

Financial Services Act (Finanzdienstleistungsgesetz FIDLEG)



The Swiss Federal Act on Financial Services [Bundesgesetz über die Finanzdienstleistungen] (FIDLEG) came into force on 1 January 2020. This enhances investor protection and creates comparable conditions for providers of financial services such as banks and asset managers. Providers of financial services are obliged to comply with the requirements laid down by the FIDLEG by 1 January 2022.

1. Aargauische Kantonalbank (AKB) and its supervisory authority

Aargauische Kantonalbank is an independent establishment governed by cantonal public law with its own legal personality, which has its registered office in Aarau. It is fully owned by the Canton of Aargau and is backed up by the full state guarantee.

AKB contact information

Aargauische Kantonalbank
Bahnhofplatz 1
CH-5001 Aarau
+41 62 835 77 77
Further contact options

AKB is supervised by the Financial Market Supervisory Authority (FINMA).

Contact information for the supervisory authority

Financial Market Supervisory Authority FINMA
Laupenstrasse 27
CH-3003 Bern
+41 31 327 91 00

2. Client segmentation

The FIDLEG provides inter alia for three different client segments with different levels of client protection. The retail clients segment offers the highest protection. The client segments differ in particular in terms of the disclosure, documentation and accountability obligations applicable to AKB.

Segmentation occurs primarily on the basis of financial circumstances, knowledge and experience in relation to investments and, for companies, size or cash management structure.

Retail clients

Retail clients include all persons who are not classified as professional or institutional clients according to the FIDLEG definition.

At Aargauische Kantonalbank, as a general rule all clients are allocated to the retail clients segment. This means that you enjoy comprehensive investor protection, which has implications in particular in terms of disclosure and conduct requirements in relation to the review of suitability and appropriateness when purchasing financial instruments.

Professional clients

The following qualify as professional clients:

- pension schemes with professional cash management
- public sector entities with professional cash management
- enterprises with professional cash management
- large enterprises (that exceed any two of the following thresholds: balance sheet total of CHF 20 million, turnover of CHF 40 million or equity of CHF 2 million)
- private investment vehicles with professional cash management established for wealthy retail clients

Institutional clients

The following qualify as institutional clients:

- financial intermediaries (e.g. banks or asset managers subject to supervision)
- insurance companies
- central banks
- national and supranational public sector entities with professional cash management

Change of client segment

The FIDLEG provides for the possibility of changing client segment where certain prerequisites are met. Your client advisor will be pleased to explain the circumstances under which such a change is possible.

3. Transparency in relation to risks

Transactions involving financial instruments are associated with opportunities and risks. It is important that you know and understand these risks. The brochure **"Risks Involved in Trading Financial Instruments"** published by the Swiss Bankers Association contains general information and explanations concerning the typical financial services within the field of investment as well as the characteristics of and risks associated with individual financial instruments.

We will be pleased to provide you with a hard copy of the brochure. This can be obtained from your client advisor or at any AKB branch.

4. Transparency in relation to products

When personally recommending financial instruments, AKB also provides its retail clients with a key information document for financial instruments (KID), where one is available for the financial instrument recommended (Articles 58 and 59 FIDLEG). The key information document contains the information that is necessary in order for investors to make an informed investment decision and to compare different financial instruments with one another.

5. Transparency in relation to costs

The costs of financial instruments have an impact on performance. AKB has therefore been disclosing costs openly and transparently for a number of years. Any compensation received from third parties (inducements) is disclosed, irrespective of the origin. Any kickbacks and retrocessions received will be passed on to clients.

6. Best execution

AKB ensures that its orders are executed in an optimum manner. The respective principles of execution ensure that orders achieve the best possible result in financial, temporal and qualitative terms.

7. Options for complaining and information concerning the Swiss Banking Ombudsman

Are you dissatisfied with an outcome? Please let us know about this and give us the opportunity to fulfil your expectations. Please contact your client advisor.

If we are unable to find a mutually acceptable solution, you can pursue the matter with the Swiss Banking Ombudsman. This neutral agency is free of charge, and mediates between the client and the bank in the event of any dispute.

Swiss Banking Ombudsman
Bahnhofplatz 9
Postfach
CH-8021 Zurich