

# FIDLEG Client Information Document

## 1. Introduction

The purpose of this FIDLEG Client Information Document is to inform you about how Marcau Partners AG (hereinafter “Marcau”, “we” or “us”) applies certain requirements of the Federal Act on Financial Services (“FIDLEG”) as from the 1 January 2022.

FIDLEG mainly governs the provision of financial services as well as the offering of financial instruments and is intended to strengthen client protection. In terms of content, FIDLEG is closely aligned with the European regulatory reforms and mainly covers the following areas:

- Enhancement of client protection
- Transparency of financial products
- Organisational requirements for the provision of financial services.

The introduction of FIDLEG resulted in increased information and documentation obligations for financial service providers in Switzerland, offering financial services related to financial instruments (e.g. portfolio management, investment advice and the acquisition or disposal of financial instruments). It also extended the organisational measures to be taken by them.

The level of protection to be provided by a financial service provider depends on the respective client classification (further explained in chapter 4 below). The client classification determines the scope of applicable conduct duties or organisational measures to be applied for the specific client relationship.

This FIDLEG Client Information Document provides you with an overview of Marcau’s implementation of the FIDLEG conduct requirements. It supplements any contractual agreement between you and Marcau. In case of any contradictions, the respective contractual agreement will prevail.

## 2. About Marcau Partners AG

Marcau is an investment management and advisory boutique offering «Venture Capital as a Service» to entrepreneurial investors. We connect investors with inspiring startup founders and help navigate in the vibrant European innovation ecosystem.

As a venture capital advisor and manager, we are, among others, subject to the rules under the Federal Act on Financial Institutions (“FINIG”) and FIDLEG.

For further information about our services, please contact your client relationship manager or contact us under:

### **Marcau Partners AG**

Schiffbaustrasse 10  
CH-8005 Zurich  
Switzerland  
Phone: +41 79 935 68 82  
Email: david@marcau.vc

## 3. Regulator

Marcau is authorised by the Swiss Financial Market Supervisory Authority FINMA as portfolio manager pursuant to the Federal Act on Financial Institutions (“FINIG”) and is, in such capacity, prudentially supervised by FINcontrol Suisse AG, an independent Supervisory Organisation according to the Federal Act on the Swiss Financial Market Supervisory Authority.

Contact details of Regulator:

### **Swiss Financial Market Supervisory Authority FINMA**

Laupenstrasse 27  
CH-3003 Bern  
Switzerland  
Phone: +41 31 327 91 00  
Email: [info@finma.ch](mailto:info@finma.ch)  
Website: [www.finma.ch](http://www.finma.ch)

Contact details of Supervisory Organisation:

### **FINcontrol Suisse AG**

c/o VQF Verein zur Qualitätssicherung von  
Finanzdienstleistungen  
General-Guisan-Strasse 6  
6300 Zug  
Switzerland  
Phone: +41 41 763 28 20  
Email: [info@fincontrol.ch](mailto:info@fincontrol.ch)  
Website: [www.fincontrol.ch](http://www.fincontrol.ch)

## 4. Client Segmentation

### 4.1 General Information

Under FIDLEG, all financial services providers are required to segment their clients into the following three segments: private (retail) clients, professional clients and institutional clients.

Each segment is assigned a different level of investor protection (e.g. with regard to information duties, suitability and appropriateness obligations, documentation and accountability duties).

Before providing financial services to you, we will segment and subsequently inform you about your segmentation as either private, professional or institutional client, based on information available to us.

You may wish to change your segmentation by way of declaring an opting-in or opting-out, which will also change the level of client protection and conduct obligations for the client relationship. Your client relationship manager will be happy to explain the available opting-in and/or opting-out options in detail to you. Any declaration of an opting-in or opting-out will only be legally binding for Marcau upon respective written confirmation to the client.

Every segmentation undertaken by Marcau applies in general for all financial services, which we offer or provide to you, unless you have explicitly instructed us otherwise in writing.

You are requested to inform us of any relevant changes in the circumstances underlying your classification which would result in your no longer meeting the necessary requirements for classification as professional or institutional client or if you would like to withdraw your opting-in or opting-out declaration.

As soon as we become aware that you no longer fulfil the criteria for your original classification, we will independently adjust your classification and inform you accordingly. In such cases, Marcau is authorised to return, exchange or sell all financial instruments that may only be held by clients of the initial classification, to terminate contracts for financial services or to cease providing financial services in the future.

## 4.2 Institutional clients

### a. Classification as Institutional Client

The following are institutional clients:

- **Per se institutional clients** according to Art. 4 para. 4 FIDLEG are:
  - a. financial intermediaries as defined in the Banking Act of 8 November 1934 (BankG), the Financial Institutions Act of 15 June 2018 (FINIG) and the Collective Investment Schemes Act of 23 June 2006 (KAG) (Art. 4 para. 3 let. a and para. 4 FIDLEG);
  - b. insurance companies as defined in the Insurance Supervision Act of 17 December 2004 (VAG) (Art. 4 para. 3 let. b and para. 4 FIDLEG);
  - c. foreign clients subject to prudential supervision as the persons listed in a) and b) above (Art. 4 para. 3 let. c and para. 4 FIDLEG);
  - d. central banks (Art. 4 para. 3 let. d and para. 4 FIDLEG);
  - e. national and supranational public entities with professional treasury operations<sup>1</sup> (Art. 4 para. 4 FIDLEG).
- **Elective institutional clients** according to Art. 5 para. 3 and 4 FIDLEG are: clients who have explicitly opted-out to be treated as institutional clients pursuant to Art. 5 para. 3 or 4 FIDLEG.

### b. Consequences of classification

The classification as institutional client means that:

- the information, documentation and accountability obligations under the FIDLEG do not apply;
- Marcau does not conduct a suitability or appropriateness test when providing investment advice or asset management services;
- Marcau would not be obliged to apply the transparency and due diligence obligations for client orders under FIDLEG. However, Marcau does apply the same requirements as for professional clients.

Marcau may in its sole discretion and on a voluntary basis apply the FIDLEG conduct duties in whole or in part in relation to financial services provided to

institutional clients. Such voluntary application of conduct duties does not cause a general obligation on Marcau to comply with such FIDLEG conduct duties in relation to institutional clients in future, unless explicitly provided by regulatory provisions otherwise.

#### **c. Option to request a change of classification**

Per se institutional clients may declare in writing to Marcau that they wish to be classified as professional clients and thus benefit from the associated enhanced client protection (opting-in).

Elective institutional clients pursuant to Art. 5 para. 3 FIDLEG may at any time withdraw their opting-out in order to be re-classified as professional clients and benefit from the associated enhanced client protection.

### **4.3 Professional clients**

#### **a. Classification as professional client**

The following are professional clients:

##### **– Per se professional clients:**

- a. public entities with professional treasury operations<sup>1</sup>(Art. 4 para. 3 let. e FIDLEG);
- b. occupational pension schemes and other occupational pension institutions with professional treasury operations<sup>1</sup> (Art. 4 para. 3 let. f FIDLEG);
- c. companies with professional treasury operations<sup>1</sup> (Art. 4 para. 3 let. g FIDLEG);
- d. large companies (Art. 4 para. 3 let. h in connection with para. 5 FIDLEG);
- e. private investment structures with professional treasury operations<sup>1</sup> created for high-net-worth private clients (Art. 4 para. 3 let. i FIDLEG).

##### **– Elective professional clients**

- a. by way of **opting-out declaration**: high net worth private clients and private investment structures created for them who have explicitly opted-out to be treated as professional clients in accordance with Art. 5 para. 1 and 2 FIDLEG;
- b. by way of **opting-in declaration**: institutional clients that have explicitly opted-in to be treated as professional clients in accordance with Art. 5 para. 6 FIDLEG.

#### **b. Consequences of classification as professional client**

The classification as professional client means that

- Marcau will apply the information, documentation and accountability obligations under FIDLEG;
- Marcau will only apply a limited suitability or appropriateness test when providing investment advice or asset management services;
- Marcau will comply with the transparency and due diligence obligations for client orders under FIDLEG.

#### **c. Option to request a change of classification**

Per se professional clients may declare in writing to Marcau that they wish to be classified as institutional clients (opting-out).

### **4.4 Private clients**

As Marcau currently is not providing financial services to private clients, professional clients who wish to be treated as private clients by way of declaring an opting-in in accordance with Art. 5 para. 5 FIDLEG or elective institutional clients according to Art. 5 para. 4 FIDLEG who would like to withdraw their opting-out declaration during an existing business relationship are kindly requested to contact their client relationship manager.

### **5. Appropriateness & Suitability**

FIDLEG generally requires financial service providers that provide investment advice or portfolio management services for professional clients to perform a limited appropriateness or suitability review.

In the case of professional clients, Marcau may assume that these clients have the required level of knowledge and experience and can financially bear the investment risks associated with the financial service. In case of professional clients, we are generally only required to record their investment

<sup>1</sup> The professional treasury operations requirement is fulfilled when the client entrusts on a permanent basis, within or outside its organisation, the management of its funds to a professionally qualified person with experience in the financial sector.

objective in case of portfolio management services or portfolio based investment advice.

Marcau relies on the information provided by you or the individual authorised to act on your behalf. You or your authorised representative(s) are obliged to notify Marcau immediately of any change in circumstances that may necessitate changes or updates in terms of appropriateness or suitability.

We are not required to and therefore will not conduct an appropriateness or suitability check for institutional clients.

## 6. General risks of financial instruments

Investments in financial instruments involve opportunities but also bear risks. It is important that you understand these risks before using a financial service.

Venture capital as form of private equity is an investment to provide risk capital financing for unlisted young companies (start-ups) and companies with growth potential that are still in an early stage of their development. Since investments are made at an early stage in the company's development, its chances of success are uncertain and the risks are high. Venture capital investments are not usually subject to regulation, in particular with regard to investor protection. Because of this and their lack of transparency (e.g. limited disclosure of financial accounts or no publication), they entail higher risks for investors. Venture capital investments involve considerable risks and can lead to substantial losses, including total losses. They are also geared to the long term and have highly limited liquidity.

More information about the risks of private equity and venture capital investments can be found in the brochure "Risks Involved in Trading Financial Instruments" of the Swiss Bankers Association (SBA), a copy of which you can obtain from your client relationship manager on request.

Please read this information carefully. If you have any questions, please contact your client relationship manager.

## 7. Cost Information

In connection with the provision of financial services costs and fees may be incurred by Marcau. Information on the actual costs and fees of your financial services are disclosed in the contractually agreed reports and can also be obtained from your

client relationship manager.

## 8. Offered Market Universe

When rendering financial services, Marcau only offers and invests on your behalf in financial instruments that are issued by third parties (investee companies) and that are neither managed, developed, administered or controlled by Marcau.

## 9. Execution of Orders (Best Execution)

When executing client orders, we ensure that the best possible outcome is achieved in terms of cost, timing and quality.

We have taken all appropriate steps to obtain the best-possible result when executing any transactions in financial instruments for you.

Marcau has a framework in place for the management and execution of orders, which covers all asset management activity that involves managing orders and executing transactions to the allocation of executed orders.

An overall review of the best execution framework and the order handling and execution arrangements is performed on a regular basis with regard to the completeness and effectiveness of the framework.

We generally apply the same best execution principles for all our clients, unless explicitly instructed otherwise by a client.

With respect to venture capital investments in particular, the order execution process is defined for each individual mandate and, due to the transactional nature of venture capital investments, often involves action by the client itself. Also, due to the characteristics of these private markets and transactions, Marcau has limited discretion in defining the parameters of execution of such orders. Provided that such orders have been placed in a timely manner with the corresponding counterparty, best execution obligations may be considered to be fulfilled by Marcau.

## 10. Conflicts of Interest

Marcau has implemented and maintains appropriate organisational and administrative measures with a view to taking all appropriate steps to prevent or manage conflicts of interest that could

arise through the provision of financial services from constituting or giving rise to a risk of damage to the interest of its clients.

A conflict arises where the interests of one party (e.g. Marcau, or any staff, or a client) are not currently, or may not in future be aligned with the interests of another party. Therefore, one party may be disadvantaged to the advantage of the other.

Our conflicts of interest framework which is proportionate to the nature and scale of our business, allow us to identify, record, manage, mitigate or disclose conflicts of interest. Where disadvantages for clients cannot be ruled out, or only at disproportionate expense, we will disclose this fact to you in a suitable manner.

Please contact us, if you have any questions regarding our conflicts of interest framework.

### 11. Business Affiliations with Third Parties

Marcau is privately owned by its partners and does not have any business affiliations which could lead to potential conflicts of interest in the context of providing a financial service to you. If any such conflict of interest should arise in the course of business and cannot be eliminated or managed/mitigated, we will inform you of this in an appropriate manner.

### 12. Compensation from Third Parties

As a general principle, MARCAU strives to provide its financial services and use its collective investment schemes in a way such to avoid receiving any third-party remuneration.

Should any third party remuneration still be incurred, MARCAU passes on to its clients, periodically and with the appropriate level of accountability, any such remuneration that it receives from third parties in connection with the offering of collective investment schemes or purchase of the same for their clients (please see section 10 above).

#### Disclaimer

This FIDLEG Client Information Document is provided to you for information and regulatory purposes only and provides an overview of how Marcau Partners AG applies the statutory conduct obligations.

Although it has been thoroughly checked, Marcau Partners AG does not accept any liability for the adequacy, accuracy, completeness or correctness of the content of this FIDLEG Client Information Document.

The FIDLEG Client Information Document reflects the status as per 1 January 2022 and may be updated by Marcau Partners AG unilaterally at any time without further notice

### 13. Complaints Management / Mediation Procedure

Ensuring client satisfaction is our priority.

We appreciate your feedback and take every comment and complaint seriously.

Should you not be happy with our services, we kindly ask you to send us an email at [david@marcau.vc](mailto:david@marcau.vc).

We handle all requests and complaints in line with our regulatory obligations and internal procedures. In order to address your request or complaint efficiently and swiftly, we require your full name and contact details as well as the reason for your request or complaint in as much detail as possible alongside any relevant documents.

We will acknowledge the receipt of your request or complaint and will provide you with an answer to your request or complaint as soon as possible.

We may request the provision of additional information necessary to confirm your identity when you file a request or complaint.

Should our response not be satisfactory to you and should you wish to initiate a mediation, you can contact the Finanzombudsstelle Schweiz (FINOS) ("FINOS"):

#### Finanzombudsstelle Schweiz (FINOS)

Talstrasse 20  
CH-8001 Zurich  
Switzerland  
Phone: +41 44 552 08 00  
E-Mail: [info@finos.ch](mailto:info@finos.ch)  
Website: [www.finos.ch](http://www.finos.ch)

FINOS is a free and neutral information and mediation agency. In general, FINOS only gets actively involved after Marcau receives and has had an opportunity to respond to a written client complaint.

to clients. You can always obtain the most recent version of the FIDLEG Client Information Document from your client relationship manager. After the 1 January 2022, the most recent version of the FIDLEG Client Information Document can be downloaded from our website: [www.marcau.vc](http://www.marcau.vc).

This FIDLEG Client Information Document does not constitute an offer or solicitation by or on behalf of Marcau Partners AG to utilise a service, buy or sell financial instruments or participate in a specific trading strategy in any jurisdiction.