

## GENERAL CUSTOMER INFORMATION ACCORDING TO SECURITIES TRADING ACT (WPHG)

Following, North Channel Bank GmbH & Co. KG (NCB) informs on itself and the securities services and related services it offers in accordance with the provisions of securities law pursuant to the German Securities Trading Act (WpHG).

### General Information

In 1924 North Channel Bank GmbH & Co. KG (NCB) was founded as the privately owned bank Bankhaus Oswald Kruber with its head office in Berlin. In 2009 it was acquired and renamed North Channel Bank by a North American group of investors. In the following years, the bank developed into one of the leading institutions in the financing of US Life Settlements. For many years, the bank has been working with the experienced and renowned US servicer NorthStar Life Services, LLC, a former affiliate, and offers not only financing but also investments in US Life Settlements. The affiliate NorthStar Life Settlements Trading, LLC, Irvine, California, renamed in 2020, handles the trading of policies in this business segment. In the Structured Finance division, the bank focuses in particular on financing in the renewable energy sector (focus: equity interim financing), capital goods, and growth financing. The Bank also acts as a portfolio manager for outsourced asset management mandates. A professional infrastructure and a high-quality network of selected specialists has been established for this purpose. For new mandates, the bank offers its expertise in the asset classes equities, bonds, and alternative investments.

### Contact Information

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BIC/ S.W.I.F.T Code: GENODEF10GK

### Communication

Our customers may communicate with us in person, by telephone, e-mail, fax, or letter.

Instructions and orders for securities transactions must be addressed to us in writing, by e-mail, by telephone, or by Bloomberg chat.

Communication can be in German or English.

We would like to specifically point out to our customers that communication via e-mail is not suitable for the secure transmission of confidential information. However, if the bank receives an e-mail from customers, interested parties, or counterparties, we conclude that we are also entitled to reply via regular e-mail, unless another method of communication is expressly requested.

### **Recording Requirements**

Due to legal requirements (MiFID II), North Channel Bank must record the content of telephone conversations and electronic communications for the provision of services relating to the acceptance, transmission, and execution of client orders. Personal data are collected, processed, and used for this purpose. Therefore, we would like to point out that all telephone conversations with one of our bank's trading departments are recorded without exception.

If this is not desired, North Channel Bank would like to be informed accordingly. In this case, North Channel Bank will not provide any investment service or related service by telephone or electronic communication if it relates to the acceptance, transmission, and execution of a customer order.

Where an authorized representative acts, the same rules on telephone and electronic communication apply to the authorized representative.

Please note that North Channel Bank will retain records of all telephone calls and electronic communications for 5 years. The retention period will be extended by 2 years if required by the Federal Financial Supervisory Authority (BaFin). During this period, North Channel Bank will provide you with copies of these records upon request.

### **Fees**

A specification of fees can be found in our current List of Prices and Services on our website. Any individually agreed, different conditions remain unaffected and will be always confirmed separately to our customers in writing.

### **Banking License and Competent Supervisory Authority**

North Channel Bank is licensed to provide all banking and financial services (pursuant to Article 32 of the German Banking Act (KWG)) as permitted by the competent supervisory authority.

Competent Supervisory Authority:

Bundesanstalt für Finanzdienstleistungen (BaFin)  
Marie-Curie-Str. 24  
60439 Frankfurt am Main

Germany

and

Bundesanstalt für Finanzdienstleistungen (BaFin)  
Graurheindorfer Str. 108  
53117 Bonn  
Germany

### **Information on Deposit Protection and the Protection of Entrusted Customer Assets**

North Channel Bank is a member of the Deposit Protection Fund of the Federal Association of German Banks (Bundesverband deutscher Banken e.V.). The Deposit Protection Fund secures all liabilities which have to be shown in the balance sheet item "Liabilities to Customers". The extent of the liabilities protected by the Deposit Protection Fund is described in No. 20 of the General Terms and Conditions.

If the bank is unable, contrary to its obligations, to return securities owned by and held in custody for the customer, in addition to the liability of the bank in the event of compensation, a claim for compensation exists against the Compensatory Fund of German Banks (EdB). This is the statutory compensation institution for deposit-taking credit institutions incorporated under private law. It has the responsibility, to compensate the creditors of an institution assigned to it for deposits not repaid or for liabilities from securities transactions not fulfilled. NCB is authorized to provide the Compensatory Fund of German Banks (EdB) with all documents required in this context.

### **Legal Information**

North Channel Bank is a GmbH & Co KG with its registered office in Mainz, Federal Republic of Germany. The bank is registered in the commercial register of the Mainz Local Court under number HR A 41054.

The sales tax identification number of North Channel Bank GmbH & Co. KG is DE135932601.

The general partner is North Channel GmbH. The company is registered in the commercial register of the Mainz Local Court under number HR B 42622.

All contractual relationships of North Channel Bank with its customers are subject to German law.

### **Customer Categorization**

In accordance with the provisions of the German Securities Trading Act (WpHG), North Channel Bank is obliged to classify its customers into various categories with regard to securities transactions. These categories are divided into private customers, professional

customers and eligible counterparties.

The classification into a customer category always refers to the entire customer/business relationship and therefore has a general character. The NCB does not offer a classification relating to individual financial instruments or investment services.

By law, professional customers have the option of being classified as private customers (customers with the highest level of protection).

NCB currently offers business relationships exclusively in the capacity of outsourced asset manager or for 'eligible counterparties' who can be expected to have sufficient experience, knowledge, and expertise to make their investment decisions and adequately assess the risks involved. Therefore, there is no adequacy review of the financial instruments or securities for customers within the meaning of Section 63 (10) of the German Securities Trading Act (WpHG). Furthermore, various protective regulations and information obligations under the German Securities Trading Act (WpHG) are not applied to these customer categories.

### **Securities Services and Related Services of the Bank**

NCB currently offers the following services in the securities business pursuant to section 2 (8) German Securities Trading Act (WpHG):

- Number 2, lit. c): The purchase or sale of financial instruments for own account as a service for others (proprietary trading)
- Number 3: The acquisition or sale of financial instruments in third-party business for third-party account (acquisition brokerage)
- Number 4: Brokering of transactions relating to the acquisition and sale of financial instruments (investment brokerage)
- Number 7: Management of one or more assets invested in financial instruments for others with discretion (financial portfolio management)

Investment advice is not available at NCB. Our clients' transactions are executed exclusively as non-advisory transactions or "execution only".

### **Principles of Conflict of Interest Management**

Acting in the customer's interest is the guiding principle that characterizes the business relationship of North Channel Bank GmbH & Co. KG ("NCB") to its customers. This also means that NCB will take appropriate precautions to identify, avoid, and fairly resolve potential conflicts of interest that could result in disadvantages for its customers.

Possible conflicts of interest:

Conflicts of interest can arise in particular as a result of conflicting interests between NCB, its employees, management, other companies, and our customers, or between our customers.

Conflicts of interest may arise, for example, in the performance of services such as

- The purchase and sale or brokerage of financial instruments,
- Transactions between NCB and other investment funds managed by NCB,
- Financial portfolio management,
- NCB's operations as a lender,
- Advising companies, e.g. on their capital structure,
- Foreign exchange transactions in connection with transactions in financial instruments,
- As well as through personal relationships between employees or management and possible involvement in supervisory or advisory boards.

A conflict of interest may arise in the performance of securities services in particular in the following cases:

- Incentive systems for managers or employees
- Transfer of tasks to external enterprises / companies
- Reporting date-related improvement in fund performance ("window dressing")
- NCB conducts on its own account transactions in investment funds for which the bank manages the portfolio
- Customers place orders with the bank in financial instruments without specific instructions on order execution (customer order without instructions)
- NCB executes orders for different customers in the same financial instrument
- NCB executes the same financial instruments for customers and for proprietary trading or as part of portfolio management
- Combining customer orders in the interest of NCB to the detriment of customers
- Discrimination against certain customer orders when forwarding or executing them
- NCB employees could exploit insider information
- NCB or its employees could receive benefits from third parties in the performance of the services

Measures to Prevent Conflicts of Interest:

In order to prevent possible conflicts of interest to the detriment of customers, NCB has taken various organizational measures. These include, in particular, for the rendering of investment services:

- The remuneration system does not create incentives that may disadvantage the interests of clients or investors (in investment funds) for whom NCB manages the portfolio.
- We have committed our external counterparties, such as advisory companies, to avoid conflicts of interest.
- NCB has taken measures to prevent window dressing on the balance sheet date
- There are clear NCB policies on the best execution of customer orders to purchase or sell financial instruments.
- Each order is always considered separately and sequentially. A summary of the orders is generally not permitted, unless the customer expressly agrees in individual cases.
- Confidentiality areas have been established for individual NCB departments in

order to prevent the misuse of confidential information from the services or inappropriate interference with these services by other NCB departments ('Chinese walls').

- There are clear rules of conduct for employees' private transactions in order to prevent possible conflicts of interest and for the acceptance, granting and disclosure of benefits.
- Careful selection, training, qualification, and continuing education of employees are carried out.

Conflicts of interest which cannot be avoided despite the measures taken are disclosed to the customers concerned before the service is provided.

Compliance with all of the above obligations is continuously monitored by the independent Compliance Function at NCB and regularly reviewed by Internal Audit.

### **Information on Benefits Provided in the Course of Investment Services and Related Services**

Pursuant to Article 70 of the German Securities Trading Act (WpHG), North Channel Bank provides information on the handling of benefits received and granted in connection with the provision of investment services and related services.

In principle, these can be monetary benefits (commissions, issue surcharges, brokerage fees, etc.) or non-monetary benefits (research, invitations to events, marketing materials, etc.).

Within the framework of financial portfolio management, the prohibition on accepting and retaining benefits applies in principle. However, the prohibition does not apply to minor non-monetary benefits, provided that these are, among other things, suitable for improving the quality of the service and are disclosed in advance. If monetary benefits are accepted, they are paid out to customers.

In providing other securities (related) services, the bank may accept payments under certain conditions defined in the German Securities Trading Act (WpHG).

The bank keeps an internal list of benefits and uses for all matters relating to benefits.

Upon request, we will gladly provide further details on the principles described herein.