CLIENT CATEGORISATION POLICY

I. INTRODUCTION

WCG Group Ltd. ("we", "WCG", "the Company"), Registration No. 15665, is an international brokerage and clearing house licensed by the Mwali International Services Authority (Licence No. L15665/WG). Its registered address is Hamchako, Mutsamudu, Autonomous Island of Anjouan, Union of Comoros.

The Company is required to categorise its Clients, those to which the Company provides, intends to provide or has provided a service in the course of carrying on a regulated activity into one of the following categories: retail or professional.

II. Legal Framework

The Company is operating under the regulations of the Mwali International Services Authority. The Company has adopted the relevant provisions under the applicable laws and regulations of the Union of Comoros and the Mwali International Services Authority.

According to the above legislation, the Company is required to categorise its Clients into one of the following categories: "retail" or "professional". As a result, the Company should evaluate any application for opening an account and classify any prospective Client under any of the categories mentioned above, always based on the information provided by the said Client.

III. Notification to the Client for its categorisation

The Company, prior to the provision of services, shall notify new Clients of their categorisation. Further to this, through this Policy, the Company informs the Client of:

(a) any right that Client has to request a different categorisation (see Section V); and

(b) any limitations to the level of Client protection that such a different categorisation would entail (see Section VI).

The Company proceeds in this action, in order to offer a uniform level of protection to all of its Clients.

IV. Client Categorisation

The Client categorisation criteria are outlined below.

a) Retail Clients

All clients will be treated as retail unless a client requests to be treated as a professional client.

b) Professional Clients

Clients who may be treated as professional on request:

1. Identification criteria:

Clients may be allowed to waive some of the protections afforded by the conduct of business rules of the Company.

The Company shall be allowed to treat any of the above Clients as professionals provided that the relevant criteria and procedures mentioned below are fulfilled. These Clients shall not, however, be presumed to possess market knowledge and experience comparable to retail clients.

Any such waiver of the protection afforded by the standard conduct of business regime shall be considered valid only if an adequate assessment of expertise, experience and knowledge of the Client, undertaken by the Company, gives reasonable assurance, in light of the nature of the transactions or services recommended, that the Client is capable of making his own investment decisions and undertaking the risk involved.

The fitness test to be undertaken by the Client may be regarded as an example of the assessment of expertise and knowledge.

In the course of the above assessment, as a minimum, two of the following criteria should be satisfied:

• The Client has carried out transactions, in significant size, on the relevant market at an average frequency of 10 per quarter of the previous four quarters;

• The size of the Clients' financial instrument portfolio, defined as including cash deposits and financial instruments exceeds 500,000 (EUR or equivalent);

• 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 and services envisaged.

2. Reclassification Procedure of a retail client into professional client:

The clients defined above may waive the benefit of the detailed rules of conduct only where the following procedure is followed:

i. They must state in writing to the Company or apply through the Company's online forms that they wish to be treated as professional Clients, either generally or in respect to a particular investment service transaction or type or product;

ii. The Company must give them a clear written warning of the protections and investor compensation rights that they may lose;

iii. They must state in writing, in a separate document from the contract, that they are aware of the consequences of losing such protections.

Points (ii) and (iii) shall be performed through the Client's consent of the Elective Professional Clients Disclaimer available in Appendix A.

Before deciding to accept any request for waiver, the Company must take all reasonable steps to ensure that the Client requesting to be treated as a professional Client meets the relevant requirements stated in point (1) above.

Professional Clients are responsible for keeping the Company informed about any change, which could affect their current categorisation. Should the Company become aware however that the Client no longer fulfils the initial condition, which made him eligible for a professional treatment, the Company must take appropriate action.

V. Option to Change Classification & Request For A Different Categorisation

WCG recognises that Clients should be in general allowed to request to be placed into a different category other than retail. In accordance with the aforesaid, the following request may be submitted to the Company:

a) A Retail Client requesting to be categorised as a Professional Client. In that case the Client will be afforded a lower level of protection.

b) A Professional Client requesting to be categorised as a Retail Client. In that case the Client seeks to obtain a higher level of protection.

The Company reserves the right to decline any of the above requests for different categorisation.

It is noted that a professional Client is allowed to request non-professional treatment and the Company may agree to provide a higher level of protection. Where the Client of the Company is an undertaking, the Company must inform it prior to any provision of services that, on the basis of 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. The Company must also inform the Client that he can request a variation of the terms of the agreement in order to ensure a higher degree of protection.

In this respect, the Company notifies its Clients in a written form of their option to be classified as retail clients. The Company proceeds in this action, in order to offer a uniform level of protection to all of its clients.

The higher level of protection will be provided by the Company when the Client who is considered to be a professional enters into a written agreement with the Company, to the effect that it shall not be treated as a professional.

VI. Protection Rights

Where the Company treats the Client as a retail Client, the Client will be entitled to more protections under the applicable regulations than if the Client was entitled to be a professional Client. In summary the additional protections retail Clients are entitled to are as follows:

a) Client will be given full, precise and easy to comprehend information/disclosures concerning WCG, its services and any investments, its cost, commissions, fees and charges and the safeguarding of Client financial instruments and Client funds;

b) WCG will request the Client to provide information regarding his/her 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. In case the Company considers, on the basis of the information received, that the product or service is not appropriate for the Client, the Company will alert the Client accordingly or reject the Client's application.

For a professional Client the Company is entitled to assume that in relation to the products, transactions and services for which the Client is so classified, the Client has the necessary level of experience and knowledge. In addition, under certain circumstances, the Company shall be entitled to assume that a professional Client is able financially to bear any investment risks consistent with its investment objectives.

c) when executing orders WCG will take all reasonable steps to achieve what is called "best execution" of the Client's orders that is to obtain the best possible result for the Client as defined in the Company's Order Execution Policy. It is noted that Clients who are classified as professional Clients are also subject to the protections under the Best Execution Regime;

d) WCG will inform Clients of material difficulties relevant to the proper carrying out of their order(s) promptly upon becoming aware of such difficulties;

e) WCG will provide Clients with full and explicit information on the execution of the relevant Client orders;

f) WCG will enter into the Terms & Conditions with the Client, that outline the essential rights and obligations of both parties;

g) WCG will make adequate arrangements for financial instruments held on behalf of a Client to prevent their use by the Company for its own account;

h) Retail Clients may be entitled to compensation under any applicable investor compensation scheme (if any);

i) WCG will make adequate arrangements to not use Client funds for its own account by depositing them entirely into segregated bank accounts;

Professional Clients:

As also mentioned above, where the Company provides an investment service to a professional Client it shall be entitled to assume that, in relation to the products, transactions and services for which it is so classified, the Client has the necessary level of experience and knowledge. In addition, under certain circumstances, the Company shall be entitled to assume that a professional Client is able financially to bear any investment risks consistent with its investment objectives.

General Provisions in respect of Professional Clients

• Clients who were categorised as professional are allowed to request non-professional treatment and the Company may agree to provide a higher level of protection.

• The Client can request a variation of the terms of the agreement in order to secure a higher degree of protection.

• It is the responsibility of the professional Client to ask for a higher level of protection when it deems it is unable to properly assess or manage the risks involved.

• This higher level of protection will be provided when a Client who is considered to be a professional enters into a written agreement with the Company to the effect that it shall not be treated as a professional for the purposes of the applicable conduct of business regime. Such agreement shall specify whether this applies to one or more particular services or transactions, or to one or more types of product or transaction.

VII. Retail and Professional Client agreements

The Company hereby informs its Clients that agreements will be provided (i.e. the Company's Terms & Conditions), setting out the essential rights and obligations of both the Company and the Client.

Appendix A

Elective Professional Clients Disclaimer

1. General

WCG Group Ltd. (the "Company") is licensed by the Mwali International Services Authority (Licence No. L15665/WG) as an international brokerage and clearing house. The Company is authorized to provide investment and dealing services with regards to financial instruments.

This Elective Professional Clients Disclaimer sets out important information for retail Clients who request to be classified as Professional. The policy needs to be read and understood in full, whilst for any enquiries, you may contact cs@wcgmarkets.com.

Retail Clients may be classified as Professional Clients when they meet at least two of the three following criteria:

• the Client seeking professional status has carried out transactions, in significant size, on the relevant market at an average frequency of 10 per quarter over the previous four quarters;

• the size of the financial instrument portfolio of the Client seeking professional status, defined as including cash deposits and financial instruments, exceeds EUR 500,000 (or equivalent);

• 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.

In terms of Law, Professional clients are those clients where we can assume that they have sufficient knowledge, experience and expertise to make their own investment decisions and understand the risks involved in trading with financial instruments.

As a Professional Client you are responsible to inform us about any change, which could affect your current classification. In case of such change, please notify us in writing at the following e-mail address: cs@wcgmarkets.com or notify your dedicated account manager.

Should we become aware however that you no longer fulfill the initial conditions, which made you eligible for Professional Client treatment, we will take appropriate action.

You are entitled to demand at any time another classification, e.g. be re-categorised as a Retail Client and receive a higher level of protection. In this case, please notify us in writing at cs@wcgmarkets.com or notify your dedicated account manager. Such re-classification becomes effective after such request has been received and acknowledged by the relevant officer of our Compliance Department. For avoidance of doubt, such requests cannot be retroactively applied to trading transactions that have taken place before we have formally received and acknowledged such request.

2. Consequences of categorisation as Elective Professional

Once categorised as a Professional Client, you will lose some of the regulatory protections which would have otherwise been available to you as a Retail Client. In particular, the following changes shall be applicable:

- Appropriateness Test and understanding of risk: We assume that you have sufficient knowledge and experience to understand and assess the risks of the relevant financial instruments and your transactions, therefore we will not provide you with any written risk warnings in relation to any of your transactions.

- Terms of Business: Our Terms & Conditions and Policies remain applicable to you to the extent they are not in conflict with your status as a Professional Client.

- Financial Promotions: Rules relating to financial promotions are limited or modified in their application to Professional Clients compared to Retail Clients. Financial promotions directed at Professional Clients are only subject to the high level requirement that they are fair, clear and not misleading.

- Investor Compensation: Only Retail Clients may have access to any applicable investor compensation scheme (if any).

Client Categorisation Policy V1
WCG Group Ltd.