

## Information on financial services

This text applies mutatis mutandis to female and plural persons.

Dear Sir or Madam

This information brochure is intended to inform you about Capeo Wealth AG (hereinafter referred to as the "asset manager"), our measures to prevent contact being broken off or dormant, the financial services we offer and the associated risks, how we deal with conflicts of interest and the initiation of mediation proceedings before the ombudsman's office. The information in this brochure may change from time to time. You can obtain the latest version of this brochure from our business address.

We will inform you separately about the costs and fees of the financial services offered.

For information on the general risks associated with financial instruments, please refer to the enclosed brochure "Risks associated with trading in financial instruments" published by the Swiss Bankers Association. The brochure is also available on the Internet at [www.swissbanking.ch](http://www.swissbanking.ch).

This brochure fulfils the information requirements of the Financial Services Act and is intended to provide you with an overview of the asset manager's financial services. Should you require further information, we will be happy to arrange a personal meeting with you.

Capeo Wealth AG

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## 1. Information about the asset manager

### 1.1 Name and address

|                 |  |
|-----------------|--|
| Name            | Capeo Wealth AG  |
| Address         | Holbeinstrasse 31  |
| Postcode / City | 8008, Zurich   |
| Telephone       | +41 44 585 9909  |
| e-mail          | <a href="mailto:info@capeowealth.com">info@capeowealth.com</a> |
| Website         | <a href="http://www.capeowealth.com">www.capeowealth.com</a>   |
| UID             | CHE-328.928.471  |
| VAT no.         | CHE-328.928.471 MWST   |

### 1.2 Field of activity

The asset manager is based in Zurich. It offers asset management and other financial services.

### 1.3 Supervisory status and competent authority as well as supervisory organisation

The asset manager holds a licence pursuant to Article 5 paragraph 1 of the Financial Institutions Act, which has been granted by the Swiss Financial Market Supervisory Authority FINMA, Laupenstrasse 27, 3003 Berne. Furthermore, the asset manager is supervised by the supervisory organisation AOS - Swiss limited corporation for supervision, Clausiusstrasse 50, 8006 Zurich.

### 1.4 Professional secrecy

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

### 1.5 Economic ties to third parties

There are economic ties to custodian banks, which can lead to conflicts of interest. If a disadvantage to clients cannot be ruled out, this will be disclosed.

## 2. Dormant assets

Sometimes contacts with customers are broken off and the assets subsequently become dormant. Such assets can be permanently forgotten by customers and their heirs. The following is recommended to avoid loss of contact or dormancy:

- **Changes of address and name:** Please notify us immediately if you change your place of residence, address or name.
- **Special instructions:** Please inform us about longer absences and about any redirection of correspondence to a third-party address as well as about how to reach us in urgent cases during this time.
- **Granting of powers of attorney:** It may be advisable to designate an authorised person whom the asset manager can approach in the event that contact is broken off.
- **Orientation of trusted persons and testamentary disposition:** Another way to avoid contactlessness and lack of information is to inform a trusted person about the relationship with the asset manager. However, the asset manager may only provide such a trusted person with information if they have been authorised to do so in writing.

The assets concerned can also be mentioned in a testamentary disposition, for example.

The asset manager will be happy to answer any questions you may have. Further information can also be found in the brochure "Dormant Assets" published by the Swiss Bankers Association. The brochure is available on the Internet at [swissbanking.ch/en/financial-centre/information-for-bank-clients-and-companies/dateless-assets](http://swissbanking.ch/en/financial-centre/information-for-bank-clients-and-companies/dateless-assets).

### 3. Information on the financial services offered by the asset manager

#### 3.1 Asset management

##### 3.1.1 Nature, characteristics and functioning of the financial service

In asset management, the asset manager manages assets deposited by the client with a custodian bank in the name, for the account and at the risk of the client. The asset manager carries out transactions at his own discretion and without consulting the client. In doing so, the asset manager ensures that the transaction executed by him corresponds to the client's financial circumstances and investment objectives as well as the investment strategy agreed with the client and ensures that the portfolio structure is suitable for the client.

##### 3.1.2 Rights and obligations

In asset management, the client has the right to manage the assets in his portfolio. The asset manager selects the investments to be included in the portfolio with due care within the scope of the market offerings taken into account. The asset manager ensures an appropriate risk diversification insofar as the investment strategy permits. He regularly monitors the assets under his management and ensures that the investments are in line with the agreed investment strategy and are suitable for the client.

The asset manager informs the client regularly about the asset management agreed and provided.

##### 3.1.3 Risks

Asset management generally involves the following risks, which lie within the client's sphere of risk and are therefore borne by the client:

- **Risk of the selected investment strategy:** Various risks may arise from the investment strategy selected and agreed by the customer (see below). The customer bears these risks in full. A presentation of the risks and a corresponding risk disclosure are provided before the investment strategy is agreed.
- The risk **that** the financial instruments in the portfolio will lose value: This risk, which may vary depending on the financial instrument, is borne in full by the customer. For the risks of the individual financial instruments, please refer to the brochure "Risks in trading with financial instruments" published by the Swiss Bankers Association.
- **Information risk on the part of the asset manager** or the risk that the asset manager has too little information to make an informed investment decision: When managing assets, the asset manager takes into account the client's financial circumstances and investment objectives (suitability test). If the client provides the asset manager with insufficient or inaccurate information about his financial circumstances and/or investment objectives, there is a risk that the asset manager will not be able to make suitable investment decisions for the client.

- **Risk as a qualified investor in collective investment schemes:** Clients who utilise asset management services as part of a long-term asset management relationship are considered qualified investors within the meaning of the Collective Investment Schemes Act. Qualified investors have access to forms of collective investment schemes that are exclusively open to them. This status enables a broader range of financial instruments to be taken into account when organising the portfolio. Collective investment schemes for qualified investors may be exempt from regulatory requirements. Such financial instruments are therefore not or only partially subject to Swiss regulations. 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 scheme can be found in the constituent documents of the financial instrument and, if applicable, in the key information document and the prospectus.

Furthermore, risks arise in asset management which lie within the asset manager's sphere of risk and for which the asset manager is liable to the client. The asset manager has taken suitable measures to counter these risks, in particular by observing the principle of good faith and the principle of equal treatment when processing client orders. Furthermore, the asset manager ensures the best possible execution of client orders.

#### 3.1.4 Market offer considered

The market offering taken into account when selecting financial instruments includes third-party and own financial instruments. The following standard banking financial instruments are available to the client as part of asset management:

- **Money market investments** such as fixed-term deposits and fiduciary investments, etc.
- **Equity securities** such as shares and equivalent securities
- **Debt securities**, such as government and corporate bonds, etc.
- **Units in collective investment schemes**, such as investment funds and exchange-traded ETFs in particular
- **Structured products**, such as capital protection, yield optimisation, participation and so-called hedging products
- **Derivatives**, in particular futures, SWAPs and options

Under the Financial Services Act FinSA, the financial instruments pursuant to Art. 3 terms a and b apply. In addition, digital assets that can be held in custody can be taken into account.

### 3.2 Execution Only

#### 3.2.1 Nature, characteristics and functioning of the financial service

Execution only refers to all financial services that relate purely to the transmission of client orders by the asset manager without any advice or management. In the case of execution only, orders are initiated exclusively by the client and transmitted by the asset manager. **The asset manager does not check the extent to which the transaction in question corresponds to the client's knowledge and experience (appropriateness) and financial circumstances and investment objectives (suitability).** In connection with the future placing of orders by the client, the asset manager will not point out again that no appropriateness and suitability test will be carried out.

#### 3.2.2 Rights and obligations

In the case of Execution Only, the client has the right to place orders to buy or sell financial instruments within the scope of the market offer taken into account. The asset manager is obliged to transmit orders for execution with the same diligence that he applies in his own affairs.

The asset manager shall inform the client immediately of all material circumstances that could impair the correct processing of the order. Furthermore, the asset manager shall regularly inform the client about the agreed and executed orders.

### 3.2.3 Risks

In the case of Execution Only, the following risks generally arise, which lie within the customer's sphere of risk and are therefore borne by the customer:

- **Preservation of value risk** or the risk that the financial instruments in the portfolio will lose value: This risk, which may vary depending on the financial instrument, is borne entirely by the client. For the risks of the individual financial instruments, please refer to the brochure "Risks in trading financial instruments" published by the Swiss Bankers Association.
- **Information risk on the part of the client** or the risk that the client has too little information to make an informed investment decision: With execution only, the client makes investment decisions without the involvement of the asset manager. Accordingly, the client needs specialist knowledge to understand the financial instruments and time to familiarize himself with the financial markets. If the client does not have the necessary knowledge and experience, he runs the risk of investing in a financial instrument that is inappropriate for him. A lack of or inadequate financial knowledge could also lead to the client making investment decisions that do not correspond to his financial circumstances and/or investment objectives.
- **Risk with regard to the timing of order placement** or the risk that the customer chooses a bad time to place the order, which leads to price losses.
- **Risk of inadequate monitoring** or the risk that the client does not monitor his portfolio or monitors it inadequately: The asset manager has no duty to monitor, warn or clarify at any time. Insufficient monitoring by the client can be associated with various risks, such as cluster risks.

Furthermore, Execution Only gives rise to risks that lie within the asset manager's sphere of risk and for which the asset manager is liable to the client. The asset manager has taken appropriate measures to counter these risks, in particular by observing the principle of good faith and the principle of equal treatment when processing client orders. Furthermore, the asset manager ensures the best possible execution of client orders.

### 3.2.4 Market offer considered

The market offering taken into account when selecting financial instruments, see 3.1.4, is based on that of the custodian bank chosen by the client.

## 4. Customer classification

The FinSA provides for the following categorisation of clients of financial service providers: Private clients, professional clients and institutional clients. Depending on the category, investor protection differs, for example with regard to information obligations, the requirement for suitability and appropriateness checks as well as documentation and accountability obligations. Capeo Wealth AG treats clients as private clients unless they are informed otherwise. If a client is not already classified as a professional client by law ("per se professional client"), the wealthy private client can declare in writing to Capeo Wealth AG at any time that he wishes to change the client category to professional client ("opting out"). Our client advisors can tell you which FINSA requirements are necessary for this.

## 5. Dealing with conflicts of interest

### 5.1 In general

Conflicts of interest may arise if the asset manager:

- can gain a financial advantage or avoid a financial loss at the expense of customers in breach of good faith;
- has an interest in the outcome of a financial service provided to clients that is contrary to that of the clients;
- has a financial or other incentive in the provision of financial services to favour the interests of particular clients over the interests of other clients; or
- accepts an inducement in the form of financial or non-financial benefits or services from a third party in breach of good faith in relation to a financial service provided to the customer.

Conflicts of interest may arise in connection with execution only and asset management. They arise in particular through the combination of:

- several customer orders;
- Client orders with own transactions or other own interests of the asset manager or his employees

The asset manager has issued internal directives and taken organisational precautions to identify conflicts of interest and prevent them from being detrimental to the client:

- When executing orders, the asset manager observes the priority principle, i.e. all orders are recorded immediately in the chronological order in which they are received.
- The asset manager shall require its employees to disclose any mandates that could lead to a conflict of interest.
- The asset manager designs his remuneration policy in such a way that no incentives are created for behaviours that are frowned upon.
- The asset manager shall provide its employees with regular further training and ensure that they have the necessary expertise.
- The asset manager consults the control function in the event of possible conflicts of interest and has them authorised.

### 5.2 Compensation by and to third parties in particular

As part of the provision of financial services, the asset manager may accept compensation from third parties. The asset manager shall inform his clients of the type, scope, calculation parameters and bandwidths of compensation from third parties that may accrue to the asset manager in the course of providing the financial service. The client waives the compensation from third parties and the asset manager retains it. The asset manager has taken appropriate internal measures to avoid any resulting conflicts of interest.

## 6. Ombudsman's office

Your satisfaction is our concern. If the asset manager has nevertheless rejected a legal claim on your part, you can initiate mediation proceedings through the ombudsman's office. In this case, please contact:

|                        |   |
|------------------------|---|
| <b>Name</b>            | <i>Verein<br/>Ombudsstelle<br/>Finanzdienstleister<br/>(OFD)</i>  |
| <b>Address</b>         | <i>Bleicherweg 10</i>   |
| <b>Postcode / City</b> | <i>CH-8002, Zurich</i>  |
| <b>Telephone</b>       | <i>+41 44 562 05 25</i>   |
| <b>email</b>           | <i><a href="mailto:ombudsmann@ofdl.ch">ombudsmann@ofdl.ch</a></i> |
| <b>Website</b>         | <i><a href="https://www.ofdl.ch">https://www.ofdl.ch</a></i>      |