Besoin d'aide? Contactez-nous!
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SPECIAL TERMS AND CONDITIONS
DISCRETIONARY PORTFOLIO MANAGEMENT SERVICE

The most recent version of the Special Terms and Conditions can be consulted on the Website

ARTICLE 1. DEFINITIONS

Capitalised terms used in these Special Terms and Conditions shall have the meanings assigned to them in the General Terms and Conditions, or the meaning indicated below, unless the context requires a different interpretation:

Bank refers to KEYTRADE BANK Luxembourg S.A., a limited company, with its registered office located at 62, rue Charles Martel, L-2134 Luxembourg, Grand Duchy of Luxembourg, registered in the Luxembourg Trade and Companies Register, under number B 6993, subject to the supervision of the Financial Sector Supervisory Commission, established at 283 route d'Arlon, L-1150 Luxembourg, in accordance with the provisions of the Financial Sector Act.

Client refers to any natural or legal person to whom the Bank provides a Discretionary Portfolio Management Service.

Individual Client refers to a Client other than a Professional Client or Eligible Counterparty.

Professional Client refers to a Client who possesses the experience, knowledge and skills necessary to take his own investment decisions and properly assess the risks incurred.

General Terms and Conditions refers to the general terms and conditions of the Bank available on the Bank's website (https://www.keytradebank.lu/fr/).

Special Terms and Conditions refers to these special terms and conditions applicable to the Discretionary Portfolio Management Service.

Agreement refers to the agreement signed between the Bank and the Client specifying the terms of the Discretionary Portfolio Management.

Eligible Counterparty refers to the companies which are under one of the categories of Clients who are considered Professional Clients pursuant to Paragraphs (1), (2) and (3) of Section A of Appendix III of the Financial Sector Act, without prejudice to the categories explicitly mentioned in Paragraph 2 of Article 37-7 of said Act.

Account refers to any account opened by the Client with the Bank subject to, or used for the Discretionary Portfolio Management.

Discretionary Portfolio Management refers to the discretionary and individualised portfolio management including one or more Financial Instruments, under a mandate given by the Client.

Financial Sector Act refers to the amended law of 5 April 1993 relating to the financial sector.

Portfolio refers to cash and Financial Instruments that the Client credits to his account which was opened with the Bank for this purpose.

Client Profile Questionnaire refers to the questionnaire to be completed by the Client relating to his investment objectives, financial, personal and professional situation, and his knowledge in, and experience of investing.

ARTICLE 2. SCOPE OF APPLICATION OF THE SPECIAL TERMS AND CONDITIONS

2.1 These Special Terms and Conditions govern the contractual relationship between the Bank and the Client in connection with the provision of the Discretionary Portfolio Management Service to the Client.

2.2 Unless otherwise stipulated in these Special Terms and Conditions, the General Terms and Conditions also apply.

2.3 In the event of any contradiction between the Special Terms and Conditions and the General Terms and Conditions, the Special Terms and Conditions take precedence.

ARTICLE 3. CLIENT CATEGORISATION

3.1 In providing the Discretionary Portfolio Management Service by the Bank to the Client, the Bank categorises the Client as an Individual Client, Professional Client or Eligible Counterparty in accordance with the provisions of the Financial Sector Act. The Bank shall inform the Client of his categorization in one of the above mentioned categories.

3.2 The Bank may, on its own initiative or at the request of a Client:

- treat, a Client who is categorised by default as an Eligible Counterparty in accordance with the provisions of the Financial Sector Act, as a Professional Client or an Individual Client; and or
- treat a Client considered to be a Professional Client in accordance with the provisions of the Financial Sector Act as an Individual Client.

3.3 The Bank may, at the request of a Client and under the conditions required by the Financial Sector Act, treat a Client who is categorised by default as an Individual Client, as a Professional Client. In such a case, the Client shall declare in writing, in a document separate from the Agreement, that he is aware of the consequences of waiving the protection afforded under the Individual Client status.

3.4 When the Bank recategorises the existing Client in a new category pursuant to the Financial Sector Act, it shall notify the Client of his new categorization as an Individual Client, Professional Client or Eligible Counterparty.

3.5 The Bank and the Client agree that the categorization of a Client in one of the categories mentioned above applies to the entire contractual relationship between the Client and the Bank and applies to all services provided by the Bank as of the Bank's notification to the Client regarding his categorization in one of the aforementioned categories.

3.6 The Client shall immediately inform the Bank in writing of any changes that may affect his categorization as a Professional Client or Eligible Counterparty. The Bank may take appropriate measures, including, but not limited to, placing the Client in a different category if the Bank finds that the Client no longer meets the conditions for categorization as a Professional Client or Eligible Counterparty.

ARTICLE 4. INVESTOR PROFILE

4.1 As part of providing the Discretionary Portfolio Management service, the Bank is required to obtain the necessary information regarding the Client's knowledge and experience of investing related to the Client's specific product or service type, financial situation and investment objectives, so as to recommend to him the investment services and Financial Instruments which suit him, which the Client agrees to provide without delay through the Client Profile Questionnaire.

4.2 The Client's investor profile is determined and approved by mutual agreement with the Client based on the information provided by the Client in the Client Profile Questionnaire. The Client's profile shall be determined based on his knowledge, his financial position, his experience and his investment objectives.

ARTICLE 5. DISCRETIONARY PORTFOLIO MANAGEMENT AGREEMENT

5.1 By the Agreement signed between the Client and the Bank, the Client mandates the Bank to manage his Portfolio in a discretionary manner. The Agreement determines the conditions of the Discretionary Portfolio Management and the Client's investor profile.

5.2 For the duration of the Agreement, the Client may not dispose of assets included in the Portfolio nor interfere in the management of the Portfolio.

5.3 The Agreement specifies the investment strategy agreed upon jointly with the Client.

ARTICLE 6. IMPLEMENTATION OF THE DISCRETIONARY PORTFOLIO MANAGEMENT SERVICE - PAYMENTS

6.1 The Discretionary Portfolio Management service shall be implemented upon receipt by the Bank of the initial payment amount by the Client, subject to the Bank accepting the Client's request for the service.

6.2 If the Bank is not willing to provide the Client with the Discretionary Portfolio Management service and the Client has already made the initial payment, the Bank shall refund that amount to the Client, by payment into their Account.

6.3 Once the Discretionary Portfolio Management service is implemented, the Client may decide, at any time, to make additional payments.

ARTICLE 7. COMPOSITION AND ALLOCATION OF THE PORTFOLIO

7.1 The management objective referred to in Article 3 of the Agreement establishes a target which the Bank shall endeavour to reach, during its management of the Portfolio, according to movements in the financial markets and the characteristics of the Financial Instruments chosen.

7.2 Every month, the Bank may alter the composition of the Portfolio within the limits of the Client's risk profile. In exceptional circumstances, the Bank may make changes before the end of the month. The Bank will immediately notify the Client of such changes.

7.3 If, on account of changes to market conditions, the level of risk of certain categories of assets changes, the Bank may change the overall allocation of the assets, so that this continues to match the Client's risk profile. In this case, the Client shall be informed through the periodic reporting referred to in Article 9 of these Special Terms and Conditions.

7.4 The information provided by the Client in the Banking Relationship Application and in the Client Profile Questionnaire shall be truthful and accurate. The Client shall notify the Bank, by email, of any change to the Client's situation which renders this information inaccurate. These changes shall be binding vis-à-vis the Bank within seven days of their notification. The Bank shall not be held liable if the information provided by the Client proves to be inaccurate or does not reflect the reality of the Client's situation or profile.

7.5 Depending on the risk profile, the Client will be asked by the Bank to update his details.

ARTICLE 8. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

8.1 The Portfolio shall consist exclusively of cash and Trackers (ETF, ETN or ETC) selected by the Bank. The definitions of these financial instruments are stated in the Document entitled "Overview of the principal characteristics and risks of financial instruments" (hereinafter the "Overview"), which is available on the Bank's Website (https://www.keytradebank.lu/). The list of Trackers used is available in the periodic report referred to in Article 9 of the Special Terms and Conditions.

8.2 The Client shall acquaint himself with the risk factors described in the Overview referred to in the previous paragraph.

ARTICLE 9. REPORTING

9.1 At any time, the Client may consult the content of his Portfolio, constituted in accordance with the Agreement, by visiting the Bank's website (https://www.keytradebank.lu/).

9.2 By the 10th business day of each month at the latest, the Bank shall make a Portfolio report available to the Client on its secure Transaction Site.

9.3 This report shall include a cash statement, and a description and valuation of each Financial Instrument in the Portfolio. This monthly valuation will be calculated using the Closing Price of the corresponding instruments.

9.4 The report shall also show the Portfolio's results during the reporting period, and for comparison purposes, the performances of reference indicators, as referred to in Article 4 of the Agreement and specified in Article 16 of these Special Terms and Conditions.

9.5 The Portfolio performance will be calculated using the Time-Weighted Rate of Return ("**TWRR**") method. Cash movement dates will determine the start and end of each sub-period. If more than one sub-period is defined during the reporting period, the returns for each sub-period will have equal weighting and all sub-periods will be linked in order to establish the TWRR.

9.6 Moreover, the report shall show the total amount of dividends, interest and other payments received during the period covered in conjunction with the Portfolio, along with the total amount of fees, taxes and charges paid over the period covered.

ARTICLE 10. THE BANK'S RESPONSIBILITY

10.1 The Bank undertakes to implement the means necessary for the sound management of the Portfolio, in accordance with the management objective and the investment strategy defined in Article 3 of the Agreement. The Client acknowledges that the Bank is only bound to an obligation of means, the Agreement not comprising any obligation of results or any guarantee as regards performance or fixed or guaranteed profits. In no circumstances shall the Client be involved in managing the Portfolio.

10.2 The Bank may not be held liable for any loss or failure in fulfilment of its obligations caused by force majeure, this being understood as any event beyond the Bank's control affecting its capacity to fulfil its obligations, particularly in the event of breakdown in the means of transmission of transaction instructions, whether this breakdown occurs between the Bank and the Client, between the Bank and another provider, or between the Bank and the market on which the instruction is presented.

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[1] Time-weighted Rate of Return ("TWRR"): This is the method for determining the rate of return on a portfolio that takes into account movement in valuations of the investment over a given period. Cash movement dates shall determine the start and end of each period. Any decisions to carry out additional deposits or withdrawals shall not affect the return.

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ARTICLE 11. MANAGEMENT FEE

11.1 The Bank's management fee shall be 0.75% per year (inclusive of transaction costs but exclusive of VAT and taxes). This is calculated as follows:

Assets under management * (number of days/365) * management fee

11.2 Assets under management are calculated at the close of trading on the last day of the month. In the event the Agreement is terminated, the assets under management are calculated on the day of the actual termination of the service.

11.3 Number of days: a pro rata calculation of the number of calendar days during which the service was used that month.

11.3 No other direct or indirect remuneration will be levied by the Bank in the context of the Discretionary Portfolio Management.

ARTICLE 12. PROTECTION OF INVESTORS

12.1 The Bank participates in the Luxembourg Investor Compensation System which ensures investors are protected.

12.2 The Luxembourg Investor Compensation System in principle protects against claims resulting from the inability of the Bank to repay money owed or return Financial Instruments held, administered or managed on behalf of the Client in connection with investment transactions up to EUR 20,000. Information on the eligibility and scope of protection offered by the Luxembourg Investor Compensation System, the compensation conditions or formalities shall be communicated by the Bank upon request.

ARTICLE 13. TERMINATION OF THE AGREEMENT

13.1 The Agreement shall be of unlimited.

13.2 Any request for full withdrawal of the assets from the Portfolio entails termination of the Agreement.

13.3 The Agreement may be terminated at any time on the Client's initiative, without justification and with immediate effect. The Client shall provide notification of his intention to bring an end to the Agreement by sending an email to the following address: info@keytradebank.lu. The financial instruments in the Portfolio will be realised as promptly as possible by the Bank.

13.4 The Agreement may also be terminated by the Bank by an e-mail sent to the Client with a one month notice period. The Bank may terminate the Agreement with immediate effect in case of a serious breach by the Client or if confidence in the Client is heavily impaired. Serious breach means, among other things, non-compliance by the Client with security procedures, the Client's non-performance of any substantial obligation, any misuse of the Bank's services and the continued lack of response to notifications from the Bank.

13.5 In the event of termination, the Client shall pay all taxes associated with the sale of the Financial Instruments as well as all accumulated costs up to the day of termination or, where applicable, the Bank shall refund the costs paid in advance on a pro rata basis. The Bank may deduct any amounts it is owed, by means of deduction from the sums resulting from liquidation of the Portfolio. The bank will report on this to the Client.

ARTICLE 14. AMENDMENT OF THE SPECIAL TERMS AND CONDITIONS

The Bank may amend these Special Terms and Conditions at any time in accordance with the terms described in the Bank's General Terms and Conditions.

ARTICLE 15. GENERAL PROVISIONS

15.1 Unless stated otherwise in the Agreement or in these Special Terms and Conditions, the Agreement is subject to the General Terms and Conditions, Prices and Interests of the Bank, which are available on the Bank's website (https://www.keytradebank.lu/), under "Support/Document Centre".

15.2 The Client's attention is drawn in particular to the following clauses of the General Terms and Conditions of the Bank, namely:

- the Data Protection Policy, and in particular, the right of the Client to object, free of charge, to his information being processed;
- the provisions on remotely entering into contracts: Client's 14-day renunciation period..

15.3 In addition, the Client will find the following particular information on the Bank's website, under "Support/ Document Centre;"

> Overview of the principal characteristics and risks of financial instruments;

> The Bank's Order Execution Policy.

ARTICLE 16. REFERENCE INDICATORS

The following reference indicators will be published in the Portfolio report:
AEX
BEL20
BB EUR INV.GRADE EU CORP.BOND INDEX
BB EUR HIGH YIELD CORPORATE BOND INDEX
Bloomberg Eurozone Sovereign Bond Index
Dow Jones
Euribor 3M
MSCI Em (emerging markets)
MSCI PACIFIC ex JAPAN
MSCI WORLD
MSCI JAPAN
Nasdaq 100
GOLD BULLION 1 kg (EUR)
CAC40
Euro Stoxx 50

ARTICLE 17. INVESTMENT PROFILES - MAXIMUM EXPECTED LOSS CALIBRATED UNDER NORMAL MARKET CONDITIONS

The management mandate is based on one of the 10 investment profiles provided in the table below. The financial model of the Bank is set up in such a way that under normal market conditions, a maximum loss is not exceeded in 95% of cases. For each of the investment profiles, the Bank has assigned a maximum expected loss percentage calibrated under normal market conditions. Under extreme market conditions, the loss could be more than the maximum expected loss calibrated under normal market conditions as stated in the table below.

INVESTMENT PROFILE	*DESCRIPTION*	*MAXIMUM EXPECTED LOSS CALIBRATED UNDER NORMAL MARKET CONDITIONS*
1 - VERY DEFENSIVE	Are you looking for a higher return than a standard savings account but most importantly want to avoid risk as much as possible? Then a "very defensive" investment portfolio is best for you. You would be mainly investing in liquidities and bonds. The percentage of shares in the investment portfolio is restricted to a maximum of 15%.	1 %
2 – DEFENSIVE	Are you looking for a higher return than a standard savings account but most importantly want to avoid risk as much as possible? Then a "defensive" investment portfolio is best for you. You would be mainly investing in liquidities and bonds. The percentage of shares in the investment portfolio is restricted to a maximum of 25%.	1,5 %
3 – VERY MODERATE	Are you looking for and able to take a little more risk with your investment portfolio? Then you can select a "very moderate" investment portfolio. You would be predominantly investing in bonds, up to a maximum of 85%. The percentage of your investment portfolio in shares would be a maximum of 35%.	2 %

4 – MODERATE	You are ready to take more risk in your investment portfolio but only within certain limits. Then you can invest in a diversified “moderate” investment portfolio with the main focus on bonds (maximum 80%) and shares (maximum 45%).	3 %
5 – BALANCED	You are ready to take more risk in your investment portfolio but only within certain limits. The diversified “balanced” investment portfolio with the main focus on bonds (maximum 75%) and shares (maximum 50%) is best for you.	4 %
6 – GROWTH	You are able to properly assess the risks of investing in shares and you are also aware of the opportunities. You are ready to take more risks. With the “growth” portfolio, you would be investing more of your assets in shares (maximum 55%) than in bonds.	6 %
7 – DYNAMIC	Achieving a higher return is very important to you. With the “dynamic” investment portfolio you are choosing a portfolio with a greater focus on shares (maximum 65%) and less on bonds (maximum 65%). You know that a higher return is associated with a higher risk.	8 %
8 – VERY DYNAMIC	Achieving a greater return is important to you. With the very dynamic investment portfolio you are choosing a portfolio with a greater focus on shares (maximum 75%) and less on bonds. You know that a higher return is associated with a higher risk.	11 %
9 – AGGRESSIVE	Achieving a higher return is your most important consideration when investing. With an aggressive portfolio you would be investing nearly all your assets in shares (maximum 85%). In the long term you may achieve a high return but you know that you are exposing yourself to major risks.	15 %
10 – VERY AGGRESSIVE	Achieving a higher return is your most important consideration when investing. With a very aggressive portfolio you would be investing nearly all your assets in shares (maximum 95%). In the long term you may achieve a high return but you know that you are exposing yourself to major risks.	20 %