



THE ESSENCE

OF FREEDOM



CITÉ GESTION

INFORMATION BROCHURE

FINANCIAL SERVICES ACT
(FinSA)

DEAR CLIENT,

THE PURPOSE OF THIS BROCHURE IS TO INFORM YOU OF THE NEW FINANCIAL SERVICES ACT THAT CAME INTO FORCE IN SWITZERLAND ON 1 JANUARY 2020 (HEREINAFTER REFERRED TO AS "FINSA").

CITÉ GESTION IS READY FOR THIS REGULATORY CHANGE WHICH, FOR THE MOST PART, FORMALIZES THE WORKING PRINCIPLES WE ALREADY APPLY.

THERE IS NO REVOLUTION, BUT A RELATIVE ADAPTATION THAT DOES NOT ALTER IN ANY WAY THE CONTINUITY OF OUR COLLABORATION.

FOR ANY PARTICULAR QUESTION RELATED TO THE APPLICATION OF THE FINSA AT CITÉ GESTION, YOUR USUAL CONTACT IS AT YOUR DISPOSAL.

STRENGTH AND

INDEPENDENCE



CITE GESTION SA

Cité Gestion SA (hereinafter referred to as "Cité Gestion") is a securities dealer and custodian ("securities firm") with registered office at Rue de la Cité 15-17, 1204 Geneva, Switzerland. Cité Gestion is authorized and supervised by FINMA (Swiss Financial Market Supervisory Authority - Laupenstrasse 27, 3003 Bern, Switzerland). Cité Gestion is affiliated to the Swiss Banking Ombudsman, acting as a body of information and conciliation between Swiss banks and their clients (Bahnhofplatz 9, P.O. Box, 8021 Zurich, Switzerland), which must, if possible, settle disputes between Cité Gestion and the Client.

Cité Gestion offers various financial services determined contractually with each Client. The offer of services includes in particular services of securities and cash custody, asset management, investment advice, execution and processing of orders in connection with transactions of financial instruments. A Client may benefit from several service offers.

More information about Cité Gestion available on our website: <https://www.cite-gestion.com/fr>

OPEN ARCHITECTURE AND MARKET CONSIDERATIONS

It is important to us to offer the best services to our customers. Cité Gestion has adopted the philosophy of open architecture to find the best partner in each case and select the best products.

Products, custodian banks, legal or asset managers, lawyers, tax specialists, ... our managers will offer you a wide selection of counterparties specialized in the areas you are concerned with.

<https://www.cite-gestion.com/en/our-added-value>

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FINSA AND CITÉ GESTION

Main changes introduced by the FinSA

The FinSA strengthens investor protection for Swiss financial intermediaries. It refines the rules of conduct in order to increase transparency in the provision of financial services.

In particular, the law provides for checking the appropriateness and suitability of the services offered to each client according to his or her own characteristics; it codifies our obligations of behavior, transparency and diligence (in particular with regard to the management of conflicts of interest and the execution of orders, duty of accountability); it requires us to provide (to our clients) a basic information sheet for each transaction within the framework of the investment advisory mandate

Mediation procedure

The FinSa provides for the use of a mediation procedure to manage potential conflicts. In this respect, Cité Gestion is affiliated to the Swiss Banking Ombudsman, acting as an information and mediation body between Swiss banks and their clients (Bahnhofplatz 9, P.O. Box, 8021 Zurich, Switzerland).

Further information about the Swiss Banking Ombudsman and the mediation procedure can be found on his website at <http://www.bankingombudsman.ch>.

Risk and investment profile

As we already do, the FinSA requires us to establish a risk and investment profile for each of our clients.

In order to update the information in our possession, we will ask you to complete and return to us a new risk and investment profile. This will enable us from 01.01.2022 to adapt our controls on the adequacy and appropriateness of investments.

CLIENTS CLASSIFICATION¹

Initial classification

According to the FinSA, financial services providers must classify their clients into the following categories.

The level of regulatory protection corresponding to these categories may vary depending on the client's knowledge and investment experience.

▪ Private clients

- Any client who is neither a professional nor an institutional client (see below).
- Private clients benefit from the greatest regulatory protection, but are restricted in their investment opportunities.

▪ Professional clients

- Professional clients are considered to have the necessary knowledge and experience to invest in all asset classes and to be able to financially assume the investment risks associated with the financial service concerned.
- No limitation in terms of management and products.
- Examples of professional clients by law: pension funds, companies with professional treasury, large companies, etc.

▪ Institutional clients

- Institutional clients enjoy the lowest level of regulatory protection.
- Examples of institutional clients by law: authorized financial intermediaries, insurance companies, central banks, etc.

Change of categories

Private clients may declare in writing that they wish to become professional clients (opting-out). By becoming a professional client, the client opts for a category offering a lower level of regulatory protection, but with greater investment opportunities and greater flexibility

¹ Professional and institutional clients are automatically considered qualified investors within the meaning of the Collective Investment Schemes Act (CISA). Private clients who

have concluded discretionary management mandates or investment advisory mandates are also considered qualified investors within the meaning of the CISA.

in the management of their assets. The advantages and disadvantages of changing, as well as the conditions for doing so, are summarized below.

For other category changes, your manager is at your disposal.

▪ **Consequences (advantages and disadvantages)**

Advantages for professional clients

- No obligation to submit the Basic Information Sheet before each recommendation: speed of investment according to market conditions. On the other hand, if Cité Gestion were to provide this basic information sheet before each transaction, it is possible that the delay between the provision and the return of this information could result in the loss of an investment opportunity.
- No obligation to solicit the client before each investment: more peace of mind for the client. On the other hand, for private clients, Cité Gestion will have to solicit the client before each investment to describe the precise terms of an investment and to find out the underlying reasons and the client's needs for each investment.
- Possibility of investing the portfolio in a wider range of products: possibility of higher returns. It will not be possible to place certain sophisticated products in private client portfolios.

Disadvantages for professional clients

- Cité Gestion shall not, prior to each transaction (purchase or sale of a financial instrument), obtain from the Client confirmation that he has received, read and understood the content of the basic information sheet (or the prospectus of the product in question) and in particular information on the risks and costs relating to the transaction, the market offer taken into consideration for the selection of financial instruments and possible economic relations with third parties.
- Cité Gestion does not verify the appropriateness of each recommendation

individually because it assumes that the Client has the required knowledge and experience in financial investments and that he can financially assume the investment risks related to the financial services intended for him; on the other hand, within the framework of the discretionary management mandate, Cité Gestion positions the portfolio according to the Client's willingness and capacity for risk.

- Cité Gestion will not be required to document individually the client's needs and the underlying reasons for each transaction.

▪ **Conditions**

If they meet the following conditions, private clients (and the investment structures set up for them (domiciliary company, trust, ...)) can declare to be treated as professional clients (opting-out):

- The client directly or indirectly holds net assets of at least **CHF 2,000,000 (two million Swiss francs)** or equivalent, consisting in particular of assets in banks, fiduciary deposits, securities, derivatives, precious metals and life insurance policies with a surrender value, of which no more than social insurance claims can be made.

or

- The client directly or indirectly holds net assets of at least **CHF 500,000 (five hundred thousand Swiss francs)** or the equivalent, consisting in particular of bank deposits, fiduciary deposits, securities, derivatives, precious metals and life insurance policies with a surrender value, of which no more than social insurance claims can be made

and

- the client (or its representative) has the **necessary knowledge to understand the risks** associated with transactions in financial instruments intended for qualified investors, as a result of his or her training and professional experience or comparable experience in the financial sector.

RISKS RELATED TO FINANCIAL SERVICES AND INSTRUMENTS

The FinSa requires financial intermediaries to be more transparent about the risks inherent in financial services and products. Cité Gestion has always placed the protection of its clients at the heart of its concerns.

The brochure offered by the Swiss Bankers Association (SBA) provides you with useful information on this subject. You will find it under this link: <https://www.cite-gestion.com/en/useful-links>

ORDERS EXECUTION POLICY

Another objective of the FinSA is to guarantee to each client the principle of best execution of orders in all transactions involving financial instruments. Cité Gestion has taken all steps to ensure that the transmission and execution of orders are carried out in accordance with the best execution rules prescribed by the FinSA.

Nevertheless, Cité Gestion does not directly execute its Clients' orders and refers (i) to the Lombard Odier Group's policy regarding the execution of orders concerning accounts deposited with Cité Gestion or an entity of the Lombard Odier Group or (ii) to the order execution policy of the respective custodian banks concerning assets deposited in third party banks but managed or advised by Cité Gestion.

MODIFICATION OF GENERAL TERMS AND CONDITIONS

Due to the entry into force of the FinSA we have adapted our General Terms and Conditions. They will come into force on 01.01.2021 and will replace, from that date, any previous version.

You will soon find our new General Terms and Conditions on our website: <https://www.cite-gestion.com/en/useful-links>

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