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# Asset management mandates

This document contains information on the specifics of asset management mandates. It informs you about possible benefits and risks. These basics can help you choose the right type of financial service. For further information and if you have any questions, please contact your client advisor.

## General information

**Asset management mandates**
As part of an asset management mandate, the investor delegates the management of their assets to the bank. Bank Cler invests the assets to be invested in the name, for the account and at the risk of the client. The assets are invested in accordance with the investment strategy agreed with the client. Bank Cler makes all the investment decisions it deems appropriate to achieve its client's investment objectives. In doing so, it acts in its client's best possible interests. Depending on the investment strategy selected, it may invest in various financial instruments such as money market investments, fixed-income investments, equities, funds, alternative investments such as real estate, commodities, hedge funds, derivatives and structured products[1].

## Possible benefits

**Professional asset management:** Delegating the management of assets saves valuable time. It also means that the client has the certainty that their portfolio is being professionally managed and monitored at all times.

**Broad diversification:** Under a mandate, assets are invested in different asset classes, sectors or markets with a view to reducing risk.

**Periodic monitoring:** The clearly structured investment process enables a quick reaction to current market events and, if necessary, an immediate optimisation of the portfolio.

**Detailed reporting:** The client is periodically informed in detail about their investments, their returns and the development of their assets. In a personal conversation with the client, it is also discussed whether anything has changed in their financial situation that could have an influence on their investment needs or investment strategy. If necessary, Bank Cler proposes and implements adjustments.

**Access to markets and alternative strategies:** Through asset management mandates, investments can be made in financial instruments and in markets that are otherwise difficult for private investors to access.

## Possible risks

**No guaranteed profit:** The achievement of any agreed investment target does not constitute a performance promise. Investment and divestment decisions are made by the asset manager. These decisions may turn out to be inappropriate in retrospect. Neither investment success nor the avoidance of investment losses can be guaranteed.

**Risk of loss:** The value of the underlying assets may fall below the cost price. In the worst case, the investments may become worthless. However, the probability of a total loss decreases the more diversified a portfolio becomes.

**Market risk:** The assets in the mandate are subject to market risk. The values of the underlying investments may be subject to strong fluctuations due to market movements as well as interest rate changes and may possibly decline.

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[1] Information on the individual product classes can be found in the relevant factsheet. If you are interested, please contact your client advisor.

**Liquidity risk:** The investor bears the risk that financial instruments underlying the asset management mandate become illiquid and cannot be sold or can only be sold at an unfavourable price.

**Foreign currency risk:** If the asset management mandate contains financial instruments in a currency other than the investor's home currency, there is a risk that the value of investments will fall from the investor's perspective because of exchange rate fluctuations. It may be that the price gain of an investment in foreign currency results in a loss for the investor because of changes in exchange rates. Exchange rates can fluctuate very strongly.

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