

Press release

AMC platform with GENTWO, CAT Financial Products and Aquila as custodian bank

Zurich, 5th of July 2019 - **Three complementary financial service providers take the quality of actively managed certificates to a new level. The new AMC platform for Swiss asset managers combines a next-generation issuance setup with comprehensive asset management services and outstanding interface management.**

New Fintech Banking collaboration is launched

GENTWO (securitization specialist of next generation financial products), CAT Financial Products (independent Swiss provider of investment solutions and technologies in the market for structured products) and Aquila (the trust bank for asset managers) have entered into a collaboration agreement. Together, they have launched an independent platform for next generation actively managed investment certificates (AMC). The innovative AMC platform enables Swiss asset managers to launch Swiss-compliant AMC (the next generation) with Swiss ISIN code on their own, and then make unlimited use of sophisticated portfolio management services. Individual investment products can be used on the platform as well as complete, bespoke issuance vehicles for the independent development of a complete product range or the qualitative development of an existing AMC offering.

Complementary service package with purpose-oriented role allocation

GENTWO, CAT Financial Products (CATFP) and Aquila, as custodian bank, set a new standard in the Swiss AMC market with their forward-looking Fintech-Banking collaboration. Thanks to their interlinking specializations, the three financial service providers will act purely purpose-driven thereby achieving significant added value for Swiss asset managers and their clientèle. The roles are divided as follows: GENTWO provides unrestricted access to its platform with its innovative next-generation issuance setup. CATFP ensure a smooth interface to the market and its participants and provides access to its reporting technology. Aquila acts as custodian and clearing bank.

Philippe A. Naegeli, CEO of GENTWO, says: *"Our new platform speaks for the functioning of a modern market concept. Pursuing future-oriented innovation strategies alone is becoming rarer today. Modular composite expertise that are purely for a specific purpose are proving to be much more promising. By developing innovation strategies together, financial services providers (including banks) can easily and simply increase the relevance of their existing or*

new business model without much extra effort. This is the only way to generate growth for the market as a whole."

Giuliano Glocker, CEO of CAT Financial Products adds: *"In July 2018, together with GENTWO, we launched the first global platform for issuing actively managed certificates with one of the worldwide biggest online brokers as custodian and trading agent. We are very pleased to be launching another platform together with GENTWO and also with Aquila as a strong third partner. The outlook on the new opportunities is a further incentive for us. A much broader customer base can now benefit from our range of services."*

Markus Angst, Managing Director of Aquila Custodian Bank, explains: *"We are banking partners in this partnership and look forward to successfully working together with GENTWO and CAT Financial Products."*

Merged core competencies form supply concept along the value chain

The scope of the new platform, however, goes beyond the launch of investment products. As a custody and clearing bank, Aquila provides unlimited banking services. Process transparency, risk control, profound specialist knowledge as well as many years of experience provide the best possible conditions for this. CAT Financial Products AG (CATFP) is one of the leading Swiss investment solutions providers in the Structured Products market.

AMC's next generation overcome the last hurdles in portfolio management

With Active Managed Certificates (AMC) asset managers can implement their portfolio strategies and innovative ideas with particular flexibility and effectiveness. AMC, which will be launched via GENTWO's next-generation issuance setup, offer additional benefits. Thanks to the off-balance-sheet issuance setup, a discretionary portfolio strategy can be made even simpler and more timely. As a launched AMC itself no longer carries a bank issuer risk and is not otherwise subject to many of the typical restrictions that occur with most traditional issuers of structured products, genuine issuer management can now be effectively achieved. Several other structured products can be easily and conveniently integrated in a single AMC. These can easily be managed simultaneously and mixed with other assets or instruments such as stocks, bonds or funds. All managed accounts with identically managed asset allocation can even be managed through a single AMC. Asset managers can thereby reduce their operating expenses and also from the outset avoid tracking errors within their investment strategy.

GENTWO AG

Based in Zurich, the innovative financial services provider GENTWO is the creator of a new generation of financial products. The company enables its institutional clientele to securitize both bankable as well as non-bankable assets. The securitization is in Swiss-compliant, conventional financial products with Swiss ISINs and excludes the issuer risk of a bank. The focus on so-called off-balance sheet investment products solves the problem of falling margins and growth barriers for many players in the financial market. It opens up the dimension of new performance potential, as it also provides access to a theoretically unlimited world of potential asset classes. GENTWO's technology can be used by financial intermediaries, including banks, to do more than realize their own product innovations. They

can also benefit from real process innovation by understanding GENTWO's setup as an additional element to their existing business structure.

CAT Financial Products AG

CAT Financial Products AG (CATFP) is one of the leading Swiss providers of investment solutions in the market for structured products. Since 2008, CATFP has been offering its services to professional asset managers, banks and institutional investors with around 20 specialists in Zurich and Berne using the most innovative technologies. CATFP concentrates on these three main areas: Best execution (multi-issuer platform, best execution certificates (MIFID II)), reporting and life cycle management (fully automated life cycle management, alert system, web portal, white labelling) and investment solutions (financial engineering, product and portfolio analysis, back testing and stress tests).

Aquila AG

Aquila Custodian Bank is an expert in the integrated support of asset managers. We explicitly focus on the comprehensive concerns and high demands of this clientele group. An experienced team of specialists with years of experience guarantees personal support, continuity and customer satisfaction. Our bank does not engage in mortgage lending, M&A transactions or proprietary trading, which means a high level of security for the assets entrusted to us. This important point was crucial for the selection of Aquila as a banking partner. Aquila is an owner-managed company and acquired its banking licence in 2012. There are no conflicts between asset management and retail banking as Aquila Bank does not operate its own private banking business. The focus is not on short-term revenue growth, but on a long-term partnership with optimal service.

Aquila is also a platform for asset managers. It consists of Aquila AG and currently approximately 220 partners or 75 companies in 22 locations.

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