



Assessment of Client

Appropriateness or Suitability

Assessment of Suitability and Appropriateness

When providing Investment Advice or Asset Management services, RTFX shall obtain the necessary information regarding the client's or potential clients':

- *"knowledge and experience"* in the investment field relevant to FX Trading
- *"financial situation"*
- *"investment objectives"*

so as to enable RTFX to recommend to or, in the case of Asset Management, to effect for the client or potential client, the Investment Services and Instruments that are suitable for him.

When providing Execution Only services, RTFX shall ask the client or potential client to provide information regarding his *"knowledge and experience"* in the investment field relevant to FX Trading so as to enable RTFX to assess whether the Investment Service is *"appropriate"* for the client.

In case RTFX considers, on the basis of the information received, that the service is *"inappropriate"* to the client or potential client, RTFX warns the client or potential client. This warning is given in a standardised format during the Account Application Stage.

RTFX also caters for the situation where a client or potential client elects not to provide the required information. The Account Application process does not allow for insufficient information regarding his *"knowledge and experience"*. Thus, RTFX can always determine whether the Execution Only service is appropriate or not.

Assessment of Suitability

RTFX shall obtain from clients or potential clients, such information as is necessary for it to understand the essential facts about the client and to have a reasonable basis for believing, giving due consideration to the nature and extent of the service provided, that the specific transaction to be recommended, or entered into in the course of providing an Asset Management service, satisfies the following criteria:

- it meets the investment objectives of the client;
- it is such that the client is able financially to bear any related investment risks consistent with FX Trading;
- it is such that the client has the necessary experience and knowledge in order to understand the risks involved in FX Trading.

When RTFX provides services to a Professional Client, it shall be entitled to assume that the client has the necessary level of experience and knowledge.

Where that service consists in the provision of Investment Advice to a Professional Client, RTFX shall be entitled to assume that the client is able financially to bear any related investment risks consistent with his investment objectives.

Information regarding the *"financial situation"* of the client or potential client shall include, where relevant:

- information on the source and extent of his regular income
- his assets, including liquid assets investments and real property
- his regular financial commitments

Information regarding the *"investment objectives"* of the client or potential client shall include, where relevant:

- information on the length of time for which the client wishes to hold the investment
- his preferences regarding risk taking
- his risk profile
- the purposes of the investment

Where, when providing Investment Advice or Asset Management, RTFX does not obtain the required information, it shall refrain from providing the above mentioned services to the client or potential client.

Assessment of Appropriateness

When assessing whether an Investment Service, other than investment advice or portfolio management, is appropriate for a client, the Licence Holder shall be required to determine whether that client has the necessary experience and knowledge in order to understand the risks involved in relation to the product or Investment Service offered or demanded.

For these purposes, a Licence Holder shall be entitled to 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.

Provisions common to the assessment of Suitability and Appropriateness.

Information regarding the client's or potential client's "knowledge and experience" in the investment field includes the following, to the extent appropriate to the nature of the client, the nature and extent of the service to be provided and the complex category of the transaction envisaged and the risks involved:

- whether the client has knowledge and experience in FX Trading;
- the nature, volume, frequency of the client's transactions in FX and the period over which they have been carried out;
- the level of education, profession or relevant former profession of the client or potential client.

RTFX shall not encourage a client or potential client not to provide information required.

RTFX shall be entitled to rely on the information provided by its clients or potential clients unless it is aware or ought to be aware that the information is manifestly out of date, inaccurate or incomplete.