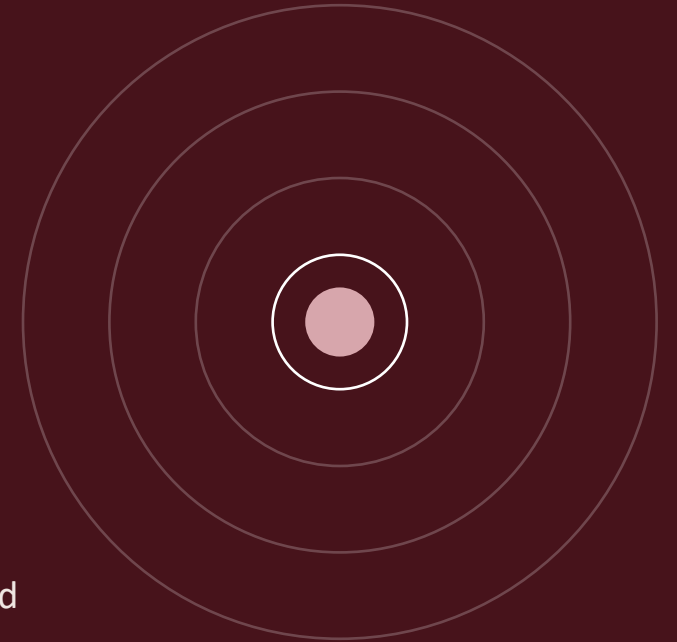


Positioning & organising the Compliance function

A proportionate, business-partnering model for a FINMA-regulated asset manager — across liquid and illiquid strategies and Swiss and Luxembourg vehicles.

*Integrated, Automated and Scalable — audit-ready today, automation-led tomorrow.
This deck is illustrative and based on assumptions (no NDA and no information sharing occurred).*



Context & working assumptions

Building on what you shared — assumptions stated up front, to confirm in week one.



What you've shared

- FINMA-regulated asset manager
- Liquid and illiquid strategies
- Multiple vehicles — Swiss and Luxembourg
- Lean but growing team
- Sophisticated client base; family-office DNA



My assumptions (to confirm)

- Manager of collective assets — direct FINMA supervision
- Lux vehicles via ManCo / delegation — CSSF touchpoints
- Distribution to qualified / professional investors
- A core framework in place — to strengthen, not build
- Compliance ~1–2 FTE today, reporting to the GC

Three principles throughout — **proportionality** (risk-based, not bank-grade), **partnership** (enable, don't block), and **digital leverage** (a force-multiplier for a lean team).

A proportionate operating model

Institutional-grade control from a lean second line — core in-house, specialists co-sourced, the routine automated.

HOW THE FUNCTION IS BUILT



Lean in-house core

Advisory, monitoring, regulatory watch, AML oversight, conduct — owned internally.



Co-sourced specialists

Lux / CSSF, complex tax & AEOI / FATCA classification, niche legal — on tap, not on payroll.



Automated routine

KYC, screening, monitoring and regulatory reporting — machines do the repeatable work.

Add capacity, not complexity — the model scales with the team.

THREE LINES OF DEFENCE

First line — Business

Investment · Operations · Front — own and run controls

Second line — Compliance & Risk

Sets the framework, advises, monitors independently

Third line — Audit

Internal & external — independent assurance

INDEPENDENCE BY DESIGN

Clear second-line mandate · reports to the General Counsel · co-sourced challenge · direct ExCo & Board access.

Key risks & where I'd focus first

Prioritised by inherent risk against current maturity — and by the risk retired per unit of effort.



Licence & regulatory soundness

1ST WAVE

FINMA organisation, ICS & reporting; CH–Lux delegation, substance, CSSF interface.

L-QIF puts oversight pressure onto the asset manager



Vehicle & product compliance

Liquid: NAV, liquidity, mandate breaches. Illiquid: valuation, drawdowns, conflicts. CH & Lux rulebooks.



Cross-border distribution

1ST WAVE

Mandate reviews; Qualified / professional regimes; delegation and distribution oversight.



Financial crime & transparency

1ST WAVE

AML, UBO, source of wealth; sanctions; new CH transparency register; AEOI / FATCA.

TransReg requires UBO reporting and 30 day rec.



Conduct & conflicts

Suitability; cross-trades, co-investment & related-party allocations.



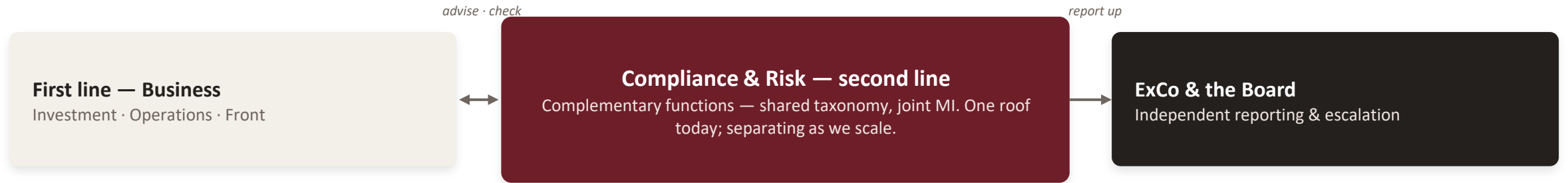
Operational risks and resilience

Key-person & outsourcing oversight; data quality; continuity; technology as a managed risk.

First wave — *licence soundness · financial crime & transparency · cross-border and the vehicle map.*

With particular reference to FINMA and CSSF expectations, cross-border distribution, and the specifics of managing different vehicles.

A trusted partner across the business



Who owns what — Compliance: regulatory, conduct & financial crime · Risk: market, liquidity & operational. New-Product Approval is the shared gateway (A6).

HOW I OPERATE



Compliance by design

Embedded at structuring, deal & onboarding.



Commercial & pragmatic

Clear, simple, solution-oriented guidance.



Transparent escalation

Documented decisions; the courage to escalate.

MEASURABLE OUTCOMES

- Product time-to-market — compliance embedded, not a bottleneck
- Issue-closure velocity — few items overdue
- Training coverage — high, role-relevant
- Clean FINMA / CSSF & audit cycles — no material findings
- Zero material surprises to ExCo or ExBo

Partnership, not capture — clear lines, documented rationale.

Process & technology: efficiency and control

In a lean team, automation is leverage — automate the routine, free senior judgement for the complex.



KYC, onboarding & e-sign

Lifecycle KYC & periodic review; Swiss QES e-signature (Skribble).



Screening

Sanctions, PEP & adverse media — continuous, not point-in-time.



Regulatory watch

CH, Lux & cross-border horizon scanning with an impact workflow.



Investment monitoring

Guideline & mandate checks, breach alerts; illiquid approvals.



Monitoring, testing & MI

Control evidence & audit trail; ExCo / Board dashboards.



Transparency & tax

Register reconciliation (worked example, appendix); AEOI / FATCA.

Digitalisation as risk reduction — never risk creation. Existing systems first · targeted RegTech · AI governed by design: data quality, validation, human-in-the-loop, vendor due diligence, no single point of failure.

First 3–6 and 12–24 months

Diagnose before prescribing — then sequence so each phase retires the most risk per unit of effort.



First 3–6 months Listen, diagnose & stabilise

- Map the perimeter — entities, vehicles, strategies, clients; confirm licence & CSSF interfaces
- Gap analysis vs FINMA / CSSF; review policies, monitoring plan, ICS
- Remediate first-wave risks: AML, transparency register, AEOI / FATCA, conflicts
- Build relationships: first line, Risk, Ops, ExCo, custodians, auditors
- Quick wins: key policies, client classification, regulatory watch



12–24 months Strengthen, automate & scale

- Automate KYC & screening, monitoring, regulatory watch, register reconciliation, MI
- Embed culture: training; compliance-by-design in product & vehicle launches
- Mature monitoring & testing; strengthen conflicts & cross-border frameworks
- Scale the operating model as the team grows; formalise co-sourcing
- Forward agenda: transparency register go-live, ESG & operational resilience

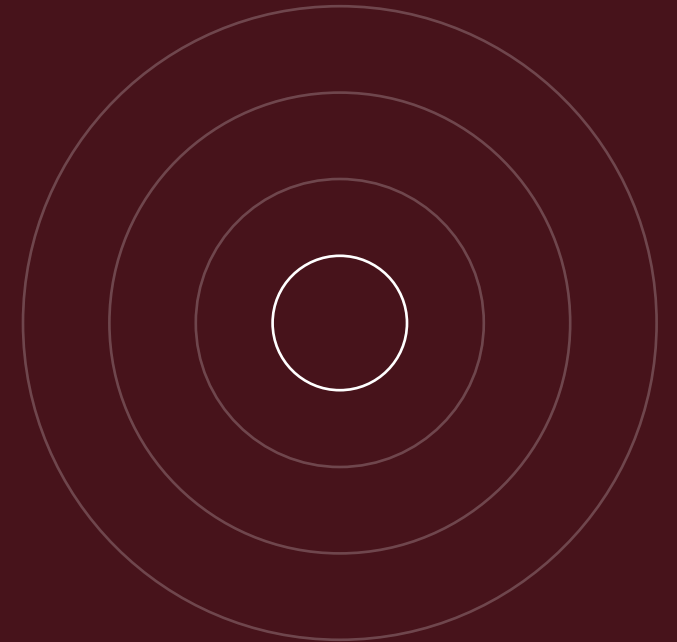
Phase 1 retires the existential risks; phase 2 compounds the gains. *A proportionate, automation-led function that enables growth and stands up to scrutiny.*

APPENDIX

Depth on tap

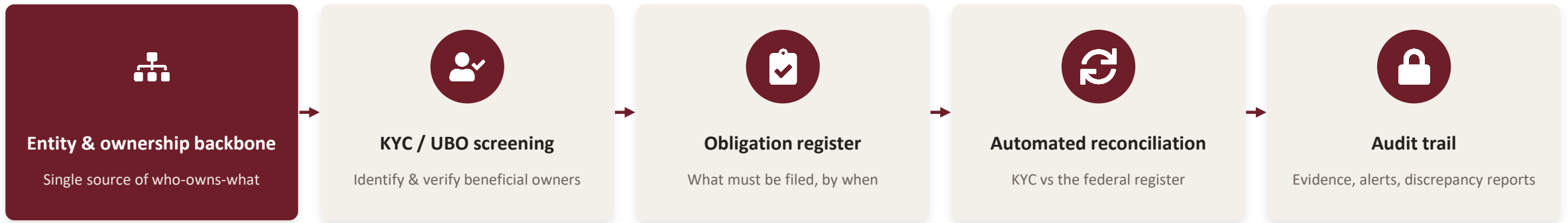
Pulled up as the discussion goes deeper — not part of the seven-slide presentation.

- A1 Flagship — the transparency-register reconciliation, end to end
- A2 The capability stack — ten layers on one ownership backbone
- A3 Conflicts & valuation — the illiquid-specific control surface
- A4 Heat map — how the priorities are derived (risk × maturity)
- A5 Vehicle map — the compliance hook for each CH / Lux vehicle
- A6 New-Product Approval — the gateway flow and a light RACI



The transparency-register reconciliation, end to end

One worked example of the model: a new statutory duty turned into an automated, audit-ready control.



THE DUTY (LTPM / transparency register)

Companies & SICAVs: beneficial owner at $\geq 25\%$ — registered federally.

Trusts (administered from CH): identify-and-retain internally — no filing.

Us, as financial intermediary: report KYC-vs-register discrepancies (~30 days).

Timing: in force October 2026, with transition periods until 2027.

WHY IT'S THE FLAGSHIP

One source — the ownership backbone — feeds KYC, the obligation register and the reconciliation. A live regulatory deadline becomes a governed, automated, audit-ready control. Proof of the whole operating model in one thread.

Ten capability layers on one backbone

Built, bought or assembled — but all anchored to a single entity & ownership backbone.

1 Entity & ownership backbone	<i>own</i>	6 GRC orchestration	<i>assemble</i>
2 KYC / AML / screening	<i>buy + own</i>	7 Document & contract intelligence	<i>build</i>
3 Tax transparency — CRS / FATCA / LTPM	<i>buy + own</i>	8 Communications surveillance	<i>buy</i>
4 Filings & obligation calendar	<i>build</i>	9 Security & IAM	<i>buy</i>
5 Horizon scanning	<i>assemble</i>	10 Illiquid-asset & conflicts / valuation governance	<i>assemble + build</i>

The backbone is the spine — every other layer is a query against it. Own what's differentiating; buy commodity engines; assemble the rest.

The illiquid-specific control surface

The risk surface a family-office / private-markets manager under-builds — and where I'd invest early.



Related-party transaction register & clearing

Every connected-party dealing logged, reviewed and cleared before it happens.



Conflicts of interest framework & clearing

A live conflicts inventory with defined clearing paths and escalation.



Co-investment allocation logic

Documented, fair allocation across vehicles and co-investors.



Level-3 / illiquid valuation governance

Independent challenge of hard-to-value positions; pricing committee discipline.



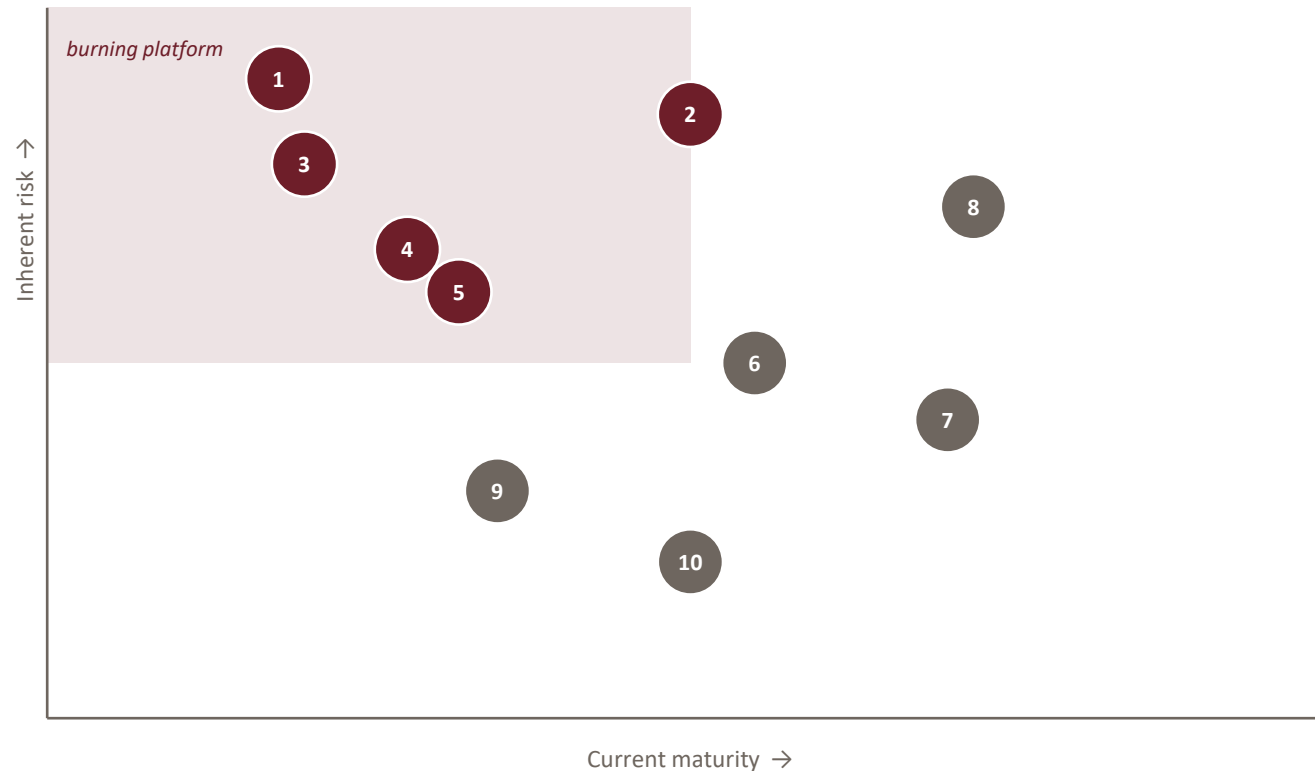
MNPI / insider lists & information barriers

Wall-crossing controls around direct holdings and board seats.

Every one is a query against the entity backbone — *who's a connected person, which vehicle a deal can go to, who controls the counterparty.*

Inherent risk × current maturity

The first-wave choices aren't a hunch — they fall out of the map. Indicative; populated during the diagnostic.



CAPABILITIES

- 1 Ownership backbone
- 2 KYC / AML / screening
- 3 Transparency / LTPM
- 4 Conflicts & valuation
- 5 Obligation register
- 6 Cross-border distribution
- 7 Horizon scanning
- 8 Security & IAM
- 9 Document intelligence
- 10 Comms surveillance

Red = first wave (high inherent risk, low current maturity).

One compliance hook per vehicle

Different rulebooks, one operating model — each vehicle is a different query against the same backbone.

VEHICLE	REGIME & SUPERVISOR	KEY COMPLIANCE HOOK
 Swiss fund (CISA)	<i>FINMA — CISA / CISO</i>	Rep & paying agent, fund docs, ongoing manager duties.
 L-QIF	<i>No product approval</i>	Qualified investors only; full ongoing burden on us; two audits.
 Lux UCITS	<i>CSSF — UCITS</i>	Facilities agent, registration upkeep, KIID / PRIIPs, notifications.
 Lux RAIF (SICAV-SCSp)	<i>Via AIFM — AIFMD</i>	Depositary, Annex IV, valuation; ManCo substance (CSSF 18/698).
 Direct holdings & SPVs	<i>Company law · AMLA · LTPM</i>	UBO & substance; related-party & allocation conflicts; valuation.

Same backbone, different queries — *investor eligibility, distribution, valuation and substance change per vehicle; the data model doesn't.*

The gateway: gatekeeper and enabler

One forum aligns Investment, Compliance, Risk, Operations and ExCo before anything launches.



A LIGHT RACI

	Investment	Compliance	Risk	Operations	ExCo / GC
Propose product / vehicle	A	C	C	I	I
Regulatory & cross-border review	C	A	C	I	I
Risk assessment (mkt / liq / op)	C	C	A	C	I
Docs & distribution validation	C	A	I	C	I
Approve launch	C	R	C	I	A
Post-launch monitoring	I	A	C	C	I

A accountable **R** responsible **C** consulted **I** informed

Gatekeeper and enabler — Compliance owns the gate; ExCo owns the launch call.