

# FIDLEG Client Information Document

## 1. Introduction

The purpose of this FIDLEG Client Information Document is to inform you about how Wells Fargo Securities International Limited and Wells Fargo Bank, N.A., London Branch (together **Wells Fargo, we or us**) apply certain requirements of the Federal Act on Financial Services (**FIDLEG**) as from the 1 January 2022.

FIDLEG mainly governs the provision of financial services as well as the offering of financial instruments and is intended to strengthen client protection. In terms of content, FIDLEG is closely aligned with the European regulatory reforms and mainly covers the following areas:

- Enhancement of client protection
- Transparency of financial products
- Organisational requirements for the provision of financial services.

The introduction of FIDLEG resulted in increased information and documentation obligations for financial service providers in Switzerland offering financial services related to financial instruments (e.g. portfolio management, investment advice and the acquisition or disposal of financial instruments) and extended the organisational measures to be taken by them.

The level of protection to be provided by a financial service provider depends on the respective client classification (further explained in chapter 4 below). The client classification determines the scope of applicable conduct duties or organisational measures to be applied for the specific client relationship.

This FIDLEG Client Information Document provides you with an overview of Wells Fargo's implementation of the FIDLEG conduct requirements. This FIDLEG Client Information Document supplements any contractual agreement between you and Wells Fargo. In case of any contradictions, the respective contractual agreement will prevail.

## 2. About Wells Fargo

Wells Fargo Securities International Limited is a credit institution authorised and regulated by the Financial Conduct Authority (the **FCA**) and the Prudential Regulation Authority (the **PRA**) for the conduct of investment business in the United Kingdom.

Wells Fargo Bank, N.A., London Branch is the London branch of Wells Fargo Bank N.A., a US bank, and is authorised and regulated by the Financial Conduct Authority (the **FCA**) for the conduct of investment business in the United Kingdom, and is an indirect wholly owned subsidiary of Wells Fargo & Co.

Financial services within the meaning of FIDLEG offered and provided by Wells Fargo will only include the "acquisition or disposal of financial instruments", namely certain activities undertaken directly with you as an existing or potential investor that are specifically aimed at the purchase of certain financial instruments.

For further information about our services, please contact your usual trading contact or contact us at:

**Wells Fargo Bank, N.A. / Wells Fargo Securities International Limited**  
(as applicable)

Address: 33 King William Street, London, EC4R 9AT

Email: [WFRegulatorycommunications@wellsfargo.com](mailto:WFRegulatorycommunications@wellsfargo.com)

Website: <https://sites.wf.com/emea/>

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## 3. Regulated Status

Wells Fargo is not authorised and prudentially supervised by the Swiss Financial Market Supervisory Authority FINMA (**FINMA**) or by any other competent supervisory authority in Switzerland.

Wells Fargo Securities International Limited is authorised and regulated by the **FCA** and the **PRA** in the United Kingdom and Wells Fargo Bank, N.A., London Branch is authorised and regulated by the **FCA** in the United Kingdom.

## 4. Client Segmentation

### 4.1 General Information

Under FIDLEG, all financial services providers are required to segment their clients into the following three segments: Private (retail clients), professional clients and institutional clients.

Each segment is assigned a different level of investor protection (e.g. with regard to information duties, suitability and appropriateness obligations, documentation and accountability duties).

Before providing financial services to you, we will provide you with a Client Segmentation Letter for completion. If we do not receive a response from you, we will segment you and subsequently inform you about your segmentation as either a professional or institutional client (Wells Fargo is **not authorised** to provide financial services to retail clients, based on the information available to us).

You may wish to change your segmentation by way of declaring that you are opting-in or opting-out, which will also change the level of client protection and conduct obligations for the client relationship. Your usual trading contact will be happy to explain the available opting-in and/or opting-out options in detail to you – these are also set out in our Client Segmentation Letter. Any declaration of an opting-in or opting-out will only be legally binding on Wells Fargo upon respective written confirmation to the client.

Every segmentation undertaken by Wells Fargo applies in general for all financial services, which we offer or provide to you, unless you have explicitly instructed us otherwise in writing.

You are requested to inform us of any relevant changes in the circumstances underlying your classification which would result in your no longer meeting the necessary requirements for classification as professional or institutional client or if you would like to withdraw your opting-in or opting-out declaration.

As soon as we become aware that you no longer fulfil the criteria for your original classification, we will independently adjust your classification and inform you accordingly. In such cases, Wells Fargo is authorised to return, exchange or sell all financial instruments that may only be held by clients of the initial classification, to terminate contracts for financial services or to cease providing financial services in the future.

### 4.2 Institutional Clients

#### a. Classification as Institutional Client

The following are institutional clients:

- **Per se institutional clients** according to Art. 4 para. 4 FIDLEG are:
  - a financial intermediaries as defined in the Banking Act of 8 November 1934 (BankG), the Financial Institutions Act of 15 June 2018 (FINIG) and the Collective Investment Schemes

- Act of 23 June 2006 (KAG (Art. 4 para. 3 let. a and para. 4 FIDLEG;
  - b insurance companies as defined in the Insurance Supervision Act (VAG (Art. 4 para. 3 let. b and para. 4 FIDLEG;
  - c foreign clients subject to prudential supervision as the persons listed in a and b above (Art. 4 para. 3 let. c and para. 4 FIDLEG;
  - d central banks (Art. 4 para. 3 let. d and para. 4 FIDLEG;
  - e national and supranational public entities with professional treasury operations<sup>1</sup> (Art. 4 para. 4 FIDLEG.
- **Elective institutional clients** according to Art. 5 para. 3 and 4 FIDLEG are: clients who have explicitly opted-out to be treated as institutional clients pursuant to Art. 5 para. 3 or 4 FIDLEG.

#### b. Consequences of classification

The classification as institutional client means that:

- the information, documentation and accountability obligations under the FIDLEG do not apply;
- Wells Fargo does not conduct a suitability or appropriateness test when providing investment advice;
- Wells Fargo would not be obliged to apply the transparency and due diligence obligations for client orders under FIDLEG. However, Wells Fargo does apply the same requirements as for private clients and professional clients;
- Institutional clients are considered qualified investors pursuant to KAG. Qualified investors may invest in Swiss collective investment schemes that are subject to simplified authorisation and approval procedures and are exempt from certain investor protection requirements and/or foreign collective investment schemes which are not approved for offering to non-qualified investors in Switzerland and, thus, not subject to the supervision of the Swiss Financial Market Supervisory Authority FINMA. Such foreign collective investment schemes may for example not be subject to requirements regarding organisation and/or legal structure, investor rights or investment policy/restrictions equivalent to those under KAG.

Wells Fargo may in its sole discretion and on a voluntary basis apply the FIDLEG conduct duties in whole or in part in relation to financial services provided to institutional clients. Such voluntary application of conduct duties does not cause a general obligation on Wells Fargo to comply with such FIDLEG conduct duties in relation to institutional clients in future, unless explicitly provided by regulatory provisions otherwise.

#### c. Option to request a change of classification

Per se institutional clients may declare in writing to Wells Fargo that they wish to be classified as professional clients and thus benefit from the associated enhanced client protection (opting-in).

Elective institutional clients pursuant to Art. 5 para. 3 FIDLEG may at any time withdraw their opting-out in order to be re-classified as professional clients and benefit from the associated enhanced client protection.

### 4.3 Professional Clients

#### a. Classification as professional client

The following are professional clients:

- **Per se professional clients** are:

- a public entities with professional treasury operations<sup>1</sup> (Art. 4 para. 3 let. e FIDLEG;
- b occupational pension schemes and other occupational pension institutions with professional treasury operations<sup>1</sup> (Art. 4 para. 3 let. f FIDLEG;
- c companies with professional treasury operations<sup>1</sup> (Art. 4 para. 3 let. g FIDLEG;
- d large companies (Art. 4 para. 3 let. h in connection with para. 5 FIDLEG;
- e private investment structures with professional treasury operations<sup>1</sup> created for high-net-worth private clients (Art. 4 para. 3 let. i FIDLEG.

#### ▪ Elective professional clients

- a by way of **opting-out declaration**: high net worth private clients and private investment structures created for them who have explicitly opted-out to be treated as professional clients in accordance with Art. 5 para. 1 and 2 FIDLEG;
- b by way of **opting-in declaration**: institutional clients that have explicitly opted-in to be treated as professional clients in accordance with Art. 5 para. 6 FIDLEG.

#### b. Consequences of classification as professional client

The classification as professional client means that

- Wells Fargo will apply the information, documentation and accountability obligations under FIDLEG unless the client expressly waives the application of these rules of conduct;
- [Wells Fargo will comply with the transparency and best execution obligations for client orders under FIDLEG;
- Professional clients according to Art. 4 para. 3 FIDLEG or according to Art. 5 para. 1 and 4 FIDLEG are qualified investors under KAG. Qualified investors may invest in Swiss collective investment schemes that are subject to simplified authorisation and approval procedures and are exempt from certain investor protection requirements and/or foreign collective investment schemes which are not approved for offering to non-qualified investors in Switzerland and, thus, not subject to the supervision of the Swiss Financial Market Supervisory Authority FINMA. Such foreign collective investment schemes may for example not be subject to requirements regarding organisation and/or legal structure, investor rights or investment policy/restrictions equivalent to those under KAG.

#### c. Option to request a change of classification

Per se professional clients may declare in writing to Wells Fargo that they wish to be classified as institutional clients (opting-out).

Professional clients who are not institutional clients may declare in writing to [Wells Fargo] that they wish to change their segmentation to private client and accordingly benefit from the rights and protection granted to private clients (opting-in).

### 4.4 Private Clients

#### a. Classification as private client

Private clients are all clients who are not professional clients.

Wells Fargo is **not authorised** to provide financial services to private clients.

#### b. Option to request a change of classification

<sup>1</sup> The professional treasury operations requirement is fulfilled when the client entrusts on a permanent basis, within or outside its organisation, the management of its funds to a professionally qualified person with experience in the financial sector.

Private clients may declare in writing to Wells Fargo that they wish to be classified as professional clients (opting-out).

Such an opting-out in accordance with Art. 5 para. 1 and 2 FIDLEG requires that the high net worth private client or the private investment structure created for them confirm that they meet the following alternative conditions:

- Required knowledge based on personal education and professional experience or on comparable experience in the financial sector to understand the risks of financial instruments. Additional eligible assets of at least CHF 500,000; or
- eligible assets of at least CHF 2 million.

## 5. Appropriateness & Suitability

Wells Fargo does not provide any investment advice, asset management or execution only services and, accordingly, does not apply any suitability or appropriateness review.

## 6. General Risks of Financial Instruments

Investments in financial instruments involve opportunities but also bear risks. It is important that you understand these risks before using a financial service.

For this purpose, the brochure "Risks Involved in Trading Financial Instruments" of the Swiss Bankers Association (SBA) is available to you on the [Swiss Banking website](#).

Please read this information carefully. If you have any questions, please contact your usual trading contact.

## 7. Cost Information

Costs and fees may be incurred both by Wells Fargo and by third parties (e.g. through third party financial instruments in your portfolio in connection with the provision of financial services. We distinguish between costs and fees that are charged directly to your account and indirect costs related to holding of financial instruments (e.g. ongoing charges).

Information on the actual costs and fees of your financial services are disclosed in the contractually agreed reports and can also be obtained from your usual trading contact.

For further information on costs of financial instruments see chapter 8 below.

## 8. Product Information

Information on financial instruments, including information about product specific risks and costs, can be found in the relevant offering documents for the financial instrument prepared by the issuer/manufacturer, which are made available to you free of charge.

Should you not be able to find the product specific information you are looking for, kindly contact your usual trading contact at the address indicated above.

## 9. Offered Market Universe

When rendering financial services, Wells Fargo generally offers financial instruments that are developed and/or managed by it. However, Wells Fargo may also offer or use third-party financial instruments.

## 10. Execution of Orders (Best Execution)

Transparency and best execution obligations for client orders under FIDLEG do not apply in the context of the limited scope of financial services provided by Wells Fargo.

## 11. Conflicts of Interest

Wells Fargo has implemented and maintains appropriate organisational and administrative measures with a view to taking all appropriate steps to prevent or manage conflicts of interest that could arise through the provision of financial services from constituting or giving rise to a risk of damage to the interest of its clients.

A conflict arises where the interests of one party (e.g. Wells Fargo, or a member of the board, or any staff, or a client are not currently, or may not in future be aligned with the interests of another party. Therefore, one party may be disadvantaged to the advantage of the other.

Our EMEA Conflicts of Interest Policy, available [here](#), is proportionate to the nature and scale of our business and allows us to identify, record, manage, mitigate or disclose conflicts of interest. Where disadvantages for clients cannot be ruled out, or only at disproportionate expense, we will disclose this fact to you in a suitable manner.

Please contact us if you have any questions regarding our Conflicts of Interest Policy.

## 12. Business Affiliations with Third Parties

Both Wells Fargo Securities International Limited and Wells Fargo Bank, N.A., London Branch, are indirect wholly owned subsidiaries of Wells Fargo & Co. We cooperate with our affiliates in many ways. The Conflicts of Interest Policy referenced above applies to all group entities in EMEA and covers steps designed to provide safeguards to eliminate and manage/mitigate potential conflicts of interests between group entities to ensure appropriate intra-entity conflicts management.

If any affiliation with a third party leads to a conflict of interest in the context of providing a financial service to you and such conflict of interest cannot be eliminated or managed/mitigated, we will inform you of this in an appropriate manner.

## 13. Compensation from Third Parties

As a general principle, Wells Fargo strives to provide its financial services in a way such to avoid receiving any third-party remuneration in relation to the respective financial service.

Should any third-party remuneration still be incurred, Wells Fargo generally passes on to its clients, periodically and with the appropriate level of accountability, any such remuneration that it receives from third parties in connection with the offering or recommendation of financial instruments.

Should we receive a third-party remuneration in relation to a financial service rendered to you that we do not pass on to you but keep as additional compensation for our services, we will disclose such remuneration to you (e.g., calculation parameters and ranges for one-off or recurring fees received from issuers of certain types of financial instruments and will obtain a waiver in writing from you regarding your right to the restitution of any such third-party remuneration.

## 14. Complaints Management

Ensuring client satisfaction is our priority.

We appreciate your feedback and take every comment and complaint seriously.

If you have any complaint about the performance of our services, we kindly ask that you direct that complaint to our Compliance Director, at the address provided above, who will investigate the nature of your complaint to try to resolve it in accordance with our internal procedures for dealing with customer complaints.

We handle all requests and complaints in line with our regulatory obligations and internal procedures and further information about our process is available on request. In order to address your request or complaint efficiently and quickly, we require your full name and contact details as well as the reason for your request or complaint in as much detail as possible alongside any relevant documents.

We will acknowledge the receipt of your request or complaint and will provide you with an answer to your request or complaint as soon as reasonably practicable.

We may request the provision of additional information necessary to confirm your identity when you file a request or complaint.

If you are dissatisfied with the outcome of our investigation, you may ask the Financial Ombudsman Service to investigate your complaint if it is within its terms of reference.

**Disclaimer:**

*This FIDLEG Client Information Document is provided to you for information and regulatory purposes only and provides an overview of how Wells Fargo applies the statutory conduct obligations.*

*Although it has been thoroughly checked, Wells Fargo does not accept any liability for the adequacy, accuracy, completeness or correctness of the content of this FIDLEG Client Information Document.*

*The FIDLEG Client Information Document reflects the status as per 1 January 2022 and may be updated by Wells Fargo unilaterally at any time without further notice to clients. From 1 January 2022, the most recent version of the FIDLEG Client Information Document can be downloaded from our website: <https://sites.wf.com/emea/>*

*This FIDLEG Client Information Document does not constitute an offer or solicitation by or on behalf of Wells Fargo to utilise a service, buy or sell financial instruments or participate in a specific trading strategy in any jurisdiction.*

**General Notices:** *Certain business lines within Wells Fargo is required to retain certain electronic messages and other communications, which may be produced at the request of regulators or in connection with litigation. The transmission and content of an e-communication cannot be guaranteed to be secure or free of errors or viruses. Therefore, Wells Fargo does not represent that any e-communication (or the information contained therein is complete, accurate, uncorrupted, timely or free of viruses, and it should not be relied upon as such.*

*To understand how we use and protect personal information, access privacy policies and notices [here](#) and via our website: [www.wellsfargo.com](http://www.wellsfargo.com)*