

## SONA ASSET MANAGEMENT (UK) LLP

### FINANCIAL SERVICES ACT (FINSA) INFORMATION NOTICE

13 December 2021

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#### Introduction

The purpose of this information brochure ("notice") is to inform our client ("you") in accordance with our duty to do so under the Swiss Financial Services Act ("FinSA"). This brochure contains information on Sona Asset Management (UK) LLP, the financial services offered and the associated risks as well as on how conflicts of interests are handled.

FinSA was adopted by the Swiss Parliament in 2018, and entered into force on 1 January 2020 (subject to certain transitional periods). It introduces a new regulatory framework governing Swiss financial markets and impacts the financial service providers.

Additional information on the costs and charges for the financial services offered are provided to you separately either under a specific information sheet and/or in the relevant fund documentation, in particular the prospectus/offering memorandum or, where applicable, the relevant term sheet or key investor information available on our website or provided to you directly.

The information contained in this brochure can be amended from time to time. The latest updated version of this brochure is available and can be downloaded on our website [sona-am.com](http://sona-am.com).

#### Information on Sona Asset Management (UK) LLP

Sona Asset Management (UK) LLP, is a UK company acting as an investment adviser of several collective investment schemes (funds).

Sona Asset Management (UK) LLP is licensed as an investment adviser with its headquarter located at 20 St James Street, London SW1A 1ES. Sona Asset Management (UK) LLP is subject to the supervision of the Finance Conduct Authority (FCA), whose headquarters are located at 12 Endeavour Square, London E20 1JN.

#### Financial services according to FinSA

FinSA regulates the provision of financial services and financial instruments to clients (as defined in FinSA). For more details on client classification, you may refer to the sections "Client classification" and "Change in client classification" below. FinSA generally applies to financial service providers, client advisors and producers of financial instruments.

FinSA defines the following activities carried out for clients as financial services: (a) acquisition or disposal of financial instruments, (b) receipt and transmission of orders in relation to financial instruments, (c) administration of financial instruments (portfolio management), (d) provision of personal recommendations on transactions with the financial instruments (investment advice), and (e) granting of loans to finance transactions with financial instrument.

The following are financial instruments that are subject to FinSA: (a) equity securities, (b) debt instruments (securities not classified as equity securities), (c) funds units, (d) structured products, (e) derivatives, (f) deposits whose redemption value or interest is risk or price dependent, excluding those where the interest is linked to an interest-rate index, and (g) bonds (unit in an overall loan subject to uniform conditions).

#### Financial services offered by Sona Asset Management (UK) LLP

Sona Asset Management (UK) LLP offers a range of asset management services, namely: execution-only services as well as the acquisition or disposal of financial instruments (fund distribution). The services we offer may vary in consideration of the client's domicile and depending on the classification of the client. We offer the following financial service to Swiss clients: acquisition or disposal of our funds (fund offering). We do not offer other financial services to clients based in Switzerland.

Our services are only provided to institutional and professional clients under FinSA (qualified investors under CISA). Sona Asset Management (UK) LLP does not provide financial services to retail (private) clients but does not rule out providing services to HNWI and has registered with an ombudsman. For more details on client classification, you may refer to the sections "Client classification" and "Change in client classification" below.

Sona Asset Management (UK) LLP will not verify whether the funds offered to you are suitable or appropriate before proposing you such funds. Sona Asset Management (UK) LLP is not required to document your needs and does not maintain records and other investment management reports or statements for the purposes of offering you units of fund. Sona Asset Management (UK) LLP is subject to conduct rules in its home jurisdiction, which impose duty of loyalty,

duty of care, and duty to provide sufficient information on the products offered to investors. Such duties oblige the Sona Asset Management (UK) LLP not to discriminate investors without objective reasons.

## Client classification

Sona Asset Management (UK) LLP, as financial services provider, is required by FinSA to classify its clients into three categories where applicable: retail (private), professional and institutional clients.

Based on these classifications, the corresponding level of regulatory protection varies, depending on the client's knowledge and experience in connection with investment matters:

- retail (private) clients are granted the highest level of regulatory protection. Retail (private) clients are all clients who do not qualify as professional or institutional clients. The range of financial instruments available is generally limited to products targeted at retail (private) clients or to products explicitly registered for distribution to retail (private) clients. As a rule, Sona Asset Management (UK) LLP does not offer its products to such category of clients;
- professional clients are deemed to have the necessary knowledge and experience to invest in all asset classes and to be financially able to bear the investment risks associated with the financial service. Professional clients are sophisticated investors such as occupational pension schemes with professional treasury operations and companies with professional treasury operations. Professional clients have access to a wider investment universe compared to retail clients, which includes financial instruments intended only for professional clients or which are not registered for sale to retail (private) clients;
- institutional clients are afforded to the lowest level of regulatory protection. Certain professional clients such as regulated financial intermediaries, insurance companies and central banks are deemed institutional clients and are treated as a separate segment of clients. Similar to professional clients, institutional clients have access to a wide range of financial instruments, however they are subject to the least client protection regulations in consideration of their assumed knowledge, experience in financial investments and capacity to bear losses. In particular, the rules of conduct set forth in FinSA are not applicable to institutional clients.

If you do not agree with the initial classification by Sona Asset Management (UK) LLP, you can request a change in your classification as long as you meet the necessary legal requirements and that the requested classification falls within the range of funds offered by Sona Asset Management (UK) LLP (for more details, you may refer to the section "Change in client classification below").

### Change in client classification

Clients may declare in writing or in another form demonstrable via text that they wish to "opt out" (reduce their regulatory protection) or, alternatively, "opt in" (increase their regulatory protection). The following changes of categories are allowed by FinSA:

#### High net worth retail individuals (HNWIs) and related investment structures

HNWIs and private investment structures set up for HNWIs (without professional treasury operation) may declare in writing that they wish to be treated as professional clients ("opting out"/ "Elective Professional"), provided that the criteria laid down by the regulations are met:

- based on education and professional experience or on the basis of comparable experience in the financial sector, the clients possess the necessary knowledge to understand the risks associated with the investments, and
- the clients have at their disposal financial assets of at least CHF 500,000;

or

- the clients have at their disposal financial assets of at least CHF 2 million.

Eligible "financial assets" include financial investments held directly or indirectly by the client, in particular: (i) sight or time deposits with banks and securities firms, (ii) certificated and uncertificated securities, including collective investment schemes and structured products, (iii) derivatives, (iv) precious metals, (v) life insurance policies with a surrender value, (vi) restitution claims from other assets held in trust specified in cif. (i) to (v) above. Direct investments in real estate and claims from social insurance schemes as well as occupational pension assets do not qualify as financial investments.

#### Professional clients

Occupational pension schemes and other institutions whose purpose is to serve occupational pensions with professional treasury operations and companies with professional treasury operations may declare in writing or in another form demonstrable via text that they wish to be treated as institutional clients ("opting out") or, on the other hand, all professional clients that are not institutional clients may declare in writing that they wish to be treated as retail (private) clients ("opting in").

### **Institutional clients**

Institutional clients may declare in writing that they wish to be treated as professional clients ("opting in").

Clients may declare in writing or in another form demonstrable via text that they wish to "opt out" (reduce their regulatory protection) or, alternatively, "opt in" (increase their regulatory protection). The following changes of categories are allowed by FinSA:

Should a client wish to "opt-in" or "opt-out", please reach your contact at Sona Asset Management (UK) LLP or send us an email at [ir@sona-am.com](mailto:ir@sona-am.com).

### **Conflicts of interests and economic ties to third parties**

Sona Asset Management (UK) LLP adheres to the strictest ethical standard and is committed to act in the best interest of its clients. Sona Asset Management (UK) LLP has implemented organizational measures to prevent situations of conflict of interests that could arise between itself (including its employees and its business partners or affiliates) and those of its clients. If unavoidable conflicts of interests should nevertheless arise, you will be informed without delay. The information provided will cover (i) the nature of the conflict, (ii) the underlying reason for it, and (iii) the associated risk to you. You will also receive transparent information on the manner the conflict of interest will be handled.

### **Distribution fees / Third party commission**

The Manager, the fund(s) or their agent may pay commissions as remuneration in respect of the offering of fund(s) in Switzerland. More information is available in the fund documentation.

### **Market offering considered**

The market offering considered when selecting the financial instruments offered to the distribution includes only instrument advised, managed or proposed by us or our affiliates.

### **Information on risks**

Transactions in financial instruments involve opportunities and risks. It is important that you understand these risks. A description of the major risks associated with such financial instruments used in connection with our financial services can be found in the relevant fund documentation, in offering memorandum that are provided to you.

### **Mediation body (ombudsman) and client advisers registration**

Sona Asset Management (UK) LLP has no obligation to be affiliated to a mediation body (ombudsman) to the extent it exclusively provides its financial services to professional clients (excluding high net worth retail client and private investment structures set up for such client without treasury operation, which have made an opting-out) and institutional clients. As an additional measure, Sona Asset Management (UK) LLP is affiliated with: Finanzombudsstelle Schweiz ('FINOS' [www.finos.ch](http://www.finos.ch)).

### **Disclaimer**

This notice is solely for informing clients about how Sona Asset Management (UK) LLP implements the applicable statutory requirements on investor protection under the Swiss Financial Services Act. It does not constitute an offer or solicitation by or on behalf of Sona Asset Management (UK) LLP to utilize a service, buy or sell funds, securities or similar financial instruments or participate in a specific trading strategy in any jurisdiction.