

**Form ADV  
Part 2A**

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This Brochure provides information about the qualifications and business practices of Climber Capital SA. If you have any questions about the contents of this Brochure, please contact us at the numbers above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Climber Capital SA also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Summary of Material Changes**

Since our last brochure update, we are now regulated by the Swiss Financial Market Supervisory Authority. If you would like another copy of this Brochure, please download it from the SEC website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or contact Climber Capital at + 41 22 361 66 11.

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## Item 4 – Advisory Business

### Firm Overview

Climber Capital SA (“CCSA”) is a corporation organized under the laws of Switzerland and based in Nyon, Switzerland. CCSA is registered as an investment advisor with the United States Securities and Exchange Commission (“SEC”) and supervised in Switzerland by the Swiss Financial Market Supervisory Authority (“FINMA”). CCSA serves US taxpayers living in the US or abroad, as well as Non-US clients.

CCSA’s principal owner is Laurent A. Bachmann.

### Advisory Services

CCSA provides discretionary and non-discretionary investment services to individuals, trusts, corporations or business entities located in the United States and abroad. CCSA services are provided based on the individual needs of a client and stated investment objectives and guidelines of the account.

### Type of Investments

CCSA offers its services on the following investment types (details under Item 8):

- Cash and short term (0-1 year)
- Fixed income
- Equity
- Other types of instruments

CCSA had discretionary assets under management of \$127,028,255 and nondiscretionary assets under management of \$59,977,235, as of December 31, 2017. Assets under management reflect only CCSA’s accounts for US residents. The assets of other clients of the firm, including US citizens that reside outside of the US, are not part of these totals.

CCSA also serves other clients such as US citizens that reside outside of the US and Non-US persons, which are not part of the reported regulatory assets under management in ADV part I. As an indication, CCSA manages and supervises total assets of approximately \$400,000,000, including the above detailed regulatory assets.

## Item 5 – Fees and Compensation

### Fee Schedule

Discretionary Mandates
1.5%
Non-Discretionary/Advisory Mandates
0.8%

The minimum quarterly fee is \$2,500. Fees are negotiable.

CCSA also serves non-US clients, some of whom pay different fees than US clients.

CCSA does not charge fees in advance. Fees are charged four times a year and are calculated based on the average of the end-of-month balances of the three previous months, as determined by the client's custodian. Fees are charged in arrears in December, March, June, and September, for each respective preceding three month period. For example, in December fees are charged for the months of September, October and November.

## **Other Fees and Expenses**

The above rates do not include transaction costs or any fees charged to clients by their custodian bank for custodial services related to their accounts. The custodian usually passes through to clients stamp tax duties and all other fees charged by third party brokers with respect to assets managed or advised by CCSA for its clients (see Item 12 Brokerage Practices). Fees may include Swiss value added tax (VAT) when applicable. The current VAT rate is 7.7%. Neither CCSA nor any of its supervised persons accepts compensation for the sale of securities or other investment products, for US clients. Mutual funds and exchange traded funds also charge their own management fees, which are disclosed in the fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to CCSA fees, and CCSA does not receive any portion of these commissions, fees, or costs incurred by the client.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

CCSA does not charge performance-based fees.

## **Item 7 – Types of Clients**

CCSA provides investment advisory services to high net worth individuals, private foundations and charities, pension and profit-sharing plans, trusts and other estate planning structures. While CCSA does not have an account minimum, we believe that a minimum of \$5 million allows for proper diversification.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

### **1) Methods of Analysis and Research**

Climber Capital has a disciplined investment process based on asset allocation, security selection and risk management. It is supported by fundamental research and quantitative tools. Its analysis is based on information and research provided by third parties (such as rating services and company reports) as well as on proprietary methods.

### **2) Investment Strategies**

Climber Capital provides both discretionary and non-discretionary (advisory) mandates.

Its discretionary portfolio management is based on a clear definition of the client's investment objectives, risk profile, specific constraints and specific needs documented in the client's

Investment Profile. Under the Discretionary Mandate, CCSA is authorized to manage the assets on a fully discretionary basis, according to the client's Investment Profile.

Clients can choose between five major risk profiles with clearly defined limits by asset class. They range from Fixed Income with no allocation to equities to High risk with up to 100% in equities. In addition, clients can also define their own specific profile, guidelines and constraints, for instance in terms of currency allocation or by excluding certain types of investments. All choices are clearly documented in the client's Investment Profile.

Portfolios are actively managed based on our investment process and tools. They may occasionally and temporarily deviate from their profile in exceptional market circumstances.

We manage portfolios in major reference currencies (for example USD, EUR, GBP and CHF).

Advisory services are offered on a more limited scale to clients who wish to make their own investment decisions and take full responsibility for them. We offer regular advice on financial markets, investment ideas, portfolio construction and risk, at the client's request.

Under the Advisory Mandate, CCSA will not have any discretionary authority over the client's account, will not monitor positions held in the client's securities portfolio and will not be responsible for automatically updating any information or recommendations previously provided to the client.

### **Risk Information**

Risk is the chance that an investment's or investment strategy's actual return will be different than expected. Risk includes the possibility of losing some or all of the original investment. A fundamental idea in finance is the relationship between risk and return. The greater the amount of risk that an investor is willing to take on, the greater the potential return. The reason for this is that investors need to be compensated for taking on additional risk.

### General Risks

**Market risk** is defined as the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates, commodity prices, and other relevant market rate or price changes (e.g., equity prices). The price of a stock, bond or other security may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.

There can be no assurance that any investment, investment strategy or the investment asset allocation selected will be profitable or successful in achieving its investment objectives. Investors should understand the primary risk of investing in securities involves a loss of capital and should be prepared to bear such a loss. Investment in securities comes with inherent risks in exchange for a return on that investment. A client may lose all or a portion of their principal and experience volatility in the value of that principal over time for various reasons as outlined below. This list is representative of many risks and is not necessarily a complete indication of all the risks a client may assume.

**General Economic and Market Conditions.** The success of CCSA's strategy will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect, among other things, the level and volatility of securities' prices, the liquidity of investments and the availability of certain securities and investments. Volatility or illiquidity could impair profitability or result in losses.

In recent years, global markets experienced unprecedented volatility and illiquidity. The effects thereof are continuing and there can be no assurance that clients will not be materially adversely affected. These conditions have led to extensive governmental interventions. Such interventions have in certain cases been implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, these interventions have typically been unclear in scope and application, resulting in confusion and uncertainty. It is impossible to predict what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on CCSA's strategies.

### Equity Risks

**Equity Securities.** Clients will invest in equity and equity-related securities in the U.S. and other countries. The value of these financial instruments generally will vary with the performance of the issuer and movements in the equity markets. As a result, an account may suffer losses if it invests in equity instruments of issuers whose performance diverges from CCSA's expectations or if equity markets generally move in a single direction and CCSA has not hedged against such a general move. An account also may be exposed to risks that issuers will not fulfill contractual obligations such as delivering marketable common stock upon conversions of convertible securities.

**Undervalued Equity Securities.** CCSA focuses on investing in companies that it believes are undervalued based on numerous factors. The identification of investment opportunities in undervalued securities is a difficult task, and there is no assurance that such opportunities will be successfully recognized or acquired. While investing long in undervalued securities presents opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses.

**Equity Securities of Growth Companies.** Client accounts may be invested in equity securities of companies that CCSA believes have potential for capital appreciation significantly greater than that of the market averages, so-called "growth" companies. The market capitalization of the growth companies may range from small to large capitalizations. Growth stocks are generally more sensitive to market movements than other types of stocks, primarily because their stock prices are based heavily on future expectations. Securities of growth companies may be traded in the OTC markets. While OTC markets have grown rapidly in recent years, many OTC securities trade less frequently and in smaller volume than exchange-listed securities. The values of these securities may fluctuate more sharply than exchange-listed

securities, and CCSA may experience some difficulty in acquiring or disposing of positions in these securities at prevailing market prices.

***Small and Mid-Cap Issuers.*** Clients may invest in securities of small and mid-cap issuers. While, in CCSA's opinion, the securities of small and mid-cap issuers may offer the potential for greater capital appreciation than investments in securities of large-cap issuers, securities of small and mid-cap issuers may also present greater risks. For example, small and mid-cap issuers often have limited operating histories, product lines, markets, or financial resources and may be dependent for management on one or a few key persons. In addition, such issuers may be subject to high volatility in revenues, expenses and earnings. Their securities may be thinly traded, may be followed by fewer investment research analysts and may be subject to wider price swings and, thus, may create a greater chance of loss than investments in securities of larger-cap issuers. The market prices of securities of small and mid-cap issuers generally are more sensitive to changes in earnings expectations, to corporate developments and to market rumors than are the market prices of large-cap issuers. Transaction costs in securities of small and mid-cap issuers may be higher than in those of large-cap issuers.

### *Non-US Securities Risks*

Client accounts also may invest in securities of non-U.S. issuers, including companies headquartered outside the United States. Investments in securities and instruments in foreign markets involve substantial risks not typically associated with investments in U.S. securities. Foreign securities investments may be adversely affected by changes in currency rates or exchange control regulations, changes in governmental administration or economic or monetary policy (in the United States and abroad) or changed circumstances in dealings between nations. Changes in foreign currency exchange rates relative to the U.S. dollar will affect the U.S. dollar value of a client's assets denominated in that currency and thereby will have an impact upon the total return on such assets. CCSA may use options and forward contracts to hedge against currency fluctuations, but the projection of short-term currency market movements is extremely difficult, and the successful execution of a short-term hedging strategy is uncertain, and there can be no assurance that such hedging transactions will be effective.

Investments in foreign securities will also occasion risks relating to political and economic developments abroad, including the possibility of expropriations or confiscatory taxation, limitations on the use or transfer of client assets and any effects of foreign social, economic or political instability. Foreign companies are not subject to the regulatory requirements of U.S. companies and, as such, there may be less publicly available information about such companies. Moreover, foreign companies are not subject to uniform accounting, auditing and financial reporting standards and requirements comparable to those applicable to U.S. companies.

Securities of foreign issuers may be less liquid than comparable securities of U.S. issuers and, as such, their price changes may be more volatile. Further, foreign exchanges and broker-dealers are generally subject to less government and exchange scrutiny and regulation than their American counterparts. Brokerage commissions, dealer concessions and other transaction costs may be higher in foreign markets than in the U.S. In addition, differences in



clearance and settlement procedures in foreign markets may occasionally lead to delays in settlements of trades affected in such markets.

Repatriation of investment income, capital and the proceeds of sales by foreign investors may require governmental registration and/or approval. Performance could be adversely affected by delays in or a refusal to grant any required governmental registration or approval for such repatriation or by withholding taxes imposed by the government of an emerging country.

Taxation of dividends, interest and capital gains received by non-residents varies among foreign countries and, in some cases, is comparatively high. In addition, some countries have tax laws and procedures that may permit retroactive taxation so that a client could in the future become subject to local tax liability.

In certain instances, rather than directly holding securities of non-U.S. companies, a client may hold these securities through an American Depositary Receipt (an “ADR”). An ADR is issued by a U.S. bank or trust company to evidence its ownership of securities of a non-U.S. company. The currency of an ADR may be U.S. dollars rather than the currency of the non-U.S. company to which it relates. The value of an ADR will not be equal to the value of the underlying non-U.S. securities to which the ADR relates as a result of a number of factors. These factors include the fees and expenses associated with holding an ADR, the currency exchange relating to the conversion of foreign dividends and other foreign cash distributions into U.S. dollars, and tax considerations such as withholding tax and different tax rates between the jurisdictions. In addition, the client’s rights as a holder of an ADR may be different than the rights of holders of the underlying securities to which the ADR relates, and the market for an ADR may be less liquid than that of the underlying securities. The foreign exchange risk will also affect the value of the ADR and, as a consequence, the performance of the investor holding the ADR.

### Fixed Income Risks

**Credit risk** is the risk that an issuer of a debt security will be unable to make interest and principal payments when due and the related risk that the value of a security may decline because of concerns about the issuer’s ability to make such payments. Credit risk may be heightened for accounts that may invest in “high yield” securities.

**Income risk** is the risk that the income earned from an account may decline because of falling market interest rates. Also, if an account invests in inverse floating rate securities, whose income payments vary inversely with changes in short-term market rates, the account’s income may decrease if short-term interest rates rise.

**Interest rate risk** is the risk that the value of an account will decline because of rising interest rates. Interest rate risk is generally lower for shorter-term investments and higher for longer-term investments. Duration is a common measure of interest rate risk. Duration measures a bond’s expected life on a present value basis, taking into account the bond’s yield, interest payments and final maturity. The longer the duration of a bond, the greater the bond’s price sensitivity to changes in interest rates.

During periods of declining interest rates, some bond issuers may exercise the option to prepay principal earlier than scheduled, forcing an account to reinvest in lower yielding securities. This is known as call or prepayment risk. Debt securities frequently have call features that allow the issuer to repurchase the security prior to its stated maturity. An issuer may redeem an obligation if the issuer can refinance the debt at a lower cost due to declining interest rates or an improvement in its credit rating.

During periods of rising interest rates, the average life of certain types of bonds may be extended because of lower than expected principal payments. This may lock in a below market interest rate, increase the bond's duration, and reduce its value. This is known as extension risk. Market interest rates for investment grade fixed-income securities are currently significantly below their historical average rates. This decline may have increased the risk that these rates will rise in the future; however, historical interest rate levels do not necessarily predict future interest rate levels.

**High yield securities risk** is the risk that these securities, which are rated below investment grade and commonly referred to as "junk" bonds, may cause income and principal losses for an account. They generally have greater credit risk, are less liquid and have more volatile prices than investment grade securities.

**Liquidity risk** is the risk that inventories of bonds held by brokers and dealers can and have decreased in recent years, which lessen their ability to make a market in these securities. This reduction in market making capacity can decrease liquidity and increase price volatility and trading costs in fixed income securities and their markets, especially during periods of economic or market stress. When liquidity is decreased, an account may have to accept a lower price to sell a security, sell other securities to raise cash, or give up an investment opportunity, any of which could lower performance.

**Valuation risk** is the risk that an account will not be able to sell a security at the price established by the pricing service or custodian, which could result in a loss. Debt securities typically are valued by a pricing service or custodian using a range of market-based inputs and assumptions, including readily available market quotations obtained from broker-dealers buying and selling bonds and transactions for comparable bonds. Pricing services and custodians generally price bonds assuming trades in an institutional "round lot" size, but some trades may occur in smaller, "odd lot" sizes, often at lower prices than institutional round lot trades.

### Item 9 – Disciplinary Information

Neither CCSA nor its management personnel have any legal or disciplinary events that are material to a client's or a prospective client's evaluation of their advisory business or the integrity of their management.

## **ITEM 10 – Other Financial Industry Activities and Affiliations**

Neither CCSA nor any of its management persons has a relationship with a related person of CCSA that is material to CCSA's advisory business or to its clients.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **Code of Ethics**

CCSA has adopted a code of ethics in compliance with Rule 204A-1 under the Investment Advisers Act of 1940 ("Code of Ethics"). The Code of Ethics sets forth the rules for business conduct and personal investing activities of its employees. The Code of Ethics, among other things, sets ethical standards and requires compliance with the securities laws, safeguards material nonpublic information about clients' transactions and portfolio holdings, and requires initial and annual reports of securities holdings for access persons.

Clients and prospective clients may obtain a copy of the Code of Ethics upon request in writing to CCSA at the address on the cover of this Brochure.

### **Participation or Interest in Client Transactions & Personal Trading**

CCSA's employees and officers may maintain positions in, or buy or sell the same securities or related options as clients buy or sell. In cases such as this, employees and officers would have an interest in the success of a security that may be recommended to, owned by, sold for or purchased for a client.

Employee trades are reviewed, so that no employee's trade execution receives a better execution price than a client's account for the same security traded on the same day in a client account. Employees are not permitted to buy or sell any securities that are included on a restricted security list (security trades placed by CCSA for client accounts) for a 24 hour period. However, this restriction does not apply to employee accounts under contract with, and managed by, a professional investment manager. Employee trades will be reviewed at least monthly and, if an employee traded a security on the restricted security list, the employee trade may, on a case-by-case basis, be unwound, except as noted above. The intent of such a restriction and corrective action is to avoid potential conflicts of interest that may arise in the trading activities on behalf of clients.

CCSA's policy is to not engage in principal or agency cross transactions.

## **Item 12 – Brokerage Practices**

### **Best Execution**

CCSA's clients primarily open accounts at custodial banks in Switzerland, at the custodian of their choice. Each custodian bank has its own policies and procedures relating to brokerage. In cases where the custodial bank requires CCSA to route securities orders through the trading desk of the bank, then CCSA will not have discretion in selecting the broker/dealer and the client should be aware of the incumbent risks associated with such arrangement. In cases

where the custodial bank will settle with third-party broker-dealers, or when the client uses a US custodian bank, then CCSA will select the broker-dealer.

CCSA seeks to obtain best execution for client transactions, i.e., seeking to obtain not necessarily the lowest commission but the best overall qualitative execution in the particular circumstances. Best execution means not only seeking to achieve the best price but also the consideration of many factors, such as the characteristics of specific trades, the stock being traded, specific needs of clients, conditions in the market at the time the order is placed and the overall efficiency of market structure. When selecting broker-dealers, CCSA also will consider execution capability, commission rate, the likelihood of price improvement, the speed of execution and likelihood of execution for limited orders, the ability to minimize market impact, the maintenance of confidentiality orders, and responsiveness of broker-dealers.

CCSA does not have any formal or informal arrangements or commitments to use research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis.

### Trade Aggregation and Allocation

The aggregation or blocking of client transactions allows CCSA to execute transactions in a more timely, equitable and efficient manner. Blocking is done in an attempt to achieve a better overall price execution for a client. CCSA will aggregate client trades when: (1) CCSA believes that aggregation is consistent with its duty to seek best execution for its clients; (2) no advisory client will be unfairly favored over any other client; (3) each client that participates in an aggregated order will participate at the average share price for a given order, in a given security, on a given business day, and (4) if the aggregated order is not filled in its entirety, it will be allocated proportionately to receive the same allocation as the proportion of the total pre-trade allocation at the average price. For remaining portions that are filled on the following business day, clients will receive the same allocation as the proportion of the total pre-trade allocation at the average price of the business day.

CCSA seeks to allocate securities in a manner that is fair and equitable to all clients, with no particular group or client(s) being favored or disfavored over any other clients. CCSA prohibits allocation of trades in a manner that favors its proprietary accounts or any particular client. Clients may have different investment objectives, strategies, risk tolerance, tax status and other factors, and therefore may hold different securities, or the same securities in different percentages.

CCSA seeks to identify and correct any errors as promptly as possible, without disadvantaging the client. CCSA pays for losses due to its trade errors and clients generally retain gains resulting from CCSA's trade error.

## **Item 13 – Review of Accounts**

CCSA reviews client performance regularly and conducts formal reviews quarterly. CCSA reviews asset allocation, holdings, performance, as well as industry, sector and issue concentrations and for general adherence to the chosen strategy. Clients will receive a quarterly performance report.

## **Item 14 – Client Referrals and Other Compensation**

We may enter into relationships with solicitors to refer prospective clients to us. They are paid a referral fee in accordance with the requirements of Rule 206(4)-3 under the Advisers Act. This fee is portion of the CCSA management fee, and is disclosed to clients. This referral fee paid to solicitors does not result in any additional charge for the clients.

## **Item 15 – Custody**

CCSA is given the authority to have its fees directly deducted from a client's account. Consequently, CCSA is deemed to have custody of such funds. In such cases, CCSA ensures that the client's account is held at a qualified custodian in a segregated account for each client in his/her own name. The client establishes the bank account directly and is therefore aware of all the custodian's requirements, including independent reporting by the custodian to the client, at least quarterly. Custodian bank statements include all investments and details about the transactions. Clients should carefully review the account statements they receive from their broker- dealer or custodian and compare them with any statements or reports received from CCSA.

## **Item 16 – Investment Discretion**

CCSA has discretion over client assets, which is limited by the terms of a client's investment management agreement and investment guidelines, if applicable.

## **Item 17 – Voting Client Securities**

CCSA will generally not have authority to vote client proxies. Proxy information will be sent by the custodian to the client directly.

For Discretionary mandates, CCSA will exercise investment authority for certain corporate actions according to the defined strategy and in respect of the defined Investment Profile. For Non-Discretionary mandates, the client will be contacted for corporate actions (when applicable) and make their own decisions.

## **Item 18 – Financial Information**

CCSA does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore has not included a balance sheet for its most recent fiscal year. CCSA is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients, nor has it been the subject of a bankruptcy petition at any time during the past ten years.