

Principles of order execution (“Best Execution”)

Preliminary comments

Banks have a wide range of obligations in their business relationships with clients, including taking a careful approach that is in compliance with all laws, adhering to market standards, and acting with a high level of professionalism and in the client’s best interests. These principles also apply for executing securities trading orders.

E. Gutzwiller & Cie. (hereinafter “the Bank”) undertakes to execute all of its clients’ transactions in a fair, professional, transparent manner and with the greatest possible benefit to the client. The specifics of the Bank’s approach are described below.

Scope

The following principles apply for orders that the Bank receives and executes, or forwards, in the client’s name and on the client’s behalf for the purpose of buying and selling financial instruments. The principles also apply for transactions executed on the client’s behalf within the context of asset management mandates.

If a client issues specific instructions for the execution of an order, the Bank will execute the order pursuant to those instructions. In that case, the client releases the Bank from the obligation to take all measures that would otherwise usually be taken to achieve the best-possible result.

Trading venues

The Bank maintains a direct connection to the SIX Swiss Exchange. For all other stock exchanges, the Bank obtains market access through brokers and forwards orders, with client instructions or on a discretionary basis, to brokers, who maintain relevant access to the markets. The brokers thereby obtain the right to select any of the marketplaces available to them, in compliance with their own Best Execution Policy.

The transactions are only conveyed to brokers who have access to the greatest possible number of trading venues and greatest possible market volume (liquidity), in order to ensure optimal order execution in financial, temporal and qualitative respects and guarantee reliable and economical settlement.

Transactions on an organized and regulated market (stock exchange) are usually executed on a commission basis. For transactions outside of an organized and regulated market (“OTC”), the Bank itself can act as a counterparty for fixed-price transactions. The Bank ensures that these transactions are likewise executed under market-appropriate conditions.

Principles of execution

The Bank undertakes to treat all clients fairly and equally under the same circumstances. Avoiding conflicts of interest between clients and the securities transaction or between different clients is a priority. If conflicts of interest cannot be avoided, the clients are informed in advance about those conflicts of interest.

Regarding client and other trading orders, the Bank also undertakes to comply with market conduct rules with respect to insider knowledge, front running, parallel running and after running.

All securities trading orders are recorded for the purpose of traceability. They are executed without delay in order of receipt and generally settled daily. Only actually achieved trading prices may be used in this context (exception: calculation of an average price in the case of partial executions).

Types of orders

Market orders

With a market order, the client asks the Bank to execute a transaction as quickly as possible at the current rate. Without explicit customer instructions, the Bank places orders with the appropriate brokers or with SIX Swiss Exchange in a discretionary fashion. The Bank can, at its own discretion, limit the order if it can be assumed that due to prevailing market conditions a better price can thereby be achieved.

Limited orders and client instructions

An order is executed as well as possible with the limits desired by the client. If a limited order cannot, because of current market conditions, be executed immediately, the client advisor informs the client.

The Bank takes the client's desired place of execution into account, provided the financial instrument can be traded there. A client's request for a particular trading currency is taken into account, provided the financial instrument can be traded in that currency and the Bank can process the transaction in that currency.

The Bank takes the client's desired type of order into account, provided the order type is supported at the place of execution. If the customer does not supply any instructions, the transaction is executed "at the market." The Bank also takes the client's desired order validity into account.

The bank reserves the right to adjust transactions in the client's interest, provided the client is not thereby disadvantaged. Such an adjustment may, for example, be necessary if the relevant volumes cannot be traded on the stock exchange selected by the client.

Aggregated orders

Client orders can be combined with other orders from the same client or from other clients. Aggregation occurs only if it can be assumed that it will involve no disadvantages to the clients.

Collective capital investments (funds) and ETFs (Exchange Traded Funds)

As a rule, the bank executes collective capital investment orders, including ETFs, as commission-based transactions. However, the bank reserves the right to execute the trading on the primary market or off-exchange, provided the client is not thereby disadvantaged. The bank can maintain direct access to multilateral trading systems for this purpose.

effective as of 15/11/2021