

„Information on dealing with potential conflicts of interest“ of Swiss Capital Wealth Management (Liechtenstein) AG

Asset management companies endeavour to safeguard and to strike a proper balance between the interests of their clients, shareholders and employees. However, asset management companies which render a wide variety of high-quality financial services for their clients are not always entirely able to exclude conflicts of interest. In accordance with Art. 20 of the Liechtenstein Asset Management Act («VVG») and Art. 12 b of the Liechtenstein Asset Management Ordinance («VVO»). We therefore take this opportunity to inform you about the measures we have put in place to avoid possible conflicts of interest, as follows:

Conflicts of interest can arise between our company, other companies within our Group, our company management, our employees, our contractually associated intermediaries or other persons who are associated with us and our clients or between our clients.

In order to prevent inappropriate interests influencing, for example, our consultancy services, order execution, asset management or financial analysis, we have committed ourselves as well as our employees to **stringent ethical standards**. We expect our employees to act at all times diligently and fairly, legally and professionally, in accordance with market standards as well as, in particular, at all times in accordance with **the interests of the client**.

In order to avoid potential conflicts of interest from the outset, we have implemented inter alia the following **measures**:

- the creation of a compliance function in our company with responsibility for identifying, avoiding and managing possible conflicts of interest, and for taking appropriate measures, should these be deemed necessary;
- the creation of organisational procedures to safeguard client interests in the fields of investment consultancy and asset management, e.g. approval processes for new products;
- regulations regarding the acceptance and provision of inducements, as well as their disclosure;
- the delineation of business sectors from one another, and the simultaneous control of the flow of information between business sectors (the creation so-called areas of confidentiality);
- all employees for whom conflicts of interest may arise within the framework of their duties are identified and are obliged to disclose all of their transactions in financial instruments;
- regulations regarding transactions performed on personal accounts of our executives and employees;
- regulations regarding the acceptance of gifts and other benefits by our employees;
- in executing orders, we act in accordance with our best execution policy, and the instructions of the client;
- higher fee volumes do not automatically lead to higher salaries;

- ongoing controls of all transactions performed by our employees;
- ongoing training of our employees.

If conflicts of interest cannot be avoided, then we shall disclose this to the affected clients before concluding a transaction or providing consultancy services.

We would like to draw your to the following points:

- In conjunction with the sale of securities, it is generally the case that we receive **inducements (portfolio commission or reimbursements)** on custody account fees, stock market and fiduciary commission, brokerage fees and other fees from banks, investment fund companies and security issuers. In addition, we may also be granted transaction commission payments such as placement commission and/or issue and redemption premiums. The collection of these payments and inducements enables us to provide more efficient and higher-quality infrastructures for the acquisition and sale of financial instruments. The level of these inducements is in line with normal market standards, and as a rule does not constitute an additional financial burden on the client. We shall be pleased to provide our clients with further details pertaining to the receipt or the granting of inducements upon request.
- In conjunction with our securities operations, other investment firms also provide us with **free inducements** such as financial analyses or other information, training and some technical services and equipment for accessing third-party information and dissemination systems. The acceptance of such inducements is not directly connected to the services rendered to you; we use these inducements to provide the high quality of service which you expect, and to improve our services on an ongoing basis.
- We sometimes make performance-related **commission payments** and provide **fixed remuneration** to contractually-associated or independent **brokers** who mediate clients or individual transactions, with or without reference to a specific transaction. Furthermore, associated brokers may also receive direct inducements from third parties, in particular, investment fund companies and security issuers, in addition to the commercial agent commission paid by us.
- Information pertaining to relevant potential conflicts of interest is also contained in the financial analyses drawn up or prepared by us.

At your request, we will provide you with further details regarding these principles.