

Financial Services Act Factsheet

Background

The Swiss Financial Services Act (FinSA) entered into force on January 1, 2020. The Act introduced new rules for the provision of financial services and the offering of financial instruments. The regulation aims to further strengthen the Swiss financial center, improve investor protection and enhance transparency on financial instruments. Further information is available on credit-suisse.com/finsa.

Focus

FinSA applies whenever the financial service is provided in Switzerland, or to clients domiciled in Switzerland.

Client classification

The legislation established three client classifications: “Retail”, “Professional” and “Institutional” clients to determine the level of required investor protection. A change of the client classification can be requested by the client in writing which results in changes in the financial instrument offering and investor protection¹ at the same time. Please refer to the next page for further information.

Information and documentation

Trading in financial instruments harbors opportunities and risks. Therefore, it is important to understand these risks before investing in such instruments. The revised brochure “Risks Involved in Trading Financial Instruments” includes the most important details of typical risks and is available on our Credit Suisse page (credit-suisse.com/ch/en/legal.html).

As of January 2022, clients benefit in particular from increased transparency throughout the investment cycle¹ e.g.:

- Key Information Documents (KIDs): “Retail clients” receive standardized information for certain financial instruments, including details of risks and costs.
- Advisory minutes: After every advisory meeting with the Relationship Manager, “Retail clients” automatically receive the minutes documenting the suitability and the reasoning of the advice given. “Professional clients” are able to request them.
- Reports: Clients can request investment reports, which contain, amongst others, the portfolio performance, asset allocation, financial instruments and service costs.

Ombudsman

Disputes about legal claims between a client and a financial services provider should be handled in a referral process by the Swiss Banking Ombudsman. The Ombudsman is a free and neutral information and mediation agency. In general, the Ombudsman only gets actively involved after the bank receives and has had an opportunity to respond to a written client complaint.

Swiss Banking Ombudsman
Bahnhofplatz 9
P.O. Box
CH-8021 Zurich, Switzerland
Phone: +41 43 266 14 14

Client classification

The legislation established three client classifications: "Retail", "Professional" and "Institutional" clients. The following overview describes exemplarily the three client classifications and their effects on investor protection.

	Retail	Professional	Institutional
We carry out an appropriateness or a suitability assessment when providing investment services, depending on the type of service. In addition, we carry out a suitability assessment when providing investment management services ¹ .	Yes ²	Yes ³	No
We document your needs and the reasons for our recommendation during the investment advisory process. The advisory minutes are provided to you ¹ .	Yes	Yes ⁴	No
You have access to funds restricted to Qualified Investors in accordance with the Collective Investment Schemes Act (CISA).	No ⁵	Yes ⁶	Yes
You can enter into an "Unsecured Securities Lending" agreement with us.	No	Yes	Yes
You can enter into a "Secured Securities Lending" agreement with us.	Yes	Yes	Yes
You can invest in structured products not meeting the minimum requirements as stated in FinSA ⁷ .	No ⁸	Yes	Yes
We provide you with a Key Information Document (KID) as part of our investment advisory services when you purchase certain financial instruments. For non-advised services ("execution only"), this document is only provided if available ¹ .	Yes	No ⁹	No ⁹
We are obliged to obtain best execution when handling your securities orders.	Yes	Yes	No

1 Clients served by an External Asset Manager, please contact your EAM.

2 For non-advised services ("execution only"), only knowledge and experience is checked for "Retail clients" (appropriateness assessment)¹.

3 For "Professional clients" it can be assumed that they have the required level of knowledge and experience and that they can financially bear the investment risks associated with the financial service. For non-advised services ("execution only"), neither an appropriateness nor a suitability assessment is conducted.

4 "Professional clients" can waive advisory minutes so they are not being produced. Without the waiving request advisory minutes are **only** provided to "Professional clients" on request.

5 Exception: "Retail clients" having a long-term portfolio management or investment advisory relationship with a FINMA-licensed Swiss financial intermediary or a foreign financial intermediary subject to equivalent supervision (e.g. Credit Suisse) may be treated as "Qualified Investors" pursuant to CISA and may receive advice related to funds restricted to "Qualified Investors". Their classification according to FinSA remains "Retail client" and is not impacted by their "Qualified Investor" status. The aforementioned "Retail clients" may declare in writing or in another form demonstrable via text that they do not wish to be treated as "Qualified investor".

6 Being a "Professional client" under FinSA, you become automatically a "Qualified Investor" under CISA and have access to funds not meeting the Swiss distribution criteria (additional restrictions apply to funds without Swiss Representative and Paying Agent).

7 Minimum requirement shall mean structured products offered by Credit Suisse that are issued, guaranteed or secured in an equal manner by institutions such as banks, insurance companies, securities firms or under certain conditions issued by special purpose entities, as further specified in FinSA.

8 Except within the framework of a portfolio management or advisory relationship.

9 Except on client's request.

Credit Suisse FinSA page



Credit Suisse legal page "Risks Involved in Trading Financial Instruments"



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