations, as they typically require a reduced level of protection, or no protection, on account of their structure, experience, and financial resources. In particular, the conduct rules defined in FinSA do not apply to Institutional Clients.

d. Change in client category

High-net-worth individuals may declare in writing to L1D their wish to be treated as Professional Clients (opting-out) if they either (i) have assets of at least CHF 500,000 and have, due to their personal training and professional experience or due to comparable experience in the financial sector, the knowledge required to enable them to understand the investment risks; or (ii) have assets of at least CHF 2 million at their disposal.

Attributable financial investments are deemed to be bank deposits, certificates, stock rights including securities, collective investment schemes and structured products, derivatives, precious metals, life insurance policies with a surrender value and fiduciary deposits. Non-attributable financial

investments are specifically deemed to be direct investments in real estate and social security entitlements or occupational pension credits.

Private investment structures not qualifying as Professional Clients may also declare in writing to L1D their wish to be treated as Professional Clients (opting-out) if certain conditions similar to the ones applicable to high-net-worth individuals are met.

Please contact us in the following cases:

- I. Private Clients may declare that they wish to be treated as Professional Clients if the aforementioned conditions are met (opting out). Please contact us if you wish to [opt-out to become classified as a Professional Client](#).
- II. Professional Clients (who are not Institutional Clients) may declare that they wish to be treated as Retail Clients (opting-in). In this case L1D will not be able to enter in any type of relationship with the Client. Please contact us if you wish to [opt-in to become classified as a Private Client](#).
- III. Institutional Clients may declare that they wish to be treated as Professional Clients (opting-in). Please contact us if you wish to [opt-in to become classified as a Professional Client](#).
- IV. Certain Professional Clients may declare that they wish to be treated as Institutional Clients (opting-out). Please contact us if you wish to [opt-out to become classified as an Institutional Client](#).
- V. Professional Clients may declare that they wish to waive L1D's FinSA certain conduct rules in accordance with Art. 20 para. 2 FinSA. Please contact us if you wish to [waive FinSA duties](#).

Our [COO](#) is available to explain the details and consequences of any change in client category and the consequences of the waiver.

4. Prices and fees

L1D charges fees for the provision of investment management and advisory services. These include management, advisory, performance, and carried interest fees charged in the context of the investment management and investment advisory agreements with the respective collective investment scheme. L1D does not charge any fees to its clients for the distribution of collective investment schemes.

5. Execution of client orders

In the context of its services to foreign collective investment schemes, L1D executes or advises on transactions performed by the collective investment schemes.

6. Organisational measures

a. Conflicts of interest

As a financial services provider, L1D must take appropriate organizational measures to avoid as far as possible any conflicts of interest that may arise in the provision of financial services or to rule out any disadvantages for its Clients, should it not be possible to completely avoid a conflict of interest. L1D takes account of these requirements and has defined internal rules to mitigate and deal with conflict of interest. Such internal rules may include, but are not limited to, the following: the functional and organizational separation of units within L1D, general market conduct rules, and guidelines on employee transactions. If disadvantages for Clients cannot be excluded, L1D will inform the relevant Clients. Some of L1D employees may serve as board members or hold positions in external companies. L1D has granted loans to investee companies of the funds it advises, and bridge loans to the funds it advises.

7. Risks inherent in trading with financial instruments

Trading with financial instruments involves financial risks. Information on the general risks can be found in the [Brochure](#) "Risks involved in Trading Financial Instruments" issued by Swiss Banking. These risks can vary greatly depending on the financial instrument. In addition, with respect to the risks associated with an investment in collective investment schemes managed or advised by L1D, specific information can be found in the corresponding legal prospectus or establishment documents. The product relating documentation, insofar as they are provided by the respective fund, may be obtained free of charge on request.

8. Complaint management and Ombudsman

Clients are entitled to initiate a mediation procedure with Finanzombudsstelle Schweiz (FINOS) Talstrasse 20, 8001 Zürich, e-mail: info@finos.ch, phone: +41 44 552 08 00, website: www.finos.ch. This procedure is free of charge for the client concern and is intended to settle the dispute by conciliation between the parties.