

## LLB Comfort

# All-in-model – performance-based with high-water mark

The pricing model with a reduced base fee and participation by the bank in the event of strong performance.

This performance-based model is made up of two components:

- a more favourable base fee and
- a performance fee

We charge the **base fee** on the basis of the average total assets under management. The fee is levied quarterly, in the event of any structural change (change of investment instrument, investment strategy or pricing model) or upon closure.

We only apply the **performance fee** if:

- the investment (after deduction of all costs) has increased in value at the end of the year, and
- the high-water mark is exceeded

The performance fee is charged annually, in the event of any structural change or upon closure.

### Calculation of the performance fee

Chargeable performance:  $(1 + \text{TWR}) / (1 + \text{HWM}) - 1$

Performance fee: Chargeable performance x

∅ assets x rate

### High-water mark

The «high-water mark» refers to the peak level of cumulative performance achieved to date under the asset management mandate. It is used as a benchmark for calculating the variable performance-based surcharge (performance fee) on top of the base fee. Performance fees are only charged if the peak level is exceeded at the end of the year. The peak level reached at the end of the year constitutes the new high-water mark.

### Calculation example

performance fee for year 3 (see chart)

Existing high-water mark	(HWM)	2.5 %
Cumulative performance before performance fee	(TWR) <sup>1</sup>	4.0 %
Chargeable performance		1.46 %
∅ assets before performance fee	(∅ assets)	CHF 250'000
Performance-based rate	(rate)	20.00 %
Performance fee		CHF 731.71

<sup>1</sup>new HWM

### Example: performance of the asset management mandate

#### Performance

