

## **ADMIRAL MARKETS AS CLASSIFICATION OF CLIENTS**

1. Admiral Markets AS (hereinafter AM) In order to provide investment services to clients, prior to provision of services, requires the clients to submit information, which is necessary to understand the principal circumstances associated with the client and to provide AM with reasonable grounds to believe that the client has necessary knowledge and experience to understand the risks associated with the product or investment service offered or requested by the client.
2. In order to determine the knowledge and experience of the customer with regard to investing, the information obtained by AM shall cover at least the following aspects to the extent that is relevant in terms of clients' classification, the nature and scope of the service provided, the type and complexity of the envisaged service, product and transaction, and the associated risks:
  - the types of investment services, transactions and securities of which the client has sufficient knowledge;
  - the volume, nature and frequency of the client's transactions in securities and the period over which they were conducted;
  - the level of education, profession or, if necessary, previous profession of the client or potential client.

AM shall have the right to rely on the information provided by the client unless AM is aware or should have been aware of the fact that the submitted information was outdated, inaccurate or incomplete.

3. A person who is not a professional client or eligible counter-party shall be considered by AM to be a **retail client**.
4. The following persons shall be considered to be **professional clients** (professional client by nature):
  - 4.1 entities authorized by a Member State, entities authorized or regulated by a Member State, and entities authorized or regulated by a non-Member State;
  - 4.2 credit institutions, investment firms, other authorized or regulated financial institutions, insurance companies, collective investment schemes and management companies of such schemes, pension funds and management companies of such funds, commodity and commodity derivatives dealers;
  - 4.3 national and regional governments, public bodies that manage public debt, Central Banks;
  - 4.4 international and supranational institutions such as the World Bank, the IMF, the ECB, the EIB and other similar international organizations;
  - 4.5 a person trading in commodities and commodity derivatives on the market;

- 4.6 a company that meets at least two of the following conditions:
- its balance sheet equals at least 20 million Euros;
  - its net turnover equals at least 40 million Euros;
  - its equity capital equals at least 2 million Euros.
5. The following persons can be classified as **eligible counter-parties** only in relation to the provision of the service of reception and transmission of securities orders, execution of securities orders on behalf or on account of clients and dealing in securities on own account:
- 5.1 entities authorized by a Member State, entities authorized or regulated by a Member State, and entities authorized or regulated by a non-Member State;
- 5.2 credit institutions, investment firms, other authorized or regulated financial institutions, insurance companies, collective investment schemes and management companies of such schemes, pension funds and management companies of such funds, commodity and commodity derivatives dealers;
- 5.3 national and regional governments, public bodies that manage public debt, Central Banks; - international and supranational institutions such as the World Bank, the IMF, the ECB, the EIB and other similar international organizations;
- 5.4 persons whose principal business is dealing in commodities or commodity derivatives on own account;
- 5.5 persons who deal on own account on financial futures, options or other derivative instrument markets and money markets only for the purpose of securing the investments made on the derivative instrument markets, or who make transactions on account of the participants in the said markets or establish pricing principles for them, and whose transaction executions are secured by persons who organize settlement on the same markets.
6. **A retail client may request re-categorization as a professional client** if the client has in his own opinion sufficient experience, knowledge and expertise to make independent investment decisions and to assess adequately the associated risks. If treated as a professional client, the rights of the retail client arising from the Securities Market Act (SMA) and the subordinate legislation shall not be applicable to the client.
7. AM shall have the right, at its own initiative or at the request of the client, to treat a professional client as a retail client, if based on the opinion of the client or AM, the client is not reasonably able to sufficiently assess or manage the risks associated to a specific service or transaction.
8. AM shall have the right, at its own initiative or at the request of the client, to treat an eligible counter-party as a retail client or professional client.
9. An eligible counter-party may request to be treated as a client with broader regulative protection (professional client or retail client) in general or with regard to a specific transaction.

10. AM shall notify the client of the rights that the client may lose if treated as eligible counter-party and the client shall confirm in a format, which can be reproduced in writing, that he is aware of the rights he will lose when treated as eligible counter-party.