

Customer information

regarding disclosure of specific remunerations

Section 18 of the General Terms and Conditions ("GTC") and section 8 of the Custody Account Regulations ("CAR") state that bank zweiplus Ltd (hereinafter referred to as "bank") may receive distribution remunerations or other payments of monetary value for the distribution and management of collective capital investments and structured products. This customer information letter contains additional information regarding the type and scope of the distribution remunerations received by the bank.

1. Definition of distribution remunerations and other benefits of monetary value

According to section 18 of the GTC and section 8 of the CAR, the bank may receive distribution remunerations from third-party providers (e.g. product providers such as fund companies) through its business activities involving collective capital investments or structured products. These remunerations are also defined as retrocessions, which the bank receives for activities relating to distribution and management. A list of these activities has been compiled and provided under the following section 4 of this customer information letter.

Other benefits of monetary value also include benefits in kind, such as receiving free financial analyses (research), training for Bank personnel and other sales-oriented services.

2. Basis for calculating retrocessions

For collective capital investments, the management fees charged to the fund assets form the basis of the retrocessions. These retrocessions typically fluctuate within the following percentage spread:

Asset class	Retrocessions in %
Money market funds	0 – 0.5 % p.a.
Bond funds	0 – 1.0 % p.a.
Equity funds	0 – 1.25 % p.a.
Alternative funds	0 – 1.5 % p.a.

The retrocessions are calculated according to the average holding of each respective collective capital investment held by the bank.

The bank also receives retrocessions when it is issued an asset management mandate and subsequently carries out the corresponding investments according to the respective selected strategy.

For structured products, retrocessions can be incurred in the form of a rebate on the issue price, compensation as a percentage of the issue price, or in the form of other structured fees. Such remunerations typically fluctuate in a range between 0 % and 1 % of the investments.

Distribution remunerations are regulated in general agreements with the respective product provider, independent of any individual business relationships between the Bank and its customers.

3. Avoiding any conflicts of interest

The Bank is aware of the risks relating to conflicts of interest in the selection of corresponding products and takes these fully into account. The bank does not use any incentive systems for the distribution of specified products.

4. Activities carried out by the Bank covered by distribution remunerations

The Bank provides a vast array of services by order of the providers of collective capital investments and structured products, including the following activities:

- Providing access to, forwarding mandatory publications such as prospectuses, annual and semiannual reports as well as other documentation for collective capital investments
- Tasks relating to the fulfillment of the SFAMA guidelines (SFAMA: Swiss Funds & Asset Management Association) governing the distribution of collective capital investments, particularly in the area of training its own Bank personnel as well as establishing organizational prerequisites for distribution

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- Contracting auditors for the review (for the benefit of the product provider) regarding compliance with the legal and regulating obligations of the Bank, particularly SFAMA guidelines
- Instituting operational procedures for the subscription, holding and distribution of fund units for the benefit of the fund management or fund company
- Subscribing to fund units as a “representative” of the customer
- Executing corporate actions (e.g. fund mergers)
- product-specific advertising and marketing measures
- Securing the implementation of distribution restrictions set by the product providers
- operating as contact person for invoicing/statements
- Ensuring the clarification of risks and preparing the corresponding risk profiles, provided the investor is obtaining customer services directly by a member of the Bank's staff.

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