

## Outsourcing Information

***According to the Circular of the Swiss Financial Market Supervisory Authority regarding the outsourcing of Business Areas, customers of a registered securities dealer are to be informed in detail by a separate letter – indicating the security measures taken – before customer data such as name and address is transferred abroad within the framework of an outsourcing solution – see relevant sections below.***

Baader Helvea AG, Zürich, Switzerland, and its subsidiaries (hereinafter Baader Helvea) subcontracts some of its processing and operational activities to specialized subcontractors located in Switzerland, Germany, the UK, the US and Canada. The final responsibility for management and monitoring of these services resides with Baader Helvea. If you have any questions regarding the information below, please contact your Baader Helvea representative, which will direct you to the appropriate department internally.

### **1. SECURITY MEASURES IMPLEMENTED**

All subcontractors of Baader Helvea have to comply with the regulations in force in their respective countries and to adhere to a strict confidentiality duty. In addition they have to implement the highest security and quality standards as to access, modification and maintenance of any information transmitted to or stored by them.

All relationships whereby data is transferred to another party are clearly documented. Each relationship is built upon the principle that there are technical and organizational measures implemented by the Data Importer which are reasonably designed to ensure compliance with the requirements of Baader Helvea. These measures are periodically appraised to ensure that any weaknesses are identified and rectified.

The transmission of any information between Baader Helvea and its subcontractors or among the subcontractors takes place via secured media, with additional security being provided where necessary through, for example, encryption and system access authentication.

### **2. DATA PROTECTION LEGAL FRAMEWORK**

Baader Helvea AG is cognizant of the data protection legal framework applicable to personally identifiable data ("**personal data**") and will take all measures required by applicable data protection laws, in particular (i) personal data will collected, stored and processed in good faith, lawfully, proportionately and only in accordance with the purposes apparent at the time of collection. We may share your personal data with third party data processors who process your data on our behalf and in accordance with our instructions. For this purpose, we will have appropriate data processing/confidentiality undertakings in place. We use adequate technical and organizational measures to protect your personal data from unauthorized access. We may share your personal data with recipients abroad in

jurisdictions, which do not provide for an adequate data protection level; in such cases, we will take appropriate measures to ensure that our local data protection standard will be complied with (in particular, but not limited to the undertaking of data transfer agreements under Swiss standards or the Standard Contractual Clauses (SCC) of the European Union). To the extent that outsourcing activities are subject to the FINMA-Outsourcing Circular 2018/3 and/or to Annex 3 of the FINMA-Outsourcing Circular 2008/21 on Operational Risks, applicable provisions thereof will be implemented into the undertaking of such outsourcing activities.

### **3. LIST OF OUTSOURCED ACTIVITIES AND PROVIDERS**

#### **(A) BAADER HELVEA AG (& ITS SUBSIDIARIES) TO BAADER BANK AG, GERMANY\***

##### **1. Services related to trade execution, clearing and settlement, including the following:**

- *Access to the electronic stock exchanges via its gateways and correspondents.*
- *Settlement services for all security trades conducted by Baader Helvea.*
- *Maintenance and operation of a secured network for all order routing information*
- *Maintenance of all settlement details for trades executed by Baader Helvea.*
- *Recordkeeping related to the activities listed above as per applicable regulations*
- *Encoding of client payment instructions.*
- *Transmission of payment instructions to the clearing centre or relevant correspondents.*
- *Processing of incoming funds.*

##### **2. Services related to IT infrastructure and support:**

- *Hosting, maintenance, operation, disaster recovery and BCM of systems*
- *Maintenance and operation of the central servers, hosting of all office and email functions.*
- *Recordkeeping related to the outsourced activities as per applicable regulations.*
- *Hosting of Baader Helvea's office functions main servers and access control to these servers.*
- *Maintenance and operation of an international secured WAN.*
- *Hosting of the office functions recovery servers and access control to these servers.*
- *Facility Management related services for Baader Helvea's offices*

##### **3. Centralized distribution of Research publications, including centralized maintenance of a CRM system**

##### **4. Centralized screening of client names and activity for Compliance surveillance purposes including, *inter alia*, screening against all applicable sanctions lists**

*\*Baader Bank AG outsources certain functions related to clearing and settlement to Caceis Bank AG in Germany. In line with the contractual framework, Baader Bank AG may outsource other functions to third parties.*

**(B) ACCOUNTING SERVICES:**

**BAADER HELVEA AG TO BANQUE PICTET ET CIE SA, GENEVA, SWITZERLAND  
BAADER HELVEA LIMITED TO ECOVIS WINGRAVE YEATS, LONDON, UNITED  
KINGDOM  
BAADER HELVEA INC TO RICHTER, MONTREAL, CANADA**

- *Preparation of financial statements; computing taxes; day to day reconciliation of cash and trading accounts; payment of expenses; preparation of financial reports and assistance in preparing the financial and regulatory reports.*

**(C) HUMAN RESOURCES SERVICES:**

**BAADER HELVEA AG TO LOYCO SA  
BAADER HELVEA LIMITED TO PEOPLE LOGIC LTD.  
BAADER HELVEA INC. TO AUTOMATIC DATA PROCESSING, INC & TRINET HR III,  
INC**

- *Salary, compensation and benefit processing and other human resources services.*

**(D) DIGITAL ASSET SERVICES:**

**BAADER HELVEA AG TO SECURITIES GRID LIMITED\***

Technology Services related to Tokenization including:

- *Configuration of Issuer tokens*
- *Deployment of the Issuer's token to the distributed ledger network*
- *Integration with Payment Acceptance Solutions for subscriptions/redemptions of tokens*
- *Integration with external AML & KYC solutions as performed on investors*
- *Allocation and Distribution of tokens to the non-custodial wallets of investors*
- *Retaining control over the tokens (storage of master key) on behalf of the Customer throughout its lifecycle for the purpose of executing token actions*

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*\*Securities Grid Limited outsources certain functions related to Digital Asset Services to Netcetera AG (Switzerland), BLOKVERS D.O.O. (North Macedonia) and Netcetera DOOEL (North Macedonia). Any such sub-contracting is performed in line with the contractual framework between Securities Grid Limited and Baader Helvea AG.*