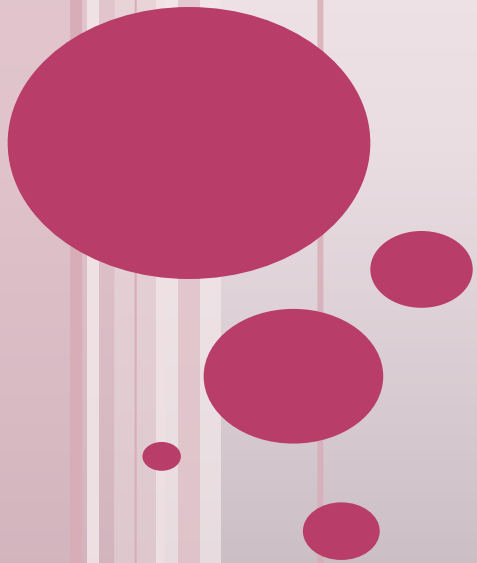


Private bank



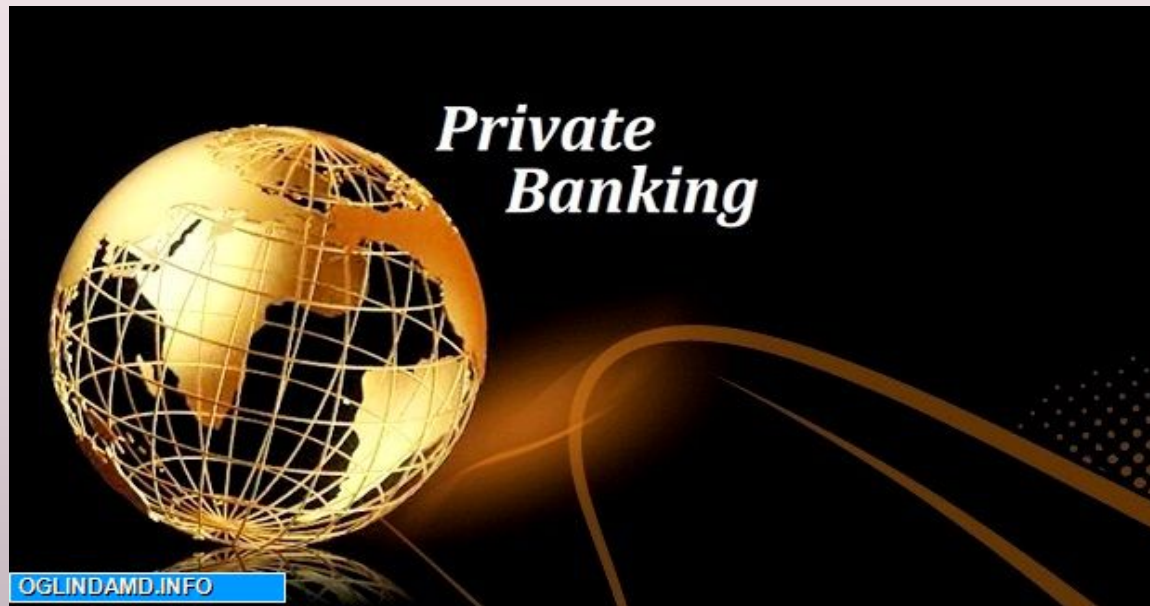
Private bank is a special personalized financial and banking offering for wealthy persons called high net worth individuals or HNWIs.



These banks have a long tradition in Switzerland, dating back to at least the Revocation of the Edict of Nantes (1685). Private banks also have a long tradition in the UK where C. Hoare & Co. has been in business since 1672.



There wealthy individuals normally have more than US\$1 million. However, “entrance fee” for some banks can be higher – US\$5 million or even \$US30 million.



"Private banks" can also refer to non-government owned banks in general, in contrast to government-owned (or nationalized) banks.



Private banking forms a more exclusive (for the especially affluent) subset of wealth management. At least until recently, it largely consisted of banking services (deposit taking and payments), discretionary asset management, brokerage, limited tax advisory services and some basic concierge-type services, offered by a single designated relationship manager.



- Nowadays private banks feel increasing competition from robo-advisors and other non-traditional wealth management companies, which are ready to provide similar financial services, but charge 10 times less (or even a flat fee).

