

## CLIENT CATEGORISATION RULES

### 1. General provisions

- 1.1. FMJ Myriad Capital, UAB (hereinafter, the **Company**), prior to the commencement of the provision of investment and/or ancillary services, in accordance with the provisions of the Law on Markets in Financial Instruments of the Republic of Lithuania (hereinafter, the **Law**) and other related legislation, shall classify into the relevant categories all the Clients, to whom the Company provides investment and/or ancillary services, or who approach the Company for the provision of investment and/or ancillary services (hereinafter, the **Clients**).
- 1.2. The Client Categorisation Rules (hereinafter, the **Rules**) explain the Client Categorisation procedure and the level of investor protection resulting from such Client Categorisation.

### 2. Terms and definitions

- 2.1. Unless the context of these Rules expressly dictates otherwise, the following capitalised terms used in these Rules shall have the following meanings:
  - 2.1.1. **Financial Instruments** as defined in Article 3(15) of the Law.
  - 2.1.2. **Services** the investment services and/or ancillary services provided by the Company.
  - 2.1.3. **Agreement** an agreement for the provision of investment services concluded between the Company and the Client.

### 3. Client Categorisation

- 3.1. The Company shall classify Clients as retail Clients, professional Clients or eligible counterparties and shall specify the Client's category in the Agreement or separately notify the Client of the category to which the Client is classified.
- 3.2. The Company shall have the right, at its sole discretion, to:
  - 3.2.1. classify an eligible counterparty as a professional Client or a retail Client;
  - 3.2.2. classify a professional Client as a retail Client.

#### ***Retail Clients***

- 3.3. The highest level of investor protection applies to Clients who are categorised as retail Clients.

#### ***Professional Clients***

- 3.4. Clients who are categorised as professional Clients or eligible counterparties are subject to a lower level of investor protection.
- 3.5. Professional Clients are Clients who have relevant knowledge, skills and experience in investing. The following are considered to be professional Clients without separate acknowledgement:
  - 3.5.1. licensed and/or otherwise supervised entities operating in financial markets, such as credit institutions, brokerage firms, other licensed and/or supervised financial institutions, insurance companies, collective investment undertakings and their management companies, pension funds and their management companies, local firms trading commodities and commodity derivatives, proprietary futures traders and other institutional investors. Professional Clients referred to in this sub-paragraph include entities licensed and/or supervised in the Member States of the European Economic Area (including the Member States of the European Union) and third countries;
  - 3.5.2. large enterprises meeting at least 2 of the following criteria: the value of assets on the balance sheet – at least EUR 20 million; net sales revenue – at least EUR 40 million; own funds – at least EUR 2 million;

- 3.5.3. national and regional authorities, entities managing public debt, central banks, the World Bank, the International Monetary Fund, the European Central Bank, the European Investment Bank and other similar international and cross-border institutions;
- 3.5.4. other institutional investors whose main business is investing in Financial Instruments, including entities that engage in asset securitisation or other financing transactions.
- 3.6. A Client categorised as a professional Client in accordance with paragraph 3.5 of the Rules shall have the right to waive such professional Client status and to request that the Company apply a higher or lower level of investor protection. A higher level of investor protection shall apply to the Client upon the signing and entry into force of an Agreement and/or an Annex to the Agreement between the Client and the Company stating that the Client shall not be deemed to be a professional Client in respect of one or more of the services, or in respect of one or more of the types of Financial Instruments, or transactions.
- 3.7. If such Client requests a lower level of investor protection, the Company shall be entitled to request the Client to provide certain documents and/or information in order to assess whether the Client meets the statutory requirements for the category of eligible counterparty.
- 3.8. The Company may, upon written request from the Client, include in the category of professional Clients those Clients who are not specified in paragraph 3.5 of the Rules. A Client's request to be treated as a professional Client (which may be of a general nature, in relation to a specific Service, transaction or product) and to be categorised as a professional Client may be granted if the Client meets at least two of the following criteria:
  - 3.8.1. over the past four quarters, the Client concluded an average of 10 major transactions in the respective market on the quarterly basis. The Company decides unilaterally whether a transaction is considered major in the relevant market, taking into account the relevant financial instruments for which the transactions were concluded. The transaction amounts, where the Company treats a transaction as major transaction for the purposes of this paragraph, are set out in Annex 1 to these Rules;
  - 3.8.2. the Client's portfolio of Financial Instruments, including funds and Financial Instruments, exceeds EUR 500 thousand;
  - 3.8.3. the Client is or has been engaged professionally in the financial sector for at least one year in a position that requires knowledge of the services to be provided to the Client or the transactions to be entered into.
- 3.9. Transactions in Financial Instruments within the meaning of sub-paragraph 3.8.1 of the Rules, which have substantially identical or very similar characteristics (relevant risks, liquidity, duration and other similar objective criteria), may be grouped together and deemed to have been entered into on the relevant market.
- 3.10. The Company shall provide such Client with a clear written warning of the investor protection measures that the Client may forfeit if the Client's request is granted. A Client categorised as a professional Client must confirm in writing to the Company that he/she is aware of and understands the consequences of the non-application of certain investor protection measures.
- 3.11. If the Client is classified as a professional Client, the investor protection measures provided for in Articles 29 (except paragraphs 5–8), 30, 33 and 34(1) of the Law shall not apply at the Client's option, unless otherwise agreed between the Company and the Client.
- 3.12. The Company shall periodically assess whether the professional Client meets the criteria for being granted the status of professional Client. If the Company determines that the Client no longer meets the criteria set out above, the Company shall take measures to ensure an appropriate level of investor protection (i.e. classify the Client as a retail Client).

***Eligible counterparties***

- 3.13. The Company shall, with the Client's consent, categorise the Client as an eligible counterparty if the Client complies with the provisions of Article 39 of the Law. An eligible counterparty may be:
  - 3.13.1. financial brokerage firms (investment firms);
  - 3.13.2. credit institutions;

- 3.13.3. insurance companies;
  - 3.13.4. harmonised collective investment undertakings and their management companies;
  - 3.13.5. pension funds and their management companies;
  - 3.13.6. other financial institutions licensed or supervised in the European Union or in individual Member States in accordance with European Union law or the national law of Member States;
  - 3.13.7. national governments and the entities they authorise to manage public debt at national level;
  - 3.13.8. central banks and cross-border organisations;
  - 3.13.9. entities from third countries, provided that they perform similar functions and/or carry out activities similar to those of the entities referred to in this paragraph above.
- 3.14. If the Client, with the Client's consent, is classified as an eligible counterparty, the Company shall be entitled to provide the services without complying with the obligations set out in Articles 29 (except paragraphs 5–8), 30, 33 and 34(1) of the Law.
- 3.15. A Client categorised as an eligible counterparty shall have the right to request the application to it of all the measures for the protection of the interests of retail investors set out in Articles 29, 30, 31, 33 and 34(1) and (2) of the Law. Such a request may be of a general nature or made on a case-by-case basis. The request must be made in writing, specifying whether the Client's wish to be treated as a retail Client or a professional Client relates to one or more services, transactions, one or more types of transactions or Financial Instruments. Unless the Client explicitly requests to be treated as a retail Client in its request, the Company shall treat such eligible counterparty as a professional Client.
- 3.16. Where an eligible counterparty expressly requests to be treated as a retail Client, the Company shall treat that eligible counterparty as a retail Client by applying the provisions of paragraph 3.6 of the Rules.

#### **4. Final provisions**

The Company may unilaterally change these Rules. The Client shall be notified of any changes to the Rules in accordance with the provisions of the Agreement.

#### **Attached:**

Annex 1. Information on transactions that are considered major.

## Information on transactions that are considered major

No.	Description of the transaction	Transaction amount, EUR
1.	Transactions on a regulated market and/or multilateral trading facility in equity securities or contracts for difference (CFDs) linked to such securities. Depending on the type of transaction, the nominal value of the transaction and, where leverage is used, the amount of collateral required are assessed.	<b>10,000</b>
2.	Transactions in indices, exchange rates, debt securities and other financial instruments. Depending on the type of transaction, the nominal value of the transaction and, where leverage is used, the amount of collateral required are assessed.	<b>50,000</b>