

## 1. PURPOSE OF THIS POLICY

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1.1 Roemer Capital (Europe) Limited (**Roemer Capital** or **we**), is required by the Investment Services and Activities and Regulated Markets Law of 2017, as amended (**Law**), to notify its new clients (and existing clients if it has newly been categorized) (**Client** or **you**), of their categorisation as a retail client, a professional client or an eligible counterparty in accordance with Directive 2014/65/EU (**MiFID II**).

1.2 You have been notified through your client agreement with us, or other durable medium, of the client categorization we have assigned to you based upon the information available to us.

1.3 This Client Categorisation Policy (**Policy**) describes the approach we follow in determining your client categorization, your right to request a different categorisation and the limitations to the level of client protection that a different categorisation would entail.

## 2. RETAIL CLIENTS

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2.1 We will categorise you as a **Retail Client** if you are not a professional client, as described in Section 3 below. As a Retail Client we will afford you the highest level of protection.

## 3. PROFESSIONAL CLIENTS

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3.1 A professional client is a client who possesses the knowledge and experience to make his own investment decisions and properly assess the risks that he incurs. We may categorise you as a professional Client by default, or upon your request.

3.2 We will categorise you as a professional client by default (**per se professional client**) if you are one of the following:

- Credit institution;
- Investment firm;
- Other authorised or regulated financial institutions;
- Insurance company;
- Collective investment scheme or the management company of such schemes;
- Pension fund and management company of such funds;
- Commodity and commodity derivatives dealer;
- Locals;
- Large undertaking who meets two of the following criteria:
  - 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.
- National or regional governments, Central Banks, international and supranational institutions such as the World Bank, the IMF, the ECB, the EIB and other similar international organisations;

- Other institutional investors, such as entities dedicated to the securitization of assets.

3.3 Following your written request, we may treat you as an **elective professional client** either generally or in respect to a particular product and service. In such case you must provide us supporting evidence that you meet two of following criteria:

- you have carried out transactions of a significant size on the relevant market at an average frequency of 10 per quarter over the previous four quarters;
- your financial instrument portfolio, including cash deposits, exceeds EUR 500 000;
- you or your authorized representative has one year relevant working experience in the financial sector.

3.4 We will perform an assessment of your knowledge and experience, in respect to the product or services you wish to be treated as an elective professional. The assessment will be undertaken by you or the person you have authorized to trade on your behalf.

3.5 You are entitled to request to be classified as an elective professional, provided that you meet the above criteria, but in that event you will lose some of the protections afforded to retail clients under the Law. You will no longer be an eligible claimant under the CySEC Investor Compensation Fund nor will you be able to complain about any dealings with us to the Financial Ombudsman of the Republic of Cyprus. In particular:

- you will not be entitled to compensation under the Investor Compensation Scheme;
- you will not be able to submit a complaint to the Financial Ombudsman of the Republic of Cyprus;
- you shall not be accorded the protections provided by Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs);
- we shall be under no obligation not to make any arrangement by way of remuneration, sales targets or otherwise that could provide an incentive to our staff to recommend to you a particular financial instrument when we could offer a different financial instrument which would better meet your needs;
- where an investment service is offered together with another service or product as part of a package, or as a condition for the same agreement or package, and where the risks resulting from such an agreement or package are likely to be different from the risks associated with the components taken separately, we will be under no obligation to provide you with a description of the different components of the agreement or package and the way in which its interaction modifies the risks.
- in relation to the service of portfolio management, and in relation to the periodic assessment of suitability, the periodic report may contain less detail compared to the same report provided to retail clients. In particular, we will not be under an obligation to include in the said report an updated statement of how we meet your preferences, objectives and other characteristics.
- in relation to the service of portfolio management or contingent liability transactions and in case account includes positions in leveraged financial instruments or contingent liability

transactions, we will not be under any obligation to inform you where the initial value of each instrument depreciates by 10 % and thereafter at multiples of 10%;

- in respect to our obligation to execute orders on terms most favourable to our clients, we will not be obliged to determine the best possible result solely in terms of the total consideration;
- in respect of the annual report containing information on the identity of execution venues and on the quality of execution, we will be under no obligation to provide an explanation of whether other criteria were given precedence over immediate price and cost when executing client orders other than retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;
- we will be under no obligation to provide you with a summary of our order execution policy, focused on the total costs you incur, and which includes a link to the most recent execution quality data published in accordance with Article 27(3) of MiFID II for each execution venue listed by Roemer Capital in its execution policy;
- in terms of carrying out your orders, we will be under no obligation to inform you about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.
- in relation to any orders that you may place in shares admitted to trading on a regulated market or traded on a trading venue, we will be under no obligation to place such orders on a regulated market, MTF or systematic internaliser, or a third-country trading venue assessed as equivalent in accordance with Article 25(4)(a) of MiFID II.
- information containing an indication of past performance of a financial instrument may be provided in less detail compared to the same information received by retail clients. In particular, where the indication relies on figures denominated in a currency other than that of the jurisdiction where you are resident, we shall be under no obligation to provide you with a warning that the return may increase or decrease as a result of currency fluctuations.
- where we provide you with information about a financial instrument that is the subject of a current offer to the public and a prospectus has been published in connection with that offer in accordance with MiFID II, we shall be under no obligation to inform you, in good time before the provision of investment services or ancillary services, where that prospectus is made available to the public.

## **4. ELIGIBLE COUNTERPARTIES**

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4.1 An eligible counterparty is a client that is either a per se eligible counterparty or an elective eligible counterparty. You can only be an eligible counterparty in relation to eligible counterparty business, that is:

- dealing on own account;
- execution of orders on behalf of clients;
- reception and transmission of orders; or

- an ancillary service related to the above.

4.2 We will categorise you as a **per se eligible counterparty** for eligible counterparty business, if you are one of the following:

- Investment firm;
- Credit institution;
- Insurance company;
- Other authorised or regulated financial institutions;
- Collective investment scheme or the management company of such schemes;
- Pension fund and management company of such funds;
- Commodity and commodity derivatives dealer

4.3 Following your written request, we may treat you as an **elective eligible counterparty** either generally or in respect to a particular product and service. In such case you must provide us supporting evidence that you meet two of following criteria:

- 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.

4.4 You are entitled to request to be classified as an elective eligible counterparty, provided that you meet the above criteria, but in that event you will lose some of the protections afforded to per se professional clients under the Law. Specifically:

- we will not be required to provide you with best execution;
- we will not be required to comply with rules relating to order handling
- we will not be required to disclose to you information about fees, commissions, or non-monetary benefits that we pay to or received from third parties;
- we will not be required to provide you with full information about cost and charges
- we may provide you our reporting in a different content and timing than what we provide to professional clients;
- where we offer investment services or products as part of a package, we will not be required to inform whether you may buy each component separately or provide separate information about the costs and charges of such components.