FREEDOM

FREEDOM FINANCE EUROPE LTD

CLIENT CATEGORIZATION POLICY

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1. Introduction

1.1. Freedom Finance Europe Limited (hereinafter called the “Company”) is a Cypriot Investment Firm ("CIF") registered with the Registrar of Companies under number HE 324220 and regulated by the Cyprus Securities & Exchange Commission ("CySEC") under license number 275/15.

1.2. Following the requirements and/or obligations implemented by the following laws and regulations and in compliance with the current legal framework:

- the Law 183(I)/2025 the Investment Services and Activities and Regulated Markets (amending the Law 87(I)/2017) (No. 2) Law of 2025 which transposes the MiFID II / MiFIR amendments adopted at EU level in 2024-2025 as of 17 October 2025;
- the Law 87(1)/2017 for the provision of investment services, the exercise of investment activities, the operation of regulated markets and other related markets (the “Law”);
- the Commission Delegated Regulation (EU) 2017/565 supplementing Directive 2014/65/EU of the European Parliament and of the Council about organizational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive (the “Directive”);
- ESMA35-43-3172 Guidelines on certain aspects of the MiFID II suitability requirements as of 04 April 2023
- ESMA35-43-349 Q&As on MiFID II and MiFIR investor protection topics as of 15 December 2023
- ESMA35-43-620 Guidelines on MiFID II product governance requirements as of 05 February 2018
- CESR/10-1040 Technical Advice to the European Commission in the context of the MiFID Review – Client Categorisation as of October 2010

the company has developed an adequate Client Categorization Policy that is adopted by the Board of Directors and communicated to everyone involved to ensure their commitment to it.

2. Definitions

2.1. **Client / Customer** refers to any person from whom, or on whose behalf, the Company receives, acquires or holds funds or securities for the account of such person.

2.2. **Retail Client** means a client who is neither a Professional Client nor an Eligible Counterparty. Except for Clients who meet the requirements set out in sections 5.2 and 5.3 of the present Policy or unless informed otherwise in writing, all Clients are categorized as Retail Clients (for more information, please, check section 5.1 of the present Policy).

2.3. **"Elective" Professional Client** means a Retail Client who may be treated as a Professional Client on request, following the fulfillment of two out of three criteria, stipulated in Section 7.1 of this Policy (for more information, please, check section 5.2 and 7.1 of the present Policy).

2.4. **"Per-se" Professional Client** is a classification within the MiFID II framework for clients who are considered professional by default based on specific criteria, experience, and size, without needing to meet additional qualification assessments. These clients are deemed to have sufficient knowledge, experience, and financial capability to understand the risks associated with complex financial products, so they receive a lower level of regulatory protection compared to retail clients (for more information, please, check section 5.2.1 of this Policy).

2.5. **Eligible Counterparty (ECP)** is a category under MiFID II for clients who are considered the most experienced and financially capable within the investment industry, can engage in trading transactions in large volumes, are often financial institutions or entities with significant expertise and fulfill any of the criteria stipulated in Section 5.3 of this Policy.

2.6. **Financial Instrument** means an asset or evidence of the ownership of an asset or a contractual agreement between two parties to receive or deliver another financial instrument.

2.7. **Investment Services / Investment Activities** are any of the services / activities offered by the Company for which the Company has obtained the relevant license. In particular, the Company currently offers the following types of Investment and Ancillary Services:

a) Reception and transmission of orders in relation to one or more Financial Instruments;
b) Execution of orders on behalf of Clients;
c) Dealing on own account;
d) Portfolio Management;
e) Provision of investment advice;
f) Safekeeping and administration of financial instruments, including custodianship and related services;
g) Granting credits or loans to one or more financial instruments, where the firm granting the credit or loan is involved in the transaction;
h) Foreign exchange services where these are connected to the provision of investment services;
i) Investment research and financial analysis or other forms.

3. Scope and purpose

3.1. The purpose of the present Policy is to inform the Clients or potential Clients of the Company about the procedures for classifying Clients and the level of investor protection rights arising from such classification, as well as to explain, that in certain cases the Client has the right to request a different categorization and what limitations to the level of client protection this categorization would entail.

3.2. The present Policy also might be considered as a 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.

3.3. The present Policy is communicated to all relevant staff members of the Company who are involved in the client categorization process, as well as to the Company's Clients and potential Clients in accordance with the Law.

3.4. All concerned employees should be aware of the provisions of this document and understand the role and importance of client categorization in determining the level of investor protection required to be offered.

3.5. In addition, the Policy forms part of the Client's agreement, namely the General Terms of Business of the Company, thus the Client is also bound by the terms of the present Policy, as set out herein.

4. General principles

Following the requirements of the applicable law, prior to the provision of investment services, the Company shall categorise each Client as a Retail Client, Professional Client or Eligible Counterparty, as applicable. Such categorisation determines the level of regulatory protection afforded to the Client and the applicable requirements governing the provision of investment services by the Company.

4.1. The Company recognizes and accepts that the Clients or potential Clients may have different levels of knowledge, experience and skills in the investment field relevant to the specific type of product or services offered or requested. As a result, all the Clients are classified in three main categories:

a) Retail Client,

b) Professional Client

- Per Se Professional Client; and

- Elective Professional Client (Professional Client on Request); or

c) Eligible Counterparty.

4.2. Under the present categorization and in accordance with the provisions of the law, a retail client benefits from the highest level of protection compared to a Professional Client or an Eligible Counterparty, which bear a reduced level of protection due to the fact that they are considered more experienced and knowledgeable in carrying out transactions in financial instruments.

4.3. The Company shall inform new Clients and existing Clients about the category in which they are classified by the Company.

4.4. The Company shall also inform clients about their rights to request a different categorization and about any limitations to the level of client protection that a different categorization would entail.

4.5. The Company has the right to review the Client Categorization and change Client's category if this is deemed necessary subject to applicable regulations.

4.6. The Clients categorization procedure shall not be used, directly or indirectly, to circumvent the Company's obligations relating to appropriateness, suitability, product governance, disclosure or any other investor protection requirements. The Company prohibits any practices and actions aimed at influencing or encouraging Clients to request a higher-risk categorization in order to bypass regulatory safeguards to get access to restricted financial instruments.

4.7. The Company shall ensure that client categorization is applied consistently across all jurisdictions in which it operates, including cross-border services and tied agent arrangements.

5. Client categorization

5.1. Retail clients

5.1.1. Under MiFID II, Retail Clients are those Clients who cannot be categorized as Professional Clients or Eligible Counterparties and receive the highest level of investor protection under MiFID II.

5.1.2. Retail Clients cannot be presumed to possess by default adequate knowledge or experience to assess the risks they incur in investment services, activities and financial instruments in contrast to Professional Clients or Eligible Counterparties and, depending on the specific investment service requested and the complexity of the financial instrument involved, they are subject to the appropriateness assessment.

5.1.3. Once the Client is categorized as a Retail Client, a client categorization shall be reflected in the Admin panel of the Company's Tradernet system under Client Profile – Compliance – MIFID Categorization section accessible to the Company's responsible employees.

5.1.4. In the case of legal entities, classified as retail, the person, subject to the above assessment, should be the person authorized to carry out transactions on behalf of the entity.

5.2. Professional Client

5.2.0.1. Professional clients are clients who are considered to possess the experience, knowledge and expertise to make their own investment decisions, as well as to properly assess the risks that they will incur.

5.2.0.2. Professional Clients can be divided into two categories in accordance with Part I of the Second Appendix of the Law87(I)/2017 “Per-se Professional Client” and in accordance with Part II of the Second Appendix of the Law87(I)/2017 as “Elective Professional Clients (on request)”.

5.2.1. “Per-se” Professional Clients

5.2.1.1. The following categories of Clients are considered to be Professional Clients in all Investment Services and Financial Instruments:

(1) Entities that are required to be authorized or regulated to operate in the financial markets. The list below shall 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, entities authorized or regulated by a Member State without reference to the Directive, and entities authorized or regulated by a third country:

(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) Commodity and commodity derivatives dealers;
(h) Other authorized or regulated financial institutions.

(2) Large undertakings meeting two of the following size requirements on a company

basis:

- balance sheet total: EUR 20 million;
- net turnover: EUR: 40 million;
- own funds: EUR: 2 million;

(3) National and regional governments, including public bodies that manage public debt at the national or regional level, Central Banks, and 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 institutions, including entities dedicated to the securitization of assets or other financing transactions.

5.2.1.2. The entities referred to above are considered to be Professional Clients. Prior to any provision of services, the Company will inform the Client that, based on 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.

5.2.1.3. "Per-se" Professional Clients are responsible for keeping the Company informed about any change that could affect their current categorization. However, appropriate action will be taken should the Company become aware that the Client no longer fulfills the initial conditions, which made it eligible for professional treatment.

5.2.1.4. Once the Client is categorized as a "Per-se" Professional Client, it shall be specified in the Admin panel of the Company's Tradernet system under Client Profile – Compliance – MIFID Categorization section accessible to the Company's responsible employees.

5.2.2. "Elective" Professional Client

5.2.2.1. Clients who would otherwise be categorized as Retail Clients may be allowed to waive some of the protection afforded by the conduct of business rules by requesting to be categorized as "Elective" Professional Clients. However, such Clients will not be presumed to possess market knowledge and experience compared to Per-se Professional Clients and/or Eligible Counterparties.

5.2.2.2. Once a client is classified as an “Elective” Professional Client, certain protections applicable to Retail Clients as per MiFID II will no longer apply.

5.2.2.3. Any such waiver of the protection afforded by the standard conduct of the business regime shall be considered valid only if an adequate assessment of the expertise, experience, and knowledge of the Client, undertaken by the Company, gives reasonable assurance, considering the nature of the transactions or services envisaged, that the Client can make his own investment decisions and understands all the risks involved.

5.2.2.4. Once the Client is categorized as an “Elective” Professional Client, it shall be specified in the Admin panel of the Company’s Tradernet system under Client Profile – Compliance – MIFID Categorization section accessible to the Company’s responsible employees. The Client can also see the approval or rejection of their request in the **Requests History** section of their account through Tradernet.

5.3. Eligible Counterparty

5.3.1. Eligible Counterparty refers to institutions or entities that engage in transactions where the investment firm executes orders, deals on their own account, or receives and transmits orders on behalf of the client, in particular:

- investment firms,
- credit institutions,
- insurance companies,
- UCITS and their management companies,
- pension funds and their management companies,
- other financial institutions authorized and 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 organizations.

5.3.2. Non-EU entities equivalent to the entities referred to in the above paragraph are also treated as eligible counterparties.

5.3.3. In essence Eligible counterparties are Professional clients of specified types who receive a

lower degree of protection in respect of the transactions with the Company or in respect of the ancillary services directly relating to the transactions in the course of execution of orders on behalf of clients and/or dealing on own account and/or receiving and transmitting orders and ancillary services related to any of these investment services.

5.3.4. Retail clients and elective Professional clients cannot be treated as Eligible Counterparties. Classification as an Eligible Counterparty shall be without prejudice to the right of such entities to request, either in a general form or on a trade-by-trade basis, treatment as clients whose business with the Company is subject to the protection afforded to Retail Clients or Professional Clients and thus subject to a higher level of protection and information.

5.3.5. Once the Client is categorized as an ECP, client categorization is reflected in the Admin panel of the Company's Tradernet system under Client Profile – Compliance – MIFID Categorization section accessible to the Company's responsible employees

6. Distinction between Per Se Professional Clients and Eligible Counterparties

6.1 A **Per Se Professional Client** is a client that is considered to possess the experience, knowledge and expertise necessary to make his own investment decisions and properly assess the risks involved. The categories of clients considered to be Per Se Professional Clients are specified in **Section I of Annex II to Directive 2014/65/EU (MiFID II)** and include, among others:

- investment firms,
- credit institutions,
- insurance companies,
- certain large undertakings,
- governments,
- central banks and
- other institutional investors.

6.2 An **Eligible Counterparty ("ECP")** is a specific category of sophisticated or regulated entity to which the Company may apply the ECP regime when providing the investment services and activities specified in **Article 30(1) of MiFID II**, namely

- reception and transmission of orders
- execution of orders on behalf of clients
- and/or dealing on own account,
- ancillary services directly related to such transactions.

The entities recognised as ECPs include, among others,

- investment firms,
- credit institutions,
- insurance companies,
- UCITS and their management companies,
- pension funds and their management companies,
- other authorised or regulated financial institutions,
- national governments,
- central banks and
- supranational organisations,

as specified in **Article 30(2) of MiFID II**.

Although certain entities may qualify as both **Per Se Professional Clients and Eligible Counterparties**, the two categories are not interchangeable. The classification and regulatory treatment applicable to the client depend, among other things, on the nature of the investment service or activity provided. ECP treatment is limited to the services and transactions falling within Article 30(1) of MiFID II. Where services falling outside the scope of the ECP regime are provided, the relevant entity shall be treated as a Professional Client in respect of those services.

Example: A credit institution (bank) qualifies as both a Per Se Professional Client under Annex II, Section I of MiFID II and an Eligible Counterparty under Article 30(2) of MiFID II. Where the Company provides execution of orders to the bank, the bank may be treated as an Eligible Counterparty for that service. However, where the Company provides investment advice to the same bank, the ECP regime does not apply and the bank shall be treated as a Professional Client in respect of the investment advice service.

7. Request for different categorization

7.0.1. A client has the right at any time to request, in a durable medium or by means of the relevant section of the Tradernet platform, a change of categorization. The Company reserves the right not to accept such a request if the client does not meet the required criteria.

7.0.2. A Retail Client can request to be categorized and treated as a Professional Client. In this case they will be given a lower level of protection.

7.0.3. A Professional Client has the right to request to be treated as a Retail Client in order to obtain a higher level of protection. It is the responsibility of the client, considered to be a Professional Client, to ask for a higher level of protection when the client considers that it is unable to properly assess or manage the risks involved.

7.0.4. An Eligible Counterparty has the right to request to be treated either as a Professional Client or Retail Client in order to obtain a higher level of protection. Such a request may refer to one or more investment services or transactions or to one or more types of transaction or product. It is the responsibility of the client, considered to be an Eligible Counterparty, to ask for a higher level of protection applicable to Retail Clients when the client considers that it is unable to properly assess or manage the risks involved.

7.1. Re-categorization request of a Retail Client to Elective Professional

7.1.1. Upon a written request, a Retail Client can demand to be treated as an “Elective” Professional Client.

7.1.2. In order for a Retail Client to be re-categorized as an “Elective” Professional Client, the Client shall request electronically to be treated as a Professional Client and provide the relevant supporting evidence demonstrating that the applicable criteria are met. Such a request shall be submitted to the Company by means of the Tradernet platform available at Member Area – Submit a Request - Account Settings – Professional Investor from web or when accessing the platform via mobile to Menu – Requests – Account Settings - Professional Investor.

As part of the request, the Client shall select **at least two (2) of the three (3) applicable criteria** set out below and provide the relevant supporting evidence demonstrating that the selected criteria are met. The Client shall also provide the required consents and acknowledgements and expressly acknowledge the **loss of**

certain regulatory protections resulting from Professional Client status, in accordance with this Policy. The request shall be subject to the Company's assessment and approval.

7.1.3 For the purpose of assessing the request, the Compliance Department shall verify that at least two (2) of the following criteria are satisfied:
(a) the Client has carried out transactions of a significant size on the relevant market at an average frequency of ten (10) transactions 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; or
(c) the Client, or where applicable its authorised person, works or has worked in the financial sector for at least one year in a professional position requiring knowledge of the transactions or services envisaged.

7.1.4 The information regarding the loss of protections resulting from the re-categorization from Retail Client to Professional Client status is communicated to each Client at the time of submitting the re-categorization request through the Client Categorisation Policy, which the Client is required to review and agree to. The **Loss of Protection Notice (Appendix 2)** forms an integral part of this Policy and is made available to the Client for further review and acknowledgement.

7.1.5 The Company shall take reasonable steps to verify that the Client satisfies the applicable criteria and may request additional documents or information where necessary to support the information provided by the Client.

7.1.6 In addition, if the re-categorisation request is approved, the Client receives the **Loss of Protection Notice** via email, together with the **Professional Client Status Assignment Notice (Appendix 3)** and the newly- obtained Professional client status is reflected in all the Company's internal systems and databases.

In case the assessment criteria mentioned above are not met, the Client's request to be treated as an "Elective" Professional Client will not be accepted, and the Client will be notified accordingly through the **Requests History** section of the Client's account in Tradernet.

All Clients are responsible for keeping the Company informed about any change, which could affect their current categorization.

If the Company becomes aware that the Client no longer fulfils the initial conditions, which made him eligible for professional treatment, the Company will take appropriate actions.

7.2. Re-categorization request of a Per-se Professional to Eligible Counterparty

7.2.1. Clients categorized as Per-se Professional Clients can request to be treated as Eligible Counterparties for the services, activities and transactions for which such treatment is permitted by Law and/or in respect of to a particular Investment Service and/or transaction for which ECP treatment is permitted and/or type of transaction and/or Financial Instrument.

7.2.2. If the “Per-se” Professional Client prefers to be re-categorized as an ECP, the Client shall request to be treated as an ECP in writing.

7.2.3. The Company shall take all reasonable steps to ensure that a Client requesting to be treated as an ECP meets the relevant requirements under the Law stated above in Section 5.3 of the present Policy. If the Client cannot satisfy the requirements under the applicable legal provisions, the Company shall decline such request and notify the Client accordingly through the **Requests History** section of the Client’s account in Tradernet.

7.2.4. The Client submitting such a request is obliged to provide all required documentation and information to the Company.

7.2.5. By means of the re-categorization request the Clients also declare in writing that they are aware of the consequences of losing relevant protection available to Professional clients.

7.2.6. It should be noted that neither a Retail client nor an “Elective” Professional Client should never be classified as an ECP.

7.3. Re-categorization requests of an Eligible Counterparty to Per-se Professional

7.3.1. Clients that have been categorized as ECPs mayrequest to be treated as Professional Clients for all services for which the Law permits such opt-down.

7.3.2. According to MiFID II, an ECP may also request to be re-categorized to Retail Client.

7.3.3. For the Company to accept such requests, the Company shall consider factors such as any special agreements in terms of commissions already agreed with the Client and any additional administrative work that the specific request might entail.

7.3.4. If the Company accepts an ECP Client's request to be treated as either a Professional Client or a Retail Client, the Client shall confirm that in a written agreement with the Company. The agreement shall specify the particular services or transactions or the types of products or transactions to which the opt-down applies. In cases where such a request is not accepted, the Company shall notify the Client accordingly.

7.4. Re-categorization requests of a Per-se Professional to a Retail Client

7.4.1. Clients categorized as Per-se Professional Clients are allowed to request non-professional treatment and, instead, be treated as Retail Clients to obtain a higher level of protection.

7.4.2. In such cases, the Per-se Professional Clients shall electronically by means of Tradernet platform submit the **Request for re-categorization from Per-se Professional Client to Retail Client** available at Member Area – Submit a Request - Account Settings – Professional Investor from web or when accessing the platform via mobile to Menu – Requests – Account Settings - Professional Investor (please, see Appendix 1).

7.4.3. The Company shall assess all factors, such as any special agreements in terms of commissions already agreed with the Client and any additional administrative work that the specific request might entail, before accepting such requests.

7.4.4. If the Company accepts or reject a Per-se Professional Client's request to be treated as a Retail Client, the Client will be notified through the **Requests History** section of the Client's account in Tradernet.

8. Cross-check of information under assessment

7.1. The information provided by the Client as part of the onboarding process, such as KYC/CDD parameters or the results of the assessment of Client's economic profile, including information on the Client's wealth size, portfolio size, and the holding of liquid assets shall be cross-checked with the information included in the Client's re-categorization request. If there are inconsistencies indicating that the answers are not genuine, then a Retail Client's request to be treated as an Elective Professional Client will be declined.

Elective Professional Clients are responsible for keeping the Company informed about any change that could affect their current categorization. However, appropriate actions should be taken if the Company becomes aware that the Client no longer fulfills the initial conditions, which made it eligible for professional treatment.

9. Monitoring of the Client's categorization status

9.1. The Company shall monitor, on an ongoing basis, information that may affect a Client's categorization. Where the Company becomes aware of a change in the Client's circumstances that may affect the Client's eligibility for its existing categorization, the relevant circumstances shall be reviewed and the Client's categorization reassessed, where necessary.

9.2. The Company's responsible employee should send the relevant documentation or notification to the Compliance Department for approval. Where a relevant change is identified, the responsible employee shall refer the matter, together with the relevant supporting documentation or information, to the Compliance Department for review and approval of any required change to the Client's categorization.

9.3. Circumstances that may trigger a review of a Client's categorization include, but are not limited to:

(a) a change in the status or circumstances of an authorised person, where relevant to the Client's categorization;

(b) the revocation, suspension or other material change in a regulatory license or authorisation relevant to the Client's categorization;

(c) a material change in the Client's financial position or other circumstances resulting in the Client no longer satisfying the criteria on the basis of which the Client was categorized as a Professional Client;

(d) the Company becoming aware that the Client no longer satisfies the conditions applicable to its categorization as an Elective Professional Client, Per Se Professional Client or Eligible Counterparty;
(f) a request by the Client for a different categorization.

9.4. Clients shall be responsible for informing the Company of any change in their circumstances that may affect their existing categorization. Where the Company becomes aware that a Client no longer satisfies the conditions applicable to its existing categorization, the Company shall take appropriate action in accordance with the applicable legal and regulatory requirements and this Policy.

10. Protection rights

10.1. Where the Company treats Clients as retail, they will be entitled to more protections under the law than if the Clients were categorized as a professional. In summary, the additional protections retail clients are entitled to are as follows, but not limited to:

a) The Company shall ensure that its communication with all clients is fair, clear and not misleading. However, the Company's obligations in respect of the level of detail may vary according to whether the client is retail or professional, but information will always include any essential elements in accordance with the applicable requirements;
b) The Company shall ensure that a Retail Client is provided with more information and disclosures regarding the Company, its services, financial instruments and their performance, the nature and risks of financial instruments, costs, commissions, fees and charges and the safeguarding of Client financial instruments and Client funds, including summary details of any relevant investor compensation or deposit guarantee scheme, as applicable;
c) When providing the services of Reception & Transmission of orders and/or Execution of Client orders for Retail Client, especially when dealing with complex financial instruments, the Company shall perform the appropriateness assessment of Client's knowledge and experience in the investment field relevant to the specific type of product or service offered or demanded, so as to enable the Company to assess whether the investment service or product envisaged is appropriate for the Client and whether the Client has the necessary experience and knowledge in order to understand the risks involved in relation to the product or service offered or demanded. On the other hand, the Company may assume that a Professional Client

has the necessary experience and knowledge in order to understand the risks involved in relation to those particular investment services or transactions, or types of transaction or product, for which the client is classified as a professional client. As a result, no appropriateness assessment is performed for the Professional Clients to provide them with an access to complex financial instruments (for more information, please, check the Appendix 15 “Appropriateness and Suitability Assessment” of the General Terms of Business);

d) When executing Client orders, the Company shall take all reasonable steps to achieve the “best execution” of the Client’s orders that is to obtain the best possible result for its Clients. Where the Company executes an order 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 Client 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. 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 the best execution for them (please, refer to the Best Execution Policy of the Company);

e) The services of the Financial Ombudsman Service in Cyprus may not be available to professional clients, unless they are, for example, consumers, in accordance with the Law relating to the Establishment and Operation of a Single Agency for the out of Court Settlement of Disputes of Financial Nature of 2010, as amended from time to time;

f) Retail Clients may be entitled to compensation under the Investor Compensation Fund (“ICF”) for Clients of Investment Firms, while Professional Clients are not entitled to compensation under the ICF (for more information, please, check the Appendix 4 “Investor Compensation Funds” of the General Terms of Business).

10.2. The Company shall strictly refrain from implementing any form of practice that incentivizes, induces, or pressures an investor to request to be treated as a Professional Client. The information about Elective Professional status should be purely informative.

10.3. In this respect, any form of promotional language in relation to the status of a Professional Client shall be seen as incentivizing a Retail Client to request a professional client status.

11. Recordkeeping

11.2. The Company shall maintain all the records that evidence the client categorization and re-categorization process, including client requests, assessments performed, supporting documentation, warnings provided, client acknowledgements, and approvals granted.
11.3. All the above records are stored in Tradernet platform and shall be retained in accordance with the provisions of the Recordkeeping Policy of the Company.

12. Policy review

12.1. The present Policy shall be reviewed annually or whenever a material change occurs that affects the Company's procedures and principles related to the client categorization obligations and requirements.
12.2. The Company has the right to amend the current Policy at its discretion and at any time it considers suitable and appropriate and the updated version is uploaded on the Company's website

APPENDIX 1. Professional Client Request

Appendix 1. Professional Client Request

I hereby certify that:

Please note that you should satisfy at least 2 criteria out of 3

- ☐ Made trades in a significant volume in relevant markets with an average frequency of at least 10 trades per quarter for the period of the previous four quarters;

You can attach the following documents: Brokerage Account Statement; Trade Confirmations.

- ☐ The volume of my portfolio of securities, including free funds and financial instruments, exceeds 500,000 euros

You can attach the following documents: Brokerage Account Statement; Portfolio Valuation Report; Bank Statements; Custodian Reports; Investment Account Summary.

- ☐ I have worked for at least one year in the finance sector , in a professional position that requires knowledge of the proposed operations or services;

You can attach the following documents: CV; Reference Letter or Qualification Certificate, Licenses; Employment Contract; Payslips or Tax Records; LinkedIn Profile or Public Records (if applicable).

- ☐ I hereby request to be categorized as a Professional Client in accordance with the Client Categorization Policy
- ☐ By signing this notice I consent to the Company's Conflicts of Interest Policy, Best Execution Policy, Client Categorization Policy and the General Terms of Business, and acknowledge that I familiarized myself with the “Loss of Protection Notice” and understood the differences between the types of the protection offered under different categories of clients.

APPENDIX 2. Loss of Protection Notice

Loss of Protection Notice

Please be informed that as a **Professional Client** you will lose some investor protections such as:

Access to the Financial Ombudsman Service

As a result of a re-categorization as a Professional Client you may be restricted or lose the right to access the Financial Ombudsman Service. Professional clients and eligible counterparties where the representative is an individual acting for purposes outside his/her trade, business, craft or profession may still be classified as eligible complainants. Nonetheless, Freedom Finance Europe Ltd operates in accordance with the "treating customers fairly" principle, and a relevant compliance officer will deal with any complaint.

Financial Promotions

Certain rules regarding the form and content of financial promotions will not be applicable. All the financial promotions we communicate to retail clients is monitored, analyzed and approved. In case of a professional status we will not be required to provide you with a comprehensive description of the nature of the investment, the commitment required and the risks.

Disclosure of charges, remuneration or commission

The rules of the Cyprus Securities and Exchange Commission do not require us to inform you, in writing, of the basis or amount of our charges applicable to the services we will be providing and the nature or amount of any other income receivable by ourselves or our associates which is attributable to those services.

Customer's understanding of risk

We do presume that you understand the nature of any risks involved in any specific investments or transactions that we recommend to you. We will assume that you are able to judge the types and degree of risks stemming from the various types of investments.

Knowledge and experience

We will assume that you are able to judge the suitability of our recommendations and that you have or can obtain any information we have not provided, which is necessary to make

an informed decision about whether to invest, and that you have necessary experience and knowledge to understand the risks involved in relation to the product or service offered or demanded.

Clear Fair and Not Misleading Communications

We will consider your expertise to stay compliant with the requirement under the regulatory system that communications must be clear, fair, and not misleading.

Compensation

You will not be eligible to seek the services of the Investor Compensation Fund and may not be entitled to compensation under the Investor Compensation Fund for Clients of Investment Firms.

Request for change in classification

After Freedom Finance Europe Ltd has categorized you as a Professional Client, you may request for the category to be changed. It is the responsibility of a Professional Client to ask for a higher level of protection when it is deemed unable to properly assess or manage the risks involved. The higher degree of protection will only be approved if, after your request, a written agreement is signed between Freedom Finance Europe Ltd and your confirmation that you no longer wish to be treated as a Professional Client.

APPENDIX 3. Professional Client status assignment notice

To: (client name)
(address)

PROFESSIONAL CLIENT STATUS ASSIGNMENT NOTICE

Following your request, we would like to confirm that you have been re-categorized as **Professional Client**, so that when carrying out business with you we can provide the level of information, services and protection that is appropriate to and consistent with your categorization under the provisions of MIFID II.

Professional Client is a client who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks involved in relation to the product or service offered or demanded

This Notice is to inform you that we will, based on the information available to us, treat you as a Professional Client under MiFID II in providing our services to you.

This is the general agreement, which also applies to all individual transactions for your account opened with us. This categorization will apply to all of our business relationships with you under MIFID II. You may however request to be treated as a Retail Client at any time.

It is your responsibility to inform us if we have not categorized you correctly and if any change occurs which could affect your categorization as a Professional Client. You also have the right to ask for higher level of protection when it deems you are unable to properly assess or manage the risks involved.

By signing this notice and returning it to us, you consent to our Conflicts of Interest Policy, Best Execution Policy, Client Categorization Policy and the General Terms of Business, and acknowledge that you familiarized yourself with our **"Loss of Protection Notice"** and understood the differences between the types of the protection offered under different categories of clients.

Should you have any questions, please do not hesitate to contact us by e-mail: info@freedomfinance.eu or by telephone: +357 2525 7787.