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Accuindex EU Ltd (ex. Ruizean Markets Ltd)
CLIENT CATEGORISATION POLICY
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1. General

According to the Investment Services and Activities and Regulated Markets Law 87(I)/2017, as subsequently amended from time to time ("the Law"), Accuindex EU Ltd (ex. Ruizean Markets Limited) ("the Company") is required to categorise its Clients into one of the following three categories: retail, professional or Eligible Counterparty.

It is stressed that different rules and different levels of protection apply to Clients depending on their categorisation.

"Retail Client" is a Client who is not a Professional Client by default, as defined in paragraph 2 further below. It is noted that Retail Clients are afforded with the highest level of protection.

"Professional Client" is a Client who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs, as further detailed below (see paragraphs 2 and 3 below).

"Eligible counterparty" is a type of professional Clients, applicable only when the service provided to such Professional Client is of receiving & transmitting and/or executing orders (see paragraph 5 below).

2. Professional Clients by Default

The following entities that satisfy one or more of the following criteria shall be classified as Professional Clients by default:

(a) Entities which are required to be authorized or regulated to operate in the financial markets such as:

- 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
- Locals: firms which provide investment services and/or perform investment activities consisting exclusively in dealing on own account on markets in financial futures or options or other derivatives and on cash markets for the sole purpose of hedging positions on derivatives markets or which deal for the accounts of other members of those markets or make prices for them and which are guaranteed by clearing members

of the same markets, where responsibility for ensuring the performance of contracts entered into by such firms is assumed by clearing members of the same markets.
- Other institutional investors

(b) Large undertakings meeting two of the following size requirements, on a portfolio basis:

- Balance sheet total at least EUR 20.000.000
- Net turnover at least EUR 40.000.000
- Own funds at least EUR 2.000.000.

(c) 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.

(d) Other institutional investors whose main activity is to invest in financial instruments, including entities dedicated to the securitization of assets or other financing transactions.

The entities mentioned above are considered to be Professional Clients by default. So, where the Client fulfils one of the criteria referred to above, the Company shall inform it prior to any provision of services that, on the basis of the information available to the Company, the Client is deemed to be a professional Client and will be treated as such unless the Company and the Client agree otherwise (see paragraph 4 below).

3. Non-Professional Clients who may be Treated as Professional on Request

3.1. General

Clients not mentioned in paragraph 2 above may also be allowed to be treated as Professional Clients and hence waive some of the protections afforded by the Law.

The Company is allowed to treat any such Clients as Professionals provided the relevant criteria and procedures mentioned herein below are fulfilled. These Clients should not, however, be presumed to possess market knowledge and experience comparable to that of the categories of paragraph 2. So, any waiver of the protection afforded to them shall be considered valid only if an adequate assessment of the expertise, experience and knowledge of the Client, undertaken by the Company, gives reasonable assurance, in light of the nature of the transactions or services envisaged, that the said Client is capable of making his own investment decisions and understanding the risks involved.

For this reason, the Company will apply a fitness test to assess their expertise and knowledge.

3.2. Assessment

In the course of the above assessment, as a minimum, two of the following criteria should be satisfied:

- 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;
- the size of the Client's financial instrument portfolio, defined as including cash deposits and financial instruments exceeds 500,000 Euros;
- 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.

In the case of small entities, the person subject to the above assessment should be the person authorised to carry out transactions on behalf of the entity.

3.3. Procedure

- The Client states in writing to the Company that it wishes to be treated as a Professional Client, either generally or in respect of a particular investment service or transaction, or type of transaction or product.
- The Company must give it a clear written warning of the protections and investor compensation rights it may lose.
- The Client must state in writing, in a separate document from the main Agreement, that it is 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.
- Clients wishing to be treated as Professionals may use the "Application for Change of Client Status" form found on the Company's website www.accuindex.eu .

3.4. Keeping the Company Informed

All Clients are responsible for keeping the Company informed about any change which could affect their current categorisation.

However, if the Company becomes aware that the Client no longer fulfils the initial conditions which made it eligible for a professional treatment, the Company should take appropriate action.

4. Professional Clients Requesting to be treated as Retail

It is noted that Professional Clients of paragraph 2 are allowed to request non-professional treatment and instead be treated as Retail Clients, so as to enjoy a higher level of protection. It is the responsibility of the Client, considered to be a Professional Client, to ask for a higher level of protection when it deems it is unable to properly assess or manage the risks involved.

This higher level of protection will be provided when a Client who is considered to be a professional enters into a written agreement with the Company to the effect that it shall not be treated as a Professional for the purposes of the applicable conduct of business regime. Such

agreement should specify whether this applies to one or more particular services or transactions, or to one or more types of product or transaction.

5. Eligible Counterparties

An Eligible Counterparty is an undertaking which falls within categories (a), (b) and (c) of the Clients who are considered to be Professionals by default (of paragraph 2 above) and/or those included in Section 31(2), (31)(3) and 31(4) of the Law.

Further, the Eligible Counterparty category is applicable only for the following investment services:

- Reception and transmission of Client orders in relation to one or more financial instruments
- Execution of orders on behalf of Clients

On request, the Company may also recognise as an Eligible Counterparty which fall within a category of Clients who are to be considered professional Clients in accordance to the fitness test (see paragraph 4 above). In such cases, however, the undertaking concerned shall be recognised as an Eligible Counterparty only in respect of the services or transactions for which it could be treated as a Professional Client.

In the event of a transaction where the prospective counterparty is located in another EU Member State, the Company shall defer to the status of the other undertaking as determined by the legislation of the said Member State in which that undertaking is established.

6. Types of Requests for Different Categorisation

The following requests may be submitted to the Company should a Client wish to change its categorisation:

(a) A Retail Client can request to be categorised as a Professional Client. The Client therefore accepts a lower level of protection (see paragraph 3 above).

(b) A Professional Client can request to be categorised as a Retail Client. The Client therefore obtains higher level of protection (see paragraph 4 above). A Professional Client can request to be treated as an Eligible Counterparty, obtaining therefore a lower level of protection (see paragraph 5 above).

(c) An Eligible Counterparty can request to be categorised as a Professional Client or a Retail Client. The Client therefore obtains higher level of protection (see paragraph 5 above).

It is noted that the Company is not required to agree with a request for non-professional or non-Eligible Counterparty treatment. In addition, the Company may, on its own initiative, treat as a Professional or Retail Client an Eligible Counterparty or treat as a Retail Client a Professional Client.

Clients wishing to change their Client Categorisation, they may contact the Company at [insert email address]

7. Protection Rights

7.1. Retail and Professional Clients

Where the Company treats a Client as a Retail Client, the Client is entitled to more protections under the Law, than if the Client was treated as a Professional Client. In summary, the protections Retail Clients are entitled to are as follows (the list may not be exhaustive):

(a) A Retail Client will be given more information disclosures with regards to the Company, its services, its financial instruments and their performance, the nature and risks of financial instruments, its costs, commissions, fees and charges and the safeguarding of Client financial instruments and Client funds, including summary details of any relevant investor compensation or deposit guarantee scheme, as applicable.

(b) Where the Company is providing the services of Reception & Transmission of orders and/or Execution of Client orders (, the Company shall ask a Retail Client to provide information regarding his knowledge and experience in the investment field relevant to the specific type of product or service offered or demanded, so as to enable the Company to assess whether the investment service or product envisaged is appropriate for the Client. In case the Company considers, on the basis of the information received, that the product or service is not appropriate to a Retail Client, it shall warn the Client accordingly. Please note that the Company is not required to assess appropriateness in certain cases specified by the Law 87(I)/2007 (for example but not limited to the situation where on an execution only basis the financial instrument concerned is not complex).

On the other hand, the Company shall be entitled to assume that a Professional Client has the necessary experience and knowledge in order to understand the risks involved in relation to those particular investment services or transactions, or types of transaction or product, for which the Client is classified as a Professional Client. Consequently, and unlike the situation with a Retail Client, the Company should not generally need to obtain additional information from the Client for the purposes of the assessment of appropriateness for those products and services for which they have been classified as a Professional Client.

(c) When executing Client orders, the Company must take all sufficient steps to achieve what is called “best execution” of the Client’s orders, that is to obtain the best possible result for its Clients.

(d) Where the Company executes an order of a Retail Client, the best possible result shall be determined in terms of the total consideration, representing the price of the financial instrument and the costs related to execution, which shall include all expenses incurred by the Client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.The Company must inform Retail Clients of material difficulties

relevant to the proper carrying out of their order(s) promptly upon becoming aware of the difficulty.

(e) Where the Company executes orders for Retail Clients, it shall provide those Clients with a summary of the relevant policy focused on the total costs they incur.

(f) Retail Clients may be entitled to compensation under the Investor Compensation Fund ("ICF") for Clients of Investment Firms, while Professional Clients are not entitled to compensation under the ICF.

(g) Where the Company holds a retail Client account with positions in leveraged financial instruments or contingent liability transactions, the firm must report to the Client if the initial value of each instrument depreciates by 10% and thereafter at multiples of 10%.

(h) The Company cannot conclude title transfer financial collateral arrangements with Retail Clients for the purpose of securing or covering present or future, actual or contingent or prospective obligations of Clients. In respect of Professional Clients and/or Eligible Counterparties, the Company is not subject to such restriction. Where the Company uses title transfer collateral arrangements, it shall highlight to Professional Clients and/or Eligible Counterparties the risks involved and the effect of any title transfer collateral arrangement on the Client's financial instruments and funds.

(i) Retail Clients will be provided with negative balance protection and as such, may not lose more than the total amount deposited in their trading account. Professional Clients and/or Eligible Counterparties will not be provided with negative balance protection.

7.2. Eligible Counterparties

Where the Company treats the Client as an Eligible Counterparty, the Client will be entitled to fewer protections under the Law than it would be entitled to as a Retail or Professional Client. In particular and in addition to the above of paragraph 7.1 (the list may not be exhaustive):

(a) The Company is not required to provide the Client with best execution in executing the Client's orders. Nevertheless, Eligible Counterparties may request on a trade by trade basis or in general, treatment that would allow the Company to take all sufficient steps to achieve best execution.
(b) The Company is not required to implement procedures and arrangements which provide for the prompt, fair and expeditious execution of its Client orders, relative to other Client orders or its trading interests.

(c) The Company is not required to assess the appropriateness of a product or service that it provides to Client but can assume that the Client have the expertise to choose the most appropriate product or service for itself and has the ability to bear losses.

(d) The Company is not required to provide the Client with information about the Company's execution venues, the arrangements through which the Company will be remunerated and other relevant information.

(e) The Investors Compensation Fund does not cover Eligible Counterparties.

(f) The Company is not required to ensure that its financial instruments are designed to meet the needs of an identified target market of Eligible Counterparties.

(g) The Company, when dealing with Eligible Counterparties, is not required to ensure that it does not remunerate its staff in a way that conflicts with its duty to act in the best interests of its Clients and that it does not accept any fees/commissions in relation to the provision of services to Clients.

However, Eligible Counterparties will be entitled to the same reporting obligations as they apply to Retail and Professional Clients.