

Information about cost transparency within the context of MiFID II

In the case of transactions with financial instruments, various costs are incurred for different service providers, and these have an impact on the return of the performed investment. To ensure you are able to take the total costs into consideration when making your investment decisions, you will receive an overview of the associated costs before every purchase transaction.

Example: investment funds

The following list shows examples of the cost ranges of securities transactions in investment funds:

1 Information about the financial instrument

Purchase	Investment fund
Trading venue	Primary market / over the counter
Quantity / nominal	
Price as at 3 January 2019	
Limit	
Transaction value in account currency	CHF 10'000.-
Exchange rate as at 3 January 2019	CHF / CHF 1.-
Transaction value in the reference currency	CHF 10'000.-

Incurring costs in CHF

	2 Purchase costs		3 Ongoing costs		4 Sale costs							
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum						
5 LLB service costs	7.50	0.08 %	185.00	1.85 %	9.00	0.09 %	80.00	0.80 %	7.50	0.08 %	185.00	1.85 %
6 Third-party costs	0.00	0.00 %	61.00	0.61 %					0.00	0.00 %	46.00	0.46 %
7 Product costs					10.00	0.10 %	250.00	2.50 %				
Grand total	7.50	0.08 %	246.00	2.46 %	19.00	0.19 %	330.00	3.30 %	7.50	0.08 %	231.00	2.31 %

8 Impact of the costs on the return

	Minimum	Maximum
During the first year of the investment	26.50	0.27 %
From the second year of the investment, per year	19.00	0.19 %
In addition, in the year of disposal	7.50	0.08 %

- ♦ As a rule, the costs associated with buying units in an investment fund comprise service costs of the LLB, third-party costs and product costs.
- ♦ In contrast to other banks, we comprehensively forward to you the incentives that the LLB receives from fund companies for selling the products. Any possible reimbursement of incentives is not taken into account in the above example.
- ♦ If the investment fund is bought or sold in a currency other than the currency of the settlement account, additional foreign currency costs are incurred.

Glossary:

- 1 General information about securities transaction.
- 2 Purchase costs: one-off costs when buying a security.
- 3 Ongoing costs: periodic costs while a security is held.
- 4 Sale costs: one-off costs when selling a security.
- 5 LLB fees: in particular brokerage fees for entry and exit, securities account fees and any possible non-domestic surcharges for holding foreign securities.
- 6 Third-party fees: in particular third-party brokerage fees, or delivery expenses charged by custodians.

- 7 Product costs: as a rule, costs that are incurred only for funds and structured products and that are credited to the fund company or the issuer.
- 8 Summary overview: It shows how costs impact the returns generated by corresponding investments. This is an individual transaction view, and not an overall portfolio view. The impact of the costs on returns is relative to the overall portfolio and the overall holding period of the investment.

Example: equity

1 Information about the financial instrument

Purchase	Equity
Trading venue	Stock market
Quantity / nominal	
Price per 3 January 2019	
Limit	
Transaction value in account currency	CHF 10'000.–
Exchange rate per 3 January 2019	CHF / CHF 1.–
Transaction value in the reference currency	CHF 10'000.–

Incurred costs in CHF

	2 Purchase costs				3 Ongoing costs				4 Sale costs			
	Minimum		Maximum		Minimum		Maximum		Minimum		Maximum	
5 LLB service costs	20.00	0.20 %	180.00	1.80 %	18.00	0.18 %	80.00	0.80 %	20.00	0.20 %	180.00	1.80 %
6 Service costs of third parties	8.30	0.08 %	108.00	1.02 %					8.30	0.08 %	52.00	0.52 %
Grand total	28.30	0.28 %	282.00	2.82 %	18.00	0.18 %	80.00	0.80 %	28.30	0.28 %	232.00	2.32 %

8 The costs reduce the returns of the investment as follows

	Minimum		Maximum	
During the first year of the investment	46.30	0.46 %	362.00	3.62 %
From the second year of the investment, per year	18.00	0.18 %	80.00	0.80 %
In addition, in the year of disposal	28.30	0.28 %	232.00	2.32 %

- ♦ As a rule, the costs associated with buying shares comprise service costs of the LLB and third-party costs.
- ♦ If the equity is bought or sold in a currency other than the currency of the settlement account, additional foreign currency costs are incurred.
- ♦ When equities are bought, no product costs are incurred.

Example: foreign exchange forward transaction

1 Information about the financial instrument

Your sale	CHF 50'000.–
Exchange rate per 1 December 2017	Currency B / CHF 1.18815787
Your purchase	Currency B 42'081.95
Debited to you (upon expiry)	CHF 50'000.–
Credited to you (upon expiry)	Currency B 42'081.95
Order date	1 December 2017
Value date	5 March 2018

Incurred costs in CHF

	2 Purchase costs				3 Ongoing costs				4 Sale costs			
	Minimum		Maximum		Minimum		Maximum		Minimum		Maximum	
7 Product costs	37.50	0.08 %	651.40	1.30 %								
Grand total	37.50	0.08 %	651.40	1.30 %								

10 The costs reduce the returns of the investment as follows

	Minimum		Maximum	
During the first year of the investment	37.50	0.08 %	651.40	1.30 %
From the second year of the investment, per year				
In addition, in the year of disposal				

- ♦ In the case of foreign exchange forward transactions, as a rule, only one-off costs are incurred when the transaction is concluded.
- ♦ These costs correspond to the margin that the LLB charges to settle the transaction.

In addition to the information on costs for each transaction, you will receive an annual statement of the costs incurred over the previous year within the context of your investment transactions.

Should you have any questions, please do not hesitate to contact your client advisor.

The following should be considered in full or in part in relation to investment funds and equities:

The costs of buying, holding and selling securities depend on the asset class and domicile of the security, the amount and channel of the transaction, and the size and product and price model of the portfolio (all-in models have not been taken into account). The figures listed are ranges indicating a minimum and a maximum (in the case of investment funds only for the primary market and excluding hedge funds). Any issue and redemption commission in favour of the fund assets, minimum fees and individual client agreements have not been taken into account. If the currency of the security is different to that of the settlement account, additional exchange rate charges are incurred. For clients domiciled in Liechtenstein and Switzerland, value added tax may also be payable. Where clients are legally exempt from stamp duty, the "Taxes and levies" may be lower. **The actual costs may deviate from the specified figures.**

The following should also be considered in relation to foreign exchange forward transactions:

The costs of executing a foreign exchange forward transaction depend on the amount of the transaction, the currencies traded and the type of client. The figures listed are ranges indicating a minimum and a maximum in the main currencies. Any individual client agreements have not been taken into account. Any closing out of the position before the maturity date is booked as a new transaction and generates additional costs. **The actual costs may deviate from the specified figures.**