

Information Notice regarding compensation received from third parties



As part of its activities, BNP Paribas (Suisse) SA may directly or indirectly receive or obtain from third parties (including members of the BNP Paribas group) brokerage fees and other commissions, payments, compensation, rebates and/or any other form of benefits (hereinafter "Compensation").

Such Compensation may be received instead or in addition to the fees paid directly by the Bank's clients (administration fees, brokerage fees, management fees, etc...) detailed in the brochure "Main Fees and Commissions", available on the Bank's public website (<https://wealthmanagement.bnpparibas.ch/en/what-we-do/pricing-and-conditions.html>).

This notice is intended to give you more complete information about the Compensation as a supplement to the articles under section 13 "Other Payments to the Bank" of the General Terms and Conditions and under section 18 "Benefits received from third parties" of the Safe Custody Regulations, available on the Bank's public website (<https://www.bnpparibas.ch/en/legal-information/>).

- Compensation received by the Bank from third parties

Such Compensation is part of the payments paid to the Bank in exchange for its activities, making it possible to cover part of the costs associated with the financial services provided to the Bank's clients. Such Compensation particularly enables the Bank to conduct financial research and analysis activities, so that it can maintain a wide variety of financial products and services.

The client hereby acknowledges and agrees that (i) such Compensation shall be retained by the Bank in any case and constitute compensation owed to the Bank in exchange for services rendered in accordance with the terms and conditions under the contractual documents entered into between the Bank and the client (including but not limited to the financial service agreement, General Terms and Conditions and/or Safe Custody Regulations of the Bank) and that (ii) the client waives the right to said Compensation to which the client would be entitled under Article 400 of the Swiss Code of Obligations.

Under Investment Advisory Agreements, the Bank endeavours to recommend only first-rate financial instruments within its investment universe (some instruments that entail Compensation collected from third parties as well as other instruments that do not). In so doing, the Bank systematically checks whether the financial instrument in question is appropriate and suitable, considering any restrictions to which the relevant financial instrument may be subject. Similarly, under Discretionary Management Mandates, the Bank endeavours to invest only in the financial instruments within its investment universe, which are generally financial instruments that do not entail such Compensation [from third parties].

Moreover, certain promoters and/or issuers of financial instruments offer non-monetary benefits to the Bank, particularly in the form of free financial analyses and other sales support activities.

- Conflicts of interest

While receiving Compensation might theoretically create conflicts of interest by encouraging the Bank to select or recommend financial instruments that allow it to increase its level of overall compensation, the Bank's primary concern is always to safeguard the interests of the client. Moreover, the Bank's structure makes it possible to constantly provide the client with such services and financial instruments as best meet the client's expectations in the Bank's understanding.

- Method of calculating the Compensation

The Bank specifies below the percentage rates of Compensation and the methods of calculating such rates for each category of financial instrument so that clients will know such rates in advance for each asset class selected by the client or by the Bank under a Discretionary Asset Management Mandate or Investment Advisory Agreement. This will also enable clients to know the total amount of such Compensation received by the Bank [from third parties] for the services and financial instruments that are offered to the client. The method of calculation consists in multiplying the asset classes in question by the corresponding rates, taking into account the relevant financial service and investment profile.

The Bank may obtain or receive Compensation at the time of purchasing or subscribing for the relevant asset or periodically, during all or part of the holding period for the asset in the client's account.

The bases of calculation of such Compensation are as follows:

Asset classes	Type of Compensation	Category of financial instrument	Amount of Compensation	Indicative example of a CHF 100,000 investment
Structured Products	Discount on the issue price or refund of part of the issue price		Such discounts and refunds may amount to as much as 3% of the issue price. ¹	They may amount to as much as CHF 3,000 per transaction
Collective Investment Schemes	Retrocession of part of the management fees that management companies receive in the form of distribution fees based on the amounts invested through the Bank.	Money market funds	Up to 0.75% per year	Up to CHF 750 per year ²
		Bond funds	Up to 1.75% per year	Up to CHF 1,750 per year
		Equity funds	Up to 2% per year	Up to CHF 2,000 per year
		Asset allocation funds	Up to 1.5% per year	Up to CHF 1,500 per year
		Hedge funds	Up to 2% per year	Up to CHF 2,000 per year
		Real Estate Funds	Up to 1.5% per year	Up to CHF 1,500 per year
		Private Equity Funds	Up to 2% per year	Up to CHF 2,000 per year

If the client so requests in writing and pays a share of the Bank's research and calculation costs, the Bank may provide the client with information about Compensation related to specific financial instruments, in any manner deemed appropriate by the Bank, providing that it is possible to do so with reasonable effort. Finally, if the client successfully challenges the Bank's acquisition of the Compensation notwithstanding the client's present waiver of all claims to such Compensation, the Bank expressly reserves the right to charge the client such amount as the Bank deems fair compensation, at its sole discretion, for the services that it would have rendered free of charge up to that point.

For all other matters, clients may refer to the legal documentation of the relevant financial instrument.

- Compensation paid by the Bank to third parties

The client accepts the fact that the Bank itself may pay Compensation to third parties, e.g. when the Bank pays an occasional or ongoing cooperation fee to a financial intermediary whose client uses the Bank's custody and transaction execution services. Moreover, the third party is responsible for meeting its own obligations related to such Compensation, especially concerning any restrictions related to collection, reporting, and conflict-of-interest management, in accordance with the rules applicable to the third-party intermediary's relationship with the client. The Bank shall incur no liability for the obligations of third parties in that respect.

¹ The actual amount is specified in the term sheet.

² Assuming that the annual investment remains equivalent to the total amount initially subscribed for (i.e. CHF 100,000).