

## ARTICLE 73 para. 4 FMIA

### Legally Required Participant Cost Disclosure

This Cost Disclosure provides an indication of the cost structure associated with supporting the account types described below. The applicable fees are available upon request.

#### 1 Introduction

Credit Suisse AG, a Swiss bank domiciled in Switzerland ("Bank"), is a Participant of SIX SIS AG (SIX SIS), a CSD domiciled in Switzerland.

Art. 73 para. 2 Financial Market Infrastructure Act, FMIA requires Bank to offer indirect participants<sup>1</sup> of a Swiss CSD (i.e. of SIX SIS) the possibility of omnibus client segregated accounts (OSA) or individual client segregated accounts (ISA). Furthermore, according to Art. 73 para. 4 FMIA, Bank shall publish the cost and specifics concerning the level of protection granted by different types of accounts.

The purpose of this document is to disclose the cost structure associated with the different types of segregated accounts supported by the Participant in respect of securities held directly for its clients with Central Securities Depositories (CSDs) within Switzerland:

- Omnibus client segregated accounts (OSA) and
- Individual client segregated accounts (ISA)

#### 2 General information

This document should be read in conjunction with the relevant Legally Required Participant Disclosure Document and it is intended as additional information and support for your decision regarding the choice of account type that is best suited to your activity profile and needs.

Whilst this document shall be helpful to you when making this decision, it does not constitute legal or any other form of advice and must not be relied on as such.

You may need additional information to make your decision on which account type or level of segregation is suitable for you. It is your responsibility to review and conduct your own due diligence on the relevant rules, legal documentation and any other information provided to you. You may wish to appoint your own professional advisors to assist you with this.

#### 3 Overview cost information

Below section is intended as an overview of the main driving factors which determine and shape the cost structure when setting up, maintaining and operating accounts at CSD level. Such factors are likely to include:

- **Account type:** depending on the account type clients opted for, i.e. OSA or ISA;
- **Number of accounts:** the number of accounts clients request has a direct impact on the time and resources required at the Bank and at the CSD in order to set up these accounts and maintain them on an ongoing basis;
- **Technical setup at the CSD:** set-up and maintenance cost and fees (if any and if applicable) charged by the CSD will be passed on to clients;
- **Technical setup at the Bank:** such set-up and maintenance cost and fees as well as cost and expenses associated with potential migrations from a current OSA setup into an ISA setup will be charged to clients;

Bank currently offers and supports both account types at SIX SIS:

- OSA is used to hold the securities of a number of Bank's clients on a collective basis. Bank's own proprietary securities are excluded and are safekept separately. OSA is the standard account structure at the CSD. Currently Bank does not intend to change the existing OSA cost structure. This remains however subject to possible future cost reviews by the CSD or by the Bank.
- ISA is used to hold the securities of a single client of Bank, not commingled with the securities of other clients and/or with Bank's own proprietary securities. The cost of us setting up and maintaining an ISA on behalf of clients is typically higher compared to the OSA option. This is mainly driven by the additional complexity and expenditures both at the Bank and at the CSD in order to set up ISAs and maintain them on an ongoing basis. Such cost will be passed on to clients as incurred. This remains true also in case of possible future reviews of the applicable terms and conditions by the CSD or by the Bank.

<sup>1</sup> Only clients of a Participant acting themselves as providers of securities accounts are considered indirect participants under Art. 73 para. 2 FMIA.

The following indicative information shows our anticipated charging structure for OSA vs. ISA:

	Fee type charged	OSA	ISA
<b>One time cost</b>	<b>Initial setup fee</b> charged for every new segregated account request		✓
	<b>Migration fee</b> charged for the migration of the existing portfolio (including pending trades) in case of a switch request from OSA to ISA		✓
<b>Recurring cost</b>	<b>Monthly maintenance fee</b> covers technical, legal, operational support of segregated accounts	✓*	✓
	<b>Third party charges</b> if applicable and as incurred		✓

\*As bilaterally agreed in the existing Fee Schedule.

This material is provided as additional information for the client's decision regarding the choice of account type (OSA or ISA) that is best suited to client's activity profile and needs. It is only an indication of cost likely to be incurred when opting for an OSA or an ISA as a client of Bank.

We are happy to discuss and provide the fees applicable to your specific case at your request. For more information, please contact your Relationship Manager.

#### Glossary

**Central Securities Depository (CSD)** is an entity which records legal entitlements to dematerialised securities and operates a system for the settlement of transactions in those securities.

**Financial Markets Infrastructure Act (FMIA)**, a Swiss law which sets out rules applicable to CSDs domiciled in Switzerland and their participants.

**Individual Client Segregated Account (ISA)**, is used to hold the securities of a single client.

**Omnibus Client Segregated Account (OSA)**, is used to hold the securities of a number of clients on a collective basis.

**Participant** means an entity that holds securities in an account with a CSD and is responsible for settling transactions in securities that take place within a CSD.

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