

Summary of execution principles

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Reichmuth & Co ensures the best possible execution of your orders. The corresponding execution principles ensure that the orders achieve the best possible result from a financial, timing and quality perspective. You can find the latest version of this brochure on our website: www.reichmuthco.ch.

1. General

This document contains a summary of the arrangements made to ensure that the Bank obtains the best possible result for its clients when executing buy or sell orders for securities or other financial instruments. The execution principles are intended to ensure that clients' interests are safeguarded in the long term. Clients who execute transactions through the Bank can rely on professional, fair and transparent services.

2. Area of application

The established principles for executing orders apply to the execution of orders which the client places with the Bank for the purpose of acquiring or selling securities or other financial instruments. The following principles also apply if financial instruments are acquired or sold for the account of the client in order to meet the obligations arising from asset management with the client.

Execution in the sense of these execution principles means that, on the basis of the client's order and for the account of the client, the Bank will execute a transaction ("commission transaction") with another party on a regulated market or outside a regulated market, or conclude a purchase contract for financial instruments ("fixed-price transaction") with the client. The regulations in section 9 shall apply to fixed-price transactions.

3. Priority of client instructions

Instructions take precedence over the order execution principles set out in this document and shall be executed by the Bank as far as possible. Upon an instruction being issued, the Bank shall, within the scope of the instruction, be exempt from the requirement to comply with the execution principles. The obligation to achieve the best possible result shall also be deemed to have been met in line with the issued instruction.

4. Instructions regarding the trading currency

The Bank shall take account of instructions issued by the client regarding the trading currency, provided that the security in question can be traded in the specified currency.

5. Instructions regarding the order type

Instructions can also be related to the mode of execution without the client's specifying a specific place of execution. This applies in particular to discretionary orders ("IW orders"). These orders are characterised by the issuing of an order by the client to the Bank to process the securities order in several steps in line with the market situation.

6. Selection criteria

The Bank selects the execution venue in accordance with the Appendix "Trading venues" in such a way that the total price charged to the client, taking into account the indirect and direct costs of execution, in particular third-party fees, stock market fees and commissions, are the minimum for purchases and the maximum for sales. The selection criteria applied for this purpose are given below. The individual criteria are weighted according to the client's specific circumstances and the order, the current market situation and the type of financial instrument:

- Probability of complete execution and settlement
- Speed of complete execution and settlement
- Security of settlement
- Scope and type of order
- State of the market
- All other relevant aspects

7. Execution venues

In accordance with the selection criteria in section 6, the Bank has defined the execution venues where best possible execution in the interests of the client can normally consistently be expected and listed them together as a component of the execution principles in the Appendix "Trading venues". Where an



obvious advantage (or no disadvantage) is to be expected for the client, the order can be executed via a different trading venue or as a fixed-price transaction in accordance with section 9. When selecting the execution venues, the Bank differentiates between the following classes of financial instruments:

7.1 Equities

The Bank generally executes equity orders in accordance with the standard stock exchange principle. To this end, the Bank defines standard stock exchanges for each security. As a rule, this is the stock exchange of the country in which the company in question has its registered office.

7.2 Interest-bearing securities

Bonds listed on SIX Swiss Exchange are generally traded on SIX Swiss Exchange. Should there be insufficient market liquidity or if there are other reasons that would give rise to an obvious advantage for the client, the Bank shall conclude the execution transaction as an interbank trade with another bank or another financial services provider. Orders for all other bonds are also executed as part of interbank trading.

7.3 Certificates, warrants and financial derivatives

Orders relating to certificates, warrants and financial derivatives are usually executed on an exchange. If there is insufficient market liquidity or other grounds indicating an obvious advantage for the client, the Bank carries out the execution transaction in interbank trading, with the respective issuer or with another trading partner offering to conclude transactions in the corresponding security ("market maker").

7.4 Foreign exchange forwards (spot, forward and swap transactions)

Foreign exchange forwards (spot, forward and swap transactions) are concluded directly between the client and the Bank, possibly via an intermediate commission agent. Due to the individual structure of transactions and market practices, no other adequate execution venues exist.

7.5 Funds

The execution principles do not apply to the acquisition or sale of fund units. Fund subscriptions or redemptions are generally concluded directly or indirectly using a fund trading platform via the respective custodian bank at the net asset value.

8. Trading via brokers

If the Bank itself is not a member of a selected stock exchange, it shall forward the order to a broker for execution. The trading of client orders via a broker allows for the effective and cost-efficient execution and processing of securities and derivative transactions. The broker shall act in accordance with its own execution principles, which are available on request.

9. Special features of fixed-price transactions

The conclusion of a fixed-price transaction gives rise to a purchase or sale agreement between the Bank and the client. The Bank takes on financial instruments from the client as a buyer or delivers financial instruments to the client as a seller. If purchase or sale orders are executed as part of a fixed-price transaction, the Bank shall ensure that they are concluded at market conditions. To this end, quotes for the financial instrument in question are consolidated both on an on-exchange and over-the-counter basis. Fixed-price transactions are executed over the counter, i.e. outside an organised market (stock exchange) and outside a multilateral trading system.

10. Approval for over-the-counter execution

Provided that it is stipulated under the Bank's execution principles that over-the-counter execution is possible and advantageous, the client hereby agrees to the execution of orders outside an organised market and outside a multilateral trading system.

11. Deviation from the execution principles

Should a client's purchase or sale order differ significantly from usual orders on the basis of its type and/or scope, the Bank can deviate from these principles in executing the order in the interests of the client. This shall apply, in particular, in the case of large orders that can be traded in several steps over a certain period in order to ensure a minimal impact on price. The same applies in the event of extraordinary market conditions or market disruptions.

12. Consolidation of orders

At its own discretion but without any legal obligation to do so, the Bank can consolidate client orders, especially those arising from asset management man-



dates, and trade them as a collective order. This ensures that all orders consolidated in a collective order are booked at the same average price.

13. Review of execution principles

The Bank shall review these execution principles at appropriate intervals and at least once a year, making changes where required. It shall also perform a review and, where necessary, make changes if there is evidence that key criteria in favour of a certain trading venue no longer apply. The client shall allow the Bank to make changes to this effect on a unilateral basis. The Bank shall inform the client about any significant changes to the execution principles by providing access to the relevant up-to-date and valid version on its homepage.

14. Trading venues

Europe:	Athens Exchange / Bolsa de Madrid / Borsa Italiana / Börse Berlin / Börse Düsseldorf / Börse Frankfurt / Börse Hamburg / Börse Hannover / Börse München / Börse Stuttgart / Bourse de Luxembourg / BX Berne eXchange / Deutsche Börse Xetra / Euronext Amsterdam / Euronext Brussels / Euronext Lisbon / Euronext Paris / Irish Stock Exchange / London Stock Exchange / NASDAQ OMX Nordic Exchange Stockholm / NASDAQ OMX Nordic Exchange Copenhagen / NASDAQ OMX Nordic Exchange Helsinki / Oslo Bors / SIX Swiss Exchange / Wiener Börse
Eastern Europe:	Prague Stock Exchange / Warsaw Stock Exchange
North America:	NASDAQ / NYSE Arca / NYSE MKT / NYSE New / York Stock Exchange / OTC Bulletin Board / Toronto Stock Exchange / TSX Venture Exchange
Asia:	Australian Securities Exchange / New Zealand Stock Market / Singapore Exchange / Stock Exchange of Hong Kong / Tokyo Stock Exchange
Derivatives:	Eurex / CBOE / CME / London Stock Exchange Derivatives

