

## MiFID - CLIENT CATEGORISATION INFORMATION

ARGUS Stockbrokers Ltd (hereinafter the CIF) is licensed and regulated by the Cyprus Securities and Exchange Commission under license number CIF 010/03 for the provision of financial and investment services. Following the implementation of the EU Markets in Financial Instruments Directive (MiFID) with the Investment Services and Activities and Regulated Markets Law of 2007 (Law 144(I)/2007) in Cyprus, the CIF is required to classify its clients into one of the following three categories: retail, professional or eligible counterparty.

### Categorisation Criteria

The categorisation criteria set by the relevant legislation are the following:

#### **A. Retail Client**

'Retail Client' is a client who is not a professional client or an eligible counterparty.

#### **B. Professional Client**

'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 in all investment services and activities and financial instruments.

Professional Clients are considered the following:

1. Entities which are required to be authorised or regulated to operate in the financial markets (including entities authorised by a Member State under a Directive, entities authorised or regulated by a Member State without reference to a Directive and entities authorised or regulated by a non-Member State), such as:

- (a) Credit Institutions
- (b) Investment Firms
- (c) Other authorised or regulated financial institutions
- (d) Insurance companies
- (e) Collective investment schemes and management companies of such schemes
- (f) Pension funds and management companies of such funds
- (g) Commodity and commodity derivatives dealers
- (h) Local enterprises
- (i) Other institutional investors (indicatively Portfolio Investment Companies)

2. Large undertakings which satisfy at least two of the following size requirements on a comparative basis:

- (a) balance sheet total at least Euro 20.000.000
- (b) net turnover at least Euro 40.000.000
- (c) own funds at least Euro 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 International Monetary Fund, the European Central Bank, the European Investment Bank and other similar international organisations.

4. Natural persons who meet at least 2 of the 3 criteria below:

- (a) Have a portfolio of financial instruments of minimum of EUR 500,000.
- (b) Have realized minimum 10 significant transactions per trimester on the same financial instruments during 4 consecutive trimesters.
- (c) Possess significant financial knowledge and expertise or hold or have held a managerial position in a regulated financial firm or bank.

In exceptional cases natural persons who may not satisfy the above criteria but have demonstrated extensive knowledge and expertise of financial markets may be classified by the CIF as Professional Clients.

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

#### **C. Eligible Counterparty**

'Eligible Counterparty' is any of the following entities to which a credit institution or an investment firm provides the services of reception and transmission of orders on behalf of clients and/or execution of such orders and/or investment management and/or dealing on own account: EU Investment Firms, other regulated Investment firms, credit institutions, insurance companies, UCITS and their management companies, SICAVs, Portfolio Investment Companies, pension funds and their management companies and other financial institutions authorised by a EU Member State 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 of 2007 under article 3(2)(α) and (β), national governments and their corresponding offices including public bodies that deal with public debt, central banks and supranational organisations.

#### **Request for Different Classification**

A Retail Client has the right to request a different classification as a Professional Client but he/she will be afforded a lower level of protection. The CIF is not obliged to deal with the Client on this basis.

A Professional Client has the right to request a different classification as a Retail Client in order to obtain a higher level of protection. The CIF is not obliged to deal with the Client on this basis.

An Eligible Counterparty has the right to request a different classification either as a Professional Client or Retail Client in order to obtain a higher level of protection. The CIF is not obliged to deal with the Client on this basis.