

# Dynamic Tree – Canadian Wealth Management Specialists

Dynamic Tree Asset Management is an independent, Swiss-based investment management firm focused on advising Canadian high-net-worth clients. We also collaborate with financial intermediaries such as banks, independent asset managers, trustees and foundation councils to provide compliant solutions for their clients where they may lack relevant in-house expertise or the necessary licensing to advise Canadian clients.



By *Beat Meier*, CEO and Chairman, *Dynamic Tree Asset Management Ltd.*

Like the changing seasons, Swiss private banking has undergone a paradigm shift in recent years. Increased transparency and regulatory obligations have led to a reassessment of business practices for serving clients outside of Switzerland and a focus on ensuring compliance with the fiscal and regulatory requirements stipulated in the home countries of clients. Today, Swiss financial institutions make considerable efforts to ensure that their clients' assets are properly disclosed. Great emphasis is also placed on regulatory compliance, which either involves ensuring institutions have the necessary registration to operate in their clients' home countries, or relying on restrictive exemptions to avoid the complexities of registration.

In order to effectively manage the increasingly complex compliance requirements in this new banking environment, banks and asset managers have started to define and concentrate on core geographical markets by disposing of non-core operations or by outsourcing certain business segments to regionally focussed experts. With our foundations firmly planted in both Swiss and Canadian soil, Dynamic Tree is perfectly positioned to thrive in this changing environment.

#### **Solid roots for sustainable growth**

When we founded Dynamic Tree in 2010, the current trend in Swiss private banking was still in its infancy. We realized that in order to build a long-term, sustainable business, we needed to focus

on a particular segment of the market. Taking into consideration our combined expertise, Canada was the obvious choice. Moreover, we soon found we had identified a niche in the Swiss marketplace, as no other firm seemed to be focusing primarily on Canadian clients.

My own experience of living and working in Canada for seven years in the investment management industry gave us a tremendous advantage in obtaining local registration in several Canadian provinces as a 'Portfolio Manager' – a designation that allows us to provide a full range of discretionary investment management and advisory services to all Canadian clients in the provinces where Dynamic Tree is registered.

When we started to market our offering to banks and investment managers, we initially experienced a certain hesitation on their part. This was not surprising, considering they were in the midst of dealing with a myriad of other problems at the time, such as extensive compliance issues involving their U.S. clients.

Now, many institutions are shifting their focus on how to service their Canadian clients in line with Canadian tax and securities legislation. We have witnessed evidence of this firsthand, as the number of requests we receive for help in establishing compliant solutions within Canada's regulatory framework steadily increases.

#### Custom solutions to minimize risk

The regulatory framework in Canada is relatively complex, owing in large part to the fact that each Canadian province has its own distinct securities regulator. Calls for a centralized, federal securities regulator have not materialized thus far. Although efforts are underway to further harmonize rules and regulations among its various provinces, Canada's regulatory environment is likely to remain in its current state for some time.

Recently, many banks and investment managers have begun to review their Canada-related business to ensure compliance with regulatory and registration requirements for conducting business with Canadian clients. Banks and asset managers are now sensitized to the new regulatory environment and understand the risks that arise from failing to adhere to tax and securities legislation and are therefore proactively taking measures to follow compliant cross-border business practices.

This rising awareness of the inherent legal and reputational risks explains the increasing number of banks and investment managers who are picking up the phone to find out what we can do for them.

#### How we can help

Since our formation, we have collaborated with numerous banks, independent asset managers, trustees, foundation councils and other intermediaries who want to ensure compliance with regulatory requirements.

## Customized Solutions for Intermediaries

Since its formation, Dynamic Tree has collaborated with banks, independent asset managers, trustees, foundation councils and other intermediaries that have Canadian clients but lack the in-house expertise or licensing required to advise and manage investments for them. We pride ourselves on our ability to listen and adapt to the needs of both intermediaries and their clients. Each situation is unique and we always adopt a flexible approach when discussing potential business relationships. Dynamic Tree is firmly focused on maintaining its position as the leading Swiss provider of compliant investment management solutions for intermediaries with Canadian clients.

*Dynamic Tree Asset Management Ltd.*  
Speerstrasse 12a  
8832 Wilen b. Wollerau  
Phone 044 787 59 01

*beat.meier@dynamictree.com · www.dynamictree.com*

The key element to ensuring a successful client transition to Dynamic Tree is *listening*, both to the needs of the financial intermediaries who approach us, and to the needs of their clients. Each situation is unique and we always adopt a flexible approach when discussing potential business relationships.

The objective of all of the services Dynamic Tree offers is to create long-term, future-oriented wealth management solutions – for the benefit of intermediaries, their clients and Switzerland as a financial center.

#### Switzerland's appeal is evergreen

There are many compelling reasons why Canadians should have an account in Switzerland. First and foremost, Switzerland is well positioned to allow for maximum portfolio diversification outside of the Canadian dollar. In our opinion, global diversification is the key to reducing client exposure to currency, market, sector and regional risks. The more diversified a portfolio, the less likely it will fluctuate unfavorably in value. In addition, Switzerland is the ideal base to take advantage of European trading hours on a multi-currency platform, not to mention the many generations of experience Swiss institu-

tions have amassed by providing wealth management solutions for high-net-worth clients from across the globe.

#### "The only constant is change"

The name of our company says it all. The word *tree* represents Switzerland's long, stable history as a nation and custodian of wealth. In addition to continuity, however, trees also symbolize the need to adapt to an ever-changing environment just as nature adapts to the seasons. As the most recent paradigm shift in Swiss private banking has demonstrated, adaptability is every bit as important as stability. Accordingly, our response to developments that impact our investment strategies is *dynamic*. We consistently combine a proactive approach with out-of-the-box thinking to seek competitive returns for our clients.

With its tailor-made compliant solutions for banks, asset managers and other intermediaries, Dynamic Tree is the perfect companion to partner with for all Canada-related wealth management business.

When the only constant is change, our ability to adapt is the greatest asset we have. Although arriving at ideal solutions can be challenging, it does not have to be. With Dynamic Tree, you are already there.

