



# CLIENT CATEGORISATION



**R** RoboMarkets

ROBOMARKETS LTD

169-171 Arch. Makarios III Ave., floor 8,  
3027, Limassol, Cyprus



ROBOMARKETS LTD

169-171 Arch. Makarios III Ave., floor 8,  
3027, Limassol, Cyprus

RoboMarkets Ltd

## CLIENT CATEGORISATION

### INTRODUCTION

Following the transposition of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2015 on markets in financial instruments (MiFID II) into Cyprus law with the enactment of the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017) and the application of relevant supplementing acts (including but not limited to the Regulation (EU) 600/2014 of the European Parliament and of the Council on markets in financial instruments and the Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organizational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive), the IF is required to classify its clients into one of the following three categories: retail, professional or eligible counterparty. Therefore, when the 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.

### CATEGORIES

1. "Retail Client" is a client who is not a professional client or an eligible counterparty. Retail Clients are entitled to receive the highest level of protection and information from the IF.

2. "Professional Client" is a client 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:

2.1. Entities which are required to be authorized or regulated to operate in the financial markets. The list below should be understood as including all authorized entities carrying out the characteristic activities of the entities mentioned: entities authorized by a Member State under the Directive of European Union, entities authorized or regulated by a Member State without reference to the above Directive, and entities authorized or regulated by a non-Member State:

- a) Credit Institutions;
- b) Investment Firms;
- c) Other authorized 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) Commodities and commodity derivatives dealers;
- h) Locals;
- i) Other Institutional Investors (like Portfolio Investment Companies).

TEL: +357-25-123275 FAX: +357-25-580077 EMAIL: [info@robomarkets.com.cy](mailto:info@robomarkets.com.cy) WEB: [www.robomarkets.com.cy](http://www.robomarkets.com.cy)

AUTHORIZED AND REGULATED BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION

LICENSE No: 191/13 | REGISTRATION NUMBER: HE310464



ROBOMARKETS LTD

169-171 Arch. Makarios III Ave., floor 8,  
3027, Limassol, Cyprus

2.2. Large undertakings meeting two of the following size requirements on a company basis:

- a) balance sheet total: EUR 20,000,000
- b) net turnover: EUR 40,000,000
- c) own funds: EUR 2,000,000

2.3. 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.

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

2.5. Clients who may be treated as professionals on request, following approval by the Company (please see further below under 'Request for Different Classification').

The entities mentioned above from (2.1) to (2.4) are considered to be professionals in relation to all investment services and activities and financial instruments. The clients mentioned in (2.5) may be treated as professionals generally or in respect of a particular investment service or transaction, or type of transaction or product. Professional clients are responsible for keeping the Company informed about any change, which could affect their categorization. Should the Company become aware that the client no longer fulfills the initial conditions which made him eligible for a professional treatment, the Company will take appropriate action.

3. "Eligible Counterparty" is any of the following entities with whom the Company may bring about or enter into a transaction in the course of execution of orders on behalf of clients and/or dealing on own account and/or receiving and transmitting orders: investment firms, credit institutions, insurance companies, UCITS and their management companies, pension funds and their management companies and other financial institutions authorised or regulated under EU law or the national law of an EU Member State, national governments and their corresponding offices including public bodies that deal with public debt at national level, central banks and supranational organisations. Non-EU entities equivalent to the entities referred to in this paragraph are also regarded as eligible counterparties.

#### REQUEST FOR DIFFERENT CLASSIFICATION

1. A retail client may request to be treated as a professional client and thereby waive certain protections afforded to a retail client. Any such request by a client is subject to the discretion of the Company exercised pursuant to the provisions of the Law and the Commission Delegated Regulation.

2. Elective Professional Clients & Fitness test

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 Company is not obliged to deal with him/her under a different classification. The Company is allowed to treat any of the retail clients as professionals provided the relevant criteria and procedure

TEL: +357-25-123275 FAX: +357-25-580077 EMAIL: [info@robomarkets.com.cy](mailto:info@robomarkets.com.cy) WEB: [www.robomarkets.com.cy](http://www.robomarkets.com.cy)

AUTHORIZED AND REGULATED BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION

LICENSE No: 191/13 | REGISTRATION NUMBER: HE310464



ROBOMARKETS LTD

169-171 Arch. Makarios III Ave., floor 8,  
3027, Limassol, Cyprus

mentioned below are fulfilled. Any waiver of the protection afforded by the standard conduct of business regime will be effected 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 client 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 Directives in the financial field could 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:

- a) 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,
- b) the size of the client's financial instrument portfolio, defined as including cash deposits and financial instruments exceeds EUR 500 000,
- c) 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.

Procedure the retail clients may waive the benefit of the detailed rules of conduct only where all the following procedures is followed:

- a) 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;
- b) the Company will give them a clear written warning of the protections and investor compensation rights they may lose;
- c) they must state in writing, in a separate document from the contract, that they are aware of the consequences of losing such protections and accept them;
- d) before deciding to accept any request for waiver, the Company is required to take all reasonable steps to ensure that the client requesting to be treated as a professional client meets the relevant tests and criteria above.

3. Retail clients and Elective Professional clients cannot be treated as Eligible Counterparties

## SCHEDULE OF PROTECTIONS

### Client Classification

Under the rules of the MIFID legislation, clients fall into one of three possible categories:

1. Eligible counterparties, who are considered to be the most sophisticated investors and are likely to be large organisations such as investment firms, credit institutions, pension funds and national governments. Eligible counterparty status is relevant only for certain types of investment business;

TEL: +357-25-123275 FAX: +357-25-580077 EMAIL: [info@robomarkets.com.cy](mailto:info@robomarkets.com.cy) WEB: [www.robomarkets.com.cy](http://www.robomarkets.com.cy)

AUTHORIZED AND REGULATED BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION

LICENSE No: 191/13 | REGISTRATION NUMBER: HE310464



ROBOMARKETS LTD

169-171 Arch. Makarios III Ave., floor 8,  
3027, Limassol, Cyprus

2. Professional clients, who are considered to possess the experience, knowledge and expertise to make their own investment decisions and assess the risks inherent in those decisions. The definition of professional client includes all those entities that may be treated as eligible counterparties and some others.

3. Retail clients, who are any clients who do not come under either of the other two categories, such as private individuals. The greatest regulatory protections are provided to retail clients and the least to eligible counterparties.

#### THE DIFFERENCES BETWEEN THE TREATMENT OF RETAIL AND PROFESSIONAL CLIENTS AND ELIGIBLE COUNTERPARTIES

This table below provided as a clear written warning of the protections and investor compensation rights a client might lose by being treated as a professional client as opposed to a retail client and as an eligible counterparty as opposed to a professional client or a retail client. It is not comprehensive, it merely summarizes certain provisions of the applicable rules.

It is important that you read and understand this document before you decide to request to be treated as a professional client or an eligible counterparty as the case may be.

TYPE OF PROTECTION	RETAIL CLIENT	PROFESSIONAL CLIENT	ELIGIBLE COUNTERPARTY
Duty to act accordance with the best interest of the client.	Applicable	Applicable	Not applicable
Information re nature of financial instrument and risks	Applicable	Level of details may vary depends of the experience	Not applicable
Information re Marketing communication	Applicable	Applicable, however the level of detail, the medium and timing of provision of information may differ.	Not applicable
Information re Cost and charges	Applicable	Applicable	Applicable, however the Company has the right to agree to a limited application of the detailed requirements, except when, irrespective of the investment service provided, the financial instruments concerned embed a derivative and the eligible counterparty intends to offer them to its clients.

TEL: +357-25-123275 FAX: +357-25-580077 EMAIL: info@robomarkets.com.cy WEB: www.robomarkets.com.cy

AUTHORIZED AND REGULATED BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION

LICENSE No: 191/13 | REGISTRATION NUMBER: HE310464

**ROBOMARKETS LTD**169-171 Arch. Makarios III Ave., floor 8,  
3027, Limassol, Cyprus

Appropriateness terms	Applicable	Not applicable	Not Applicable
Provision of Client Agreement	Applicable	Applicable	Not applicable  Only the obligation of the Company to establish a record that includes the document or documents agreed between the Company and the client that set out the rights and obligations of the parties, and the other terms on which the IF will provide services to the client is applicable.
Safekeeping of Client's assets	Applicable	Applicable	Applicable
Reporting	Applicable	Applicable	Applicable, unless the Company enters into agreements with eligible counterparties to determine content and timing of reporting.
Execution policy	Applicable	Applicable, but List of execution venue may vary	Not applicable
Best Execution	Applicable	Applicable, but certain provisions in relation to Security Financing Transaction may vary	Not applicable
Investment Compensation fund	Applicable	Not applicable	Not applicable
Maximum leverage available	Major Currency pairs: up to 1:30 Non-major Currency pairs, Gold, Major Indices: up to 1:20 Commodities, other than Gold, non-major Indices: up to 1:10 CFD on Stocks: up to 1:5	Major Currency pairs: up to 1:500 Non-major Currency pairs, Gold: up to 1:500 Major Indices: up to 1:100 Commodities, other than Gold, non-major Indices: up to 1:100 CFD on Stocks: up to 1:20	Same as Professional

TEL: +357-25-123275 FAX: +357-25-580077 EMAIL: info@robomarkets.com.cy WEB: www.robomarkets.com.cy

AUTHORIZED AND REGULATED BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION

LICENSE No: 191/13 | REGISTRATION NUMBER: HE310464