

Client information within the framework of new statutory provisions

1. Information about financial instruments

Asset management companies are obliged by law to provide their clients and potential clients with adequate information about financial instruments. This information must contain an adequately detailed general description of the nature and risks of the financial instruments so that the client can make his investment decisions on a sufficiently sound basis.

All relevant information is contained in the brochure of the Liechtenstein Banking Association on «Risks in Securities Trading», which is enclosed as an appendix to the asset management agreement

2. Client communication

You can contact AIF Alternativ Invest Finance AG, Giessenstrasse 2, Postfach 9, 9491 Ruggell (AIF) under the following

Telephone number: 00423 375 0333

Fax number: 00423 375 0334

e-mail address: info@aif.li

Insofar as client communication is not regulated in the asset management mandate, you may communicate with us at any time in German or English and will always receive the corresponding documents of the AIF in the German language.

In your capacity as a client, AIF will as a rule communicate with you by letter, and if necessary by fax as well. If you contact AIF using electronic means of communication, e.g. e-mail, then AIF shall reserve the right to contact you by the same means. However, we wish to draw your attention to the fact that the use of e-mails entails certain risks with respect to confidentiality.

3. Financial Market Authority

AIF is subject to the supervision of the Liechtenstein Financial Market Authority FMA, Landstrasse 109, PO Box 279, LI-9490 Vaduz (www.fma-li.li).

4. Client classification

We wish to inform you that, as a rule, we classify you as a non-professional client, because this means you enjoy the highest level of protection. A switch to a higher classification (reducing the level of protection) is possible upon request, insofar as the corresponding preconditions have been met. Upon request, we shall be pleased to explain the relevant conditions.

5. Client reporting

It is essentially the case that AIF will provide a schedule of the asset management services on a quarterly basis. If a credit-financed financial portfolio has been approved between AIF and the client, then AIF will report on a monthly basis. The reporting shall also contain an updated declaration, detailing how the asset management has been tailored in accordance with the preferences, objectives and other characteristics of the client.

AIF shall provide you with loss threshold reporting if the total value of the portfolio falls by 10%, as well as each time the value falls by a subsequent 10% step.

6. Measures to protect the entrusted client assets

AIF merely renders asset management services. It does not itself hold any of the financial instruments of the client for safekeeping.

7. Dealing with potential conflicts of interest

The principles governing the handling of conflicts of interest are set out in the appendix to the asset management agreement.

8. Benchmarking

To portray the financial portfolio administration in a transparent manner, we use a so-called benchmark as a valuation method. The benchmark differs in terms of the respective client portfolios and is defined in accordance with the investment goal and investment strategy.

In the case of individually-compiled custody accounts and special client wishes in respect to the investment strategy, the benchmark will in each case either be individually agreed with the client, or the use of a benchmark will be waived.

9. Investment goals

Within the context of the asset management AIF will reach an agreement with you on the investment goals, the risk level which must be taken into account by the asset manager, and any possible special restrictions pertaining to this discretion, insofar as this has not already been done.

10. Valuation of financial instruments

AIF will use the following valuation criteria to value the financial instruments held in the client portfolio:

- Investment funds will always be valued in accordance with the unit prices published by the respective investment fund company.
- The value of listed securities will be determined in accordance with the respective end-of-trading prices of the most liquid market for these securities.
- If no stock market price is provided for the financial instrument, then AIF shall determine the market value using general valuation principles.
- The valuations of the financial instruments in the client portfolio will be performed at the latest with respect to the agreed reporting deadlines.

11. Execution of orders

As a rule, the custodian bank will be responsible for the execution of orders. The custodian bank will report its order execution principles to its clients. Insofar as AIF presents its clients with a choice of custodian banks, or places orders with securities traders or brokers directly, then it shall inform its clients about the criteria which determined its choice in a so-called execution policy, in accordance with the appendix to the asset management agreement.

AIF may possibly pool client orders, before forwarding these for execution in the form of a collective order. If this collective order is executed at different prices, then AIF shall arrange the allocation to the individual client custody accounts on the basis of average figures. This will minimize – but will not eliminate – the chance of a client being disadvantaged.

12. Costs

The costs are set out in the asset management mandate and can be studied there.

It is possible that further costs and taxes may be imposed upon the client arising out of the asset management in conjunction with the financial instruments and securities services which have been procured on his behalf. These will not necessarily be covered by the overall fee and will then be invoiced to the client.

Payment will be performed by means of a debit from the asset management account of the investor using the direct debit procedure. This means the client will be able to raise an objection.

13. Inducements

Within the context of the asset management (portfolio management), AIF does not accept and retain any inducements from third parties or from persons acting on behalf of third parties. Monetary incentives that AIF receives in conjunction with the asset management are forwarded to the client as quickly as reasonably possible and in full. AIF shall inform the client about any forwarded monetary inducements.

In derogation of the above, AIF may accept sundry benefits in kind from third parties that are designed to improve the quality of the asset management services for the client and that are acceptable and proportionate in respect of their scope and nature. The specific sundry benefits in kind that AIF may accept are set out in the Principles Governing the Handling of Conflicts of Interest.

In some cases, AIF pays performance-related commission and fixed remuneration to third parties who broker clients or individual transactions to AIF, with or without

reference to a specific transaction. This commission is used by issuers to improve the quality of their services vis-à-vis clients. The commission and fixed remuneration that AIF pays to third parties are set out in the Principles Governing the Handling of Conflicts of Interest.

14. Data processing

Within the context of the settlement and maintenance of the business relationship with the client, the processing and use of personal data, transaction data and further data pertaining to the client business relationship (hereinafter called «Client Data») by AIF is necessary. Client Data includes all information associated with the business relationship with the principal, in particular confidential information about the principal, authorized agent, beneficial owners as well as any possible further third parties. «Confidential Information» includes inter alia personal name or company name, place of residence or domicile, date of birth or foundation, occupation or purpose, contact details, account number, IBAN, BIC and further transaction data, account balances, portfolio data as well as the tax identification number and further relevant tax-related or due diligence-related information.

15. Obligation to record all details

AIF is entitled to record telephone conversations with the client or with his representatives. AIF may save other electronic communications such as e-mail, fax etc. The recorded conversations or saved communications may be used as evidence. These shall be archived in accordance with statutory principles. Records associated with the acceptance, transmission and execution of client orders shall upon request be made available to the respective principal for a period of five years.

16. Disclosure of client data

The members of the managing bodies of AIF, its employees and agents are on account of statutory provisions concerning secrecy obligations, data protection obligations as well as further professional secrecy obligations (hereinafter called «Confidentiality») under the obligation to keep client data and information that is made available to them on the basis of business relationships confidential for an indefinite period. In conjunction with the rendering of its services, as well as to safeguard its legitimate claims, AIF may under certain circumstances be required to forward confidential client data to group companies and/or third parties in Liechtenstein or abroad (hereinafter called «disclosure»), e.g. within the context of statutory reporting obligations pursuant to MiFIR (Markets in Financial Instruments Regulation) or EMIR (European Market Infrastructure Regulation). The disclosure of client data may in this conjunction be

performed in any form, in particular including by means of electronic transmission or physical delivery of documents.

17. Complaints procedure / arbitrator

The form enclosed in the appendix should essentially be used to submit a complaint. The complaint should, if possible, be submitted using the aforementioned e-mail address of AIF. AIF shall endeavour to compile and to assess all relevant evidence and information relating to the complaint. The complainant shall receive a response to his complaint within 20 days.

The complainant also has the opportunity to submit his complaint to the below-specified arbitration body. Clients are recommended, however, to wait for AIF to respond to the issues raised.

Liechtensteinische Schlichtungsstelle (Liechtenstein Conciliation Board)

Dr. Peter Wolff, Attorney-at-Law
PO Box 343/Mitteldorf 1
FL-9490 Vaduz

Telephone + 423 238 10 30
Fax + 423 238 10 31
info@schlichtungsstelle.li

The Conciliation Board is not a court of law, nor does it have the authority to issue legal judgements. Instead, it promotes dialogue between the involved parties, and submits a negotiating solution to them. As the parties are not bound by the proposal made by the Conciliation Board, they remain free to accept this or to take other, for example legal, measures.

Complaints Form

for submitting a complaint to AIF Alternativ Invest Finance AG, Giessenstrasse 2, Postfach 9, 9491 Ruggell (AIF). Email: info@aif.li

1. Complainant

Last name, First name

Address, Postcode, Town

Country of domicile

Email address

Date of the complaint

2. Subject of the complaint

- Portfolio management
- Investment consultancy
- Acceptance and forwarding of orders that have one or more financial instruments as their object
- Securities analysis and financial analysis or other forms of general recommendations pertaining to transactions with financial instruments.
- Executions of orders in the name of the client

Description of the asserted breach of duty by the asset management company:

...

3. Claim brought by the complainant against the asset management company

...

4. Information about the proceedings

The complaint should, if possible, be submitted using the aforementioned e-mail address. The asset management company shall endeavour to compile and to assess all relevant evidence and information relating to the complaint. The complainant shall receive a response to his complaint within 20 days.

The complainant also has the opportunity to submit his complaint to the below-specified arbitration body. Clients are recommended, however, to wait for the asset management company to respond to the issues raised.

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5. To be completed by the asset management company

Date of the receipt of the complaint

Date of the answer sent to the complainant

Result of the processing of the complaint

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