



Customer Categorization

- LEGAL INFORMATION

Tradomart SV Ltd. (hereinafter referred to as '**Tradomart SV Ltd.**' or the 'Company') is an investment firm that operates globally.

Tradomart SV Ltd. is a company incorporated under the laws of Saint Vincent and the Grenadines with Registration Number 23071 IBC 2015 having its head office at Shamrock Lodge, Murray Road, Kingstown, St. Vincent and the Grenadines. and rendering the investment and ancillary Services (hereinafter the "Company") to its Clients through the Trading Platform.

The Customer acknowledges that the Company's official language is English.

- INTRODUCTION

Implementing the Markets in Financial Instruments Directive (MiFID) 2004/39/EC as well as the Investment Services and Activities and Regulated Market Law of 2007 (Law 144(I)/2007), the Company has established its Customer Categorization Policy (hereinafter referred to as the "Policy").

The Company is operating under Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC, as the same may be in force from time to time and modified or amended from time to time (the "Markets in Financial Instruments Directive (2004/39/EC)" or "MiFID").

Following the implementation of the MiFID in the European Union and in accordance with the Investment Services and Activities and Regulated Markets Law of 2007 (Law 144(I)/2007) in Saint Vincent and the Grenadines. **Tradomart SV Ltd.** is required to categorise its Clients into one of the following three categories: retail, professional or eligible counterparty.

Therefore, when a Company is considering an application for opening an account, it will classify a prospective client under any of the above categories based on the information provided by the said client.

- CATEGORISATION CRITERIA

'Retail Client' is a Customer who is neither a Professional Client nor an Eligible Counterparty.

'Eligible Counterparty' is any of the following entities to which an investment firm provides the services of reception and transmission of orders on behalf of Customers and/or execution of such orders and/or dealing on own account: Saint Vincent and the Grenadines Investment Firm/Greek Investment Firm, other investment firms, credit institutions, insurance companies, UCITS and their management companies, Portfolio Investment Companies, pension funds and their management companies and other financial institutions authorised by a Member State of the European Union or regulated under Community legislation or the national law of a Member State, undertakings exempted from the application of the Investment Services and Activities and Regulated Markets Law 144(I) of 2007 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.

'Professional Client' is a Customer who possesses the experience, knowledge and expertise to make his own investment decisions and properly assess the risks that he incurs. In order to be considered a Professional Client, a Client must comply with one of the following criteria.

- **Categories of client who are considered to be professionals**

The following should be regarded as professionals in all investment services and activities and financial instruments:

- Entities which are required to be authorised or regulated to operate in the financial markets. The list below should be understood as including all authorised entities carrying out the characteristic activities of the entities mentioned: entities authorised by a Member State under the Markets in Financial Instruments Directive, entities authorised or regulated by a Member State without reference to the above Directive, and entities authorised or regulated by a non-Member State:
 - Investment Firms;
 - Collective Investment Schemes and the management companies of such schemes;
 - Other Authorised or regulated financial institutions;
 - Credit Institutions;
 - Pension funds and the management companies of such funds;
 - Insurance Companies;
 - Locals;
 - Commodity and commodity derivatives dealers;
 - Other Institutional Investors (like Portfolio Investment Companies).

- Large undertakings which meet two of the following company size requirements:
 - Balance sheet total: EUR 20,000,000
 - Net turnover: EUR 40,000,000
 - Own funds: EUR 2,000,000

- (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.

- (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.

The entities mentioned above from (1) to (4) are considered to be professionals in relation to all investment services and activities and financial instruments. They are however allowed to request non-professional treatment and the Company may agree to provide a higher level of protection. Where the client of the Company is an undertaking referred to above, the Company must inform the Customer, 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. The Customer may request a variation of terms of the agreement in order to secure a higher degree of protection.

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, specifying whether this applies to one or more particular service or type of transaction.

- **Customers who may be treated as professionals on request.**

Identification Criteria

- Customers, other than those mentioned in above, including public sector bodies and private individual investors, may also be allowed to waive some of the protection afforded by the conduct of business rules.

The Company is therefore allowed to treat any of the above Customers as Professionals provided the relevant criteria and procedure mentioned below are fulfilled. These Customers will not, however, be presumed to possess market knowledge and experience comparable to that of the categories listed above.

Any such waiver of the protection afforded by the standard conduct of business regime will be considered valid only if an adequate assessment of the Expertise, Experience and Knowledge of the Customer, undertaken by the Company, gives reasonable assurance, in light of the nature of the transactions or services envisaged, that the Customer is capable of making his own investment decisions and understanding the risks involved.

The fitness test applied to managers and directors of entities licensed under European Directives in the financial sector may be regarded as an example of the assessment of expertise and knowledge. In the case of small entities, the person subject to the above assessment should be the person authorized to carry out transactions on behalf of the entity.

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

- The Customer has carried out significant sized transactions on the relevant market at an average frequency of 10 per quarter over the previous four quarters,
 - The size of the Customer's financial instrument portfolio, defined as including cash deposits and financial instruments exceeds EUR500 000,
 - The Customer 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.
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- **Procedure**

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

- They must state in writing to the Company that they wish 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,
- They must state in writing, in a separate document from the contract, that they are aware of the consequences of losing such protection,
- The Company will give them a clear written warning of the protection and investor compensation rights they might lose.

Before deciding to accept any request for a waiver, the Company is required to take all reasonable steps to ensure that the Customer requesting to be treated as a professional client, meets the relevant requirements stated in section 2.4.2.1 above.

Professional clients are responsible for keeping the Company informed about any change which could affect their current categorization. However, should the

Company become aware that the Customer no longer fulfils the initial conditions which made him eligible to be categorised as a professional; the Company will take appropriate action.

- **REQUEST FOR DIFFERENT CATEGORISATION**

- A Retail Client has the right to request to be categorised as a Professional Client but will then be afforded a lower level of protection.

In order to be a professional client you must meet two of the three following conditions:

- to have carried out a significant volume of operations on securities markets in the last four quarters with an average frequency of more than ten (10) operations per quarter;
 - to have assets in the form of securities deposited in financial institutions and cash with a combined value of more than €500.000;
 - to hold or to have in the past for at least one year a professional position in the financial sector requiring knowledge of the type of operations or services now being contemplated.
- After reviewing your profile if we do not believe you meet the criteria for a “Professional Client” and recommend you stay classified as a “Retail Client” Should you still wish to proceed as a “Professional Client” please do the following:
 - State in writing to the Company that you wish 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
 - State in writing, in a separate document from the contract, that you are aware of the consequences of losing the below protections.
 - A Retail Client is eligible for possible coverage from the Investor’s Compensation Fund
 - Retail Clients are provided with more information regarding the Company’s fees, charges, and expenses,
 - 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,
 - 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,
 - A Retail Client will receive information regarding his executed order timely and with more detail as to the content,
 - 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,

- A Retail Client will be informed of the Company's Conflict of Interest Policy,
- A Retail Client will be informed of the Company's complaint handling procedure
- An Eligible Counterparty has the right to request to be categorized either as a Professional Client or a Retail Client in order to obtain a higher level of protection.
- The Company has the right to decline any of the above Customer requests.
- A Professional Client has the right to request to be categorised as a Retail Client in order to obtain a higher level of protection.

- **PROTECTION RIGHTS**

- **Retail Clients**

- Where the Company treats the Customer as a retail client, he/she will be entitled to more protection under the law than if the Customer was a professional client. In summary, the additional protection retail clients are entitled to, are as follows:
 - A retail client will be given more information/disclosures with regard to the Company, its services and any investments, its costs, commissions, fees and charges and the safeguarding of customer financial instruments and customer funds.
 - Under the law, where the Company provides investment services other than investment advice (in the form of personal recommendations) or discretionary portfolio management, 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 investment firm to assess whether the investment service or product envisaged is appropriate for the customer. 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 law.
 - When executing orders, investment firms and credit institutions providing investment services must take all reasonable steps to achieve what is called "best execution" of the customer's orders; in other words, to obtain the best possible result for their Customer.

Where the Company executes an order on behalf 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 customer 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.

- Investment firms and credit institutions providing investment services must obtain from the Customer such information as is necessary for the firm or credit institution, as the case may be, to understand the essential facts about the Customer and to have a reasonable basis for believing - giving due consideration to the nature and extent of the service provided - that the specific transaction to be recommended (or entered into in the course of providing a portfolio management service) satisfies the following criteria:
 - It meets the investment objectives of the Customer in question
 - The Customer is financially able to bear the investment risk that arises from his investment objectives;
 - That the Customer has the necessary experience and knowledge to understand the risks involved in the transaction or the management of his portfolio.

- 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.
- The Company is required to provide retail clients:
 - With periodic statements in respect of portfolio management activities carried out on their behalf more frequently than for professional clients.
 - With more information than professional clients as regards execution of orders other than for portfolio management.
- The Company will not use financial instruments held on behalf of a client for its own account or the account of another customer without the Customer's prior express consent to the use of the instruments on specified terms, as evidenced, in the case of a retail client, by his signature or an equivalent alternative mechanism.
- Where the Company provides portfolio management transactions for retail clients or operate retail client accounts that include an uncovered open position in a contingent liability transaction, it will also report to the retail client any losses exceeding any predetermined threshold, agreed between the Company and the client, no later than the end of the business day in which the threshold is exceeded or, in a case where the threshold is exceeded on a non-business day, the close of the following business day.
- If the Company provides an investment service other than investment advice to a new retail client for the first time after 1 November 2007, the Company must enter into a basic written agreement with the Customer, setting out the essential rights and obligations of the firm and the Customer.
- Retail clients may be entitled to compensation under the Investor Compensation Fund for Bank Clients or the Investor Compensation Fund for Clients of Investment Firms, as the case may be.

Professional Clients

- The Company shall be entitled to assume that a professional client has the necessary experience and knowledge to understand the risks involved in relation to those particular investment services or transactions, or types of transaction or product, for which the customer has been 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 customer for the purposes of the assessment of appropriateness for those products and services for which they have been classified as a professional client.
- When providing professional clients with best execution, the Company is not required to prioritize the overall costs of the transaction as being the most important factor in achieving best execution for them.
- Where the Company provides an investment service to a professional client, it shall be entitled to assume that, in relation to the products, transactions and services for which it is so classified, the client has the necessary level of experience and knowledge for the purposes of paragraph (c) above. In addition, under certain circumstances, the Company shall be entitled to assume that a professional client is able financially to bear any investment risks consistent with their investment objectives.

Eligible Counterparties

Where the Company treats the Customer as an eligible counterparty, the Customer will be entitled to less protection under the law than he/she would be entitled to as a professional client. In particular and in addition to the above:

- The Company is not required to provide the Customer with risk disclosures on the products or services that he/she selects from the Company
- The Company is not required to provide reports to the Customer on the execution of his/her orders or the management of his/her investments;
- The Company is not required to provide the Customer with best execution in executing the Customer's orders;
- The Company is not required to assess the suitability or appropriateness of a product or service that it provides to the Customer but can assume that the Customer has the expertise to choose the most appropriate product or service for him/her and that he/she is financially able to bear any investment risk consistent with his/her investment objectives;
- The Company is not required to disclose to the Customer, information regarding any fees or commissions that the Company pays or receives;
- The Company is not required to provide the Customer with information about the Company, its services and the arrangements through which the Company will be remunerated.