

CLIENT CATEGORIZATION



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1. Introduction

The company is required to categorize Clients as either (a) Retail, (b) Professional or (c) Eligible Counterparties.

2. Categorization Criteria

The criteria entailed for categorizing Clients based on the relevant provisions of the Law are as follows:

- A. Retail Client: is a Client, who is neither Professional nor Eligible Counterparty,
- B. Professional Client: is a client who possesses the experience, knowledge and expertise to make his own investment decisions and properly assess the risks that he incurs. Such Clients must fall under one of the following categories:

1. Entities, which are required to be authorized or regulated to operate in the financial markets. The list below should be understood as including all authorized entities carrying out the characteristic activities of the entities mentioned: entities authorized by a member state under a European Community Directive, entities authorized or regulated by a member state without reference to such Directive, and entities authorized or regulated by a non-Member State:

- a. Credit institutions,
- b. IFs,
- c. Other authorized or regulated financial institutions,
- d. Insurance undertakings,
- e. Collective investment schemes and management companies of such schemes,
- f. Pension funds and management companies of such funds,
- g. Commodity and commodity derivatives dealers,
- h. Locals, and

i. Other institutional investors.

2. Large undertakings meeting two of the following size requirements, on a proportional basis:

a. Balance sheet total at least €20,000,000 EUR,

b. Net turnover at least €40,000,000 EUR, and

c. Own funds at least 2,000,000 EUR.

3. National and regional governments, public bodies that manage public debt, central banks, international and supranational institutions such as the World Bank, the International Monetary Fund, the European Central Bank, the European Investment Bank and other similar international organizations.

4. Other institutional investors whose main activity is to invest in financial instruments, including entities dedicated to the securitization of assets or other financing transactions. Eligible Counterparties: are any of the following entities to which a credit institution or an investment firm provides the services of reception and transmission of orders on behalf of clients and/or execution of orders and/or dealing on own account: CIFs, other IFs, credit institutions, insurance undertakings, UCITS and their management companies, pension funds and their management companies and other financial institutions authorized by a member state or regulated under community legislation or the national law of a member state, undertakings exempted from the application of the Law in accordance with paragraphs (k) and (l) of subsection (2) of section 3, national governments and their corresponding offices, including public bodies that deal with public debt, central banks and supranational organisations.

3. Request for change of Categorization

Retail Clients can request to be categorized and treated as Professional Clients in which case they will be afforded a lower level of protection. Professional Clients can request to be categorized and treated as Retail Clients in which case they will be afforded a higher level of protection. Eligible Counterparties can request to be categorized and treated as either Retail or Professional Clients in which case they will be afforded a higher level of protection. It is noted that the Company will assess specified quantitative and qualitative criteria in accordance with the provisions of the Law and the change of categorization will depend on its absolute discretion.

4 . Procedure for change of Categorization

Clients other than those mentioned in section 2 (B) may request to be treated as Professionals provided that at least two of the following criteria are satisfied:

- a. the client has carried out transactions, in significant size, on the relevant market at an average frequency of 10 per quarter over the previous four quarters,
- b. the size of the client's financial instrument portfolio, defined as including cash deposits and financial instruments exceeds €500,000 EUR,
- c. the client works or has worked in the financial sector for at least one year in a professional position, which requires knowledge of the transactions or services envisaged.

The clients defined above may waive the benefit of the detailed rules of conduct only where the following procedure is followed:

- a. they must state in writing to the Company that they wish to be treated as professional clients, either generally or in respect of a particular investment service or transaction, or type of transaction or product,
- b. the Company must give them a clear written warning of the protections and investor compensation rights they may lose,
- c. they must state in writing, in a separate document from the contract, that they are aware of the consequences of losing such protections.

Before deciding to accept any request for waiver, the Company must take all reasonable steps to ensure that the client requesting to be treated as a professional client meets the relevant requirements stated above. However, if Clients have already been categorised as professionals under parameters and procedures similar to those above, it is not intended that their relationships with the Company should be affected by any new rules adopted pursuant to the Law.

5. Information on Level of Protection

The additional protection afforded to a Retail Client compared to a Professional Client or an Eligible Counterparty includes without limitation the following:

- a. Retail Clients are provided with more information regarding the Company's fees, charges, and expenses,
- b. Retail Clients provide more information regarding their knowledge and experience in the Investment field so as to enable the Company to assess whether the investment service or product envisaged is appropriate for the Client,
- c. The Company must take all reasonable steps to ensure that a Retail Client's order is executed as such in order to obtain best possible results,
- d. A Retail Client will receive information regarding his executed order timely and with more detail as to the content,
- e. A Retail Client will be informed of the Company's liability in relation to possible solvency of the custodian where Clients' financial instruments are held,
- f. A Retail Client will be informed of the Company's Conflict of Interest Policy,
- g. A Retail Client will be informed of the Company's complaint handling procedures.