

# Client Classification Policy

## 1. Definitions of terms and purpose of the Policy

The **purpose of the Policy** of classification of the existing and potential clients of Nova Ljubljanska banka d.d., Ljubljana (hereinafter: the Bank) is to define individual categories of clients, the level of protection and the extent of the rights ensured by the Bank to an individual client category when providing investment services and activities, as well as procedures of transition between individual categories in line with Chapter 7.2.1. of the Market in Financial Instruments Act (Official Gazette of the RS, no. 77/2018, hereinafter: ZTFI-1).

For the purpose of this Policy a **client** shall be any natural person or legal entity or total assets without legal personality for whom or which the Bank provides investment services and activities or auxiliary investment services.

**Professional client** shall be a client with adequate expert knowledge and experience to adopt own investment decisions and assess the related risks, which is considered a professional client in accordance with Articles 246 to 248 of the ZTFI-1.

**Non-professional client** shall be any other client except for professional client and eligible counterparty.

**Eligible counterparty** shall be a person, which is not a natural person and has adequate expert knowledge and experience, for which the Bank accepts and transmits or executes orders or performs operations for own account, where the Bank is not obliged to take into account some legal provisions of sound and prudent operations in line with Article 276 of ZTFI-1, including execution of orders under the most favourable conditions for the client.

Other terms used in this Policy shall have the meaning defined in the ZTFI-1.

## 2. Classification of clients of NLB d.d.

### 2.1 Non-professional clients

In the provision of investment services the Bank shall treat all its clients as non-professional clients, except clients which are pursuant to the law deemed professional clients or eligible counterparties and which within the time limit specified in the point 2.2.3 of this Policy did not request different treatment and non-professional clients which submitted request to be treated as professional clients and meet the conditions from Chapter 2.3 of this Policy and the Bank started to treat them as professional clients in accordance with the procedure from Chapter 2.4 of this Policy. All eligible counterparties, which requested non-professional treatment for the purpose of investment services and activities, are also regarded to be non-professional clients.

### 2.2 Professional clients by the ZTFI-1

2.2.1 Persons which are defined as professional clients in Article 246 of the ZTFI-1 are treated by the Bank as professional clients. These include:

- a) Persons, which must obtain appropriate authorisation from the competent supervisory authority of a member state or a third country or in any other way obtain the right to operate on financial markets, namely:
  - credit institutions,
  - investment firms,
  - other regulated financial institutions,
  - insurance companies, reinsurance companies and pensions companies,
  - collective investment undertakings and companies for managing such undertakings,
  - pension funds and companies managing them,
  - persons trading in commodities and commodity derivatives,
  - local companies in the meaning defined in item 4 of Paragraph 1 of Article 4 of the Regulation 575/2013/EU,
  - other institutional investors.
- b) Large companies that meet at least two of the following criteria at the level of the company:
  - the balance value of their total assets reaches EUR 20,000,000,
  - their net annual sales revenue reaches EUR 40,000,000,
  - the value of their own capital reaches EUR 2,000,000.
- c) The Republic of Slovenia, and other states or national and regional authorities, public entities that exercise public debt, Bank of Slovenia and other 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.
- d) Other institutional investors whose regular activity is to invest in financial instruments, including entities dedicated to the securitisation of assets or other financing transactions.

2.2.2 In order to obtain data referred to under item b of Paragraph 2.2.1 the Bank shall submit for signature a statement of authenticity of data to the client, where it is entitled to require from the client at any time to prove the truthfulness of data by authentic documents. The professional client must immediately inform the Bank about the changes in the data.

2.2.3 The Bank notifies about the treatment the existing and potential clients, which are treated as professional clients by the ZTFI-1. The existing clients are given a time limit of 14 days to state their opinion on classification and possibly request to be classified into the category of non-professional clients, while the potential client is given the chance to state about different classification before the start of providing investment services and activities (e.g. before signing the agreement on providing investment services). The Bank shall point out to the client the possibility of a different classification.

It is considered that the existing client of the Bank accepts the classification into the category of professional clients if it does not send the request for different classification within 14 days. For potential clients it is considered that they accept the classification into the category of professional clients if they do not request different classification before the start of providing investment services and activities for them.

2.2.4 A professional client can request at any time to be classified into the category of non-professional clients and that conditions of the agreement on provision of investment services are adequately changed so that the client is ensured a higher level of protection in accordance with the general terms of operation, which are used for individual agreements on providing investment services for non-

professional clients. If a professional client submits a request for a higher level of protection, the Bank classifies it into the category of non-professional clients. For this purpose the client sends to the Bank the signed request for classification into the category of non-professional clients. The request becomes a constituent part of the agreement between the Bank and the client.

### **2.3 Professional clients on request**

2.3.1 The classification into the category of professional clients may also be requested by a person, who according to the law does not belong into that category, and a professional client, who has already requested the classification into the category of non-professional clients and now wants to be classified into the category of professional clients again.

2.3.2 The person, who submits a request in writing to be classified into the category of professional clients must demonstrate knowledge and experience and declare in writing that he/she understands the loss of protection and rights resulting from the request for treatment as a professional client. Such client is not supposed to have the same knowledge and experience as the persons referred to under item 2.2.1 (professional clients under the ZTFI-1) of this Policy.

### **2.4 Procedure with the request to be treated as a professional client**

2.4.1 Procedure:

- a) The client submits a request, in which the client explicitly states that its request be classified into the category of professional clients.
- b) The Bank warns the client in writing that the request for classification into the category of professional clients has a legal effect of waiver of protection and other rights, which the Bank provides to non-professional clients on the basis of the general terms of operation used for individual agreements on provision of investment services and waiver of guaranteed investor claims.
- c) The client submits a written statement that it understands a waiver of protection and rights from the previous item (statement on waiver of protection).
- d) The Bank carries out appropriate assessment of expert knowledge and experience of the client, verifies whether the client is capable of making its own investment decisions, whether it understands the risks associated with such decisions and whether it meets the conditions from Chapter 2.3 of this Policy.

2.4.2 The client must promptly notify the Bank of all changes which have influenced or could influence its current classification, to the following address: NLB d.d., Trg republike 2, 1520 Ljubljana. If the Bank on the basis of the client's notification or other information establishes that the client, who has been classified in the category of professional clients based on its request, no longer meets the conditions for such a classification, the Bank shall perform necessary procedures in accordance with item 2.2.4 of this Policy and classify the client into the category of non-professional clients.

### **2.5 Eligible counterparty under the ZTFI-1**

2.5.1 Eligible counterparties shall be clients for which the provisions of the ZTFI-1 are not taken into account when executing an order or in the sale or purchase of financial instruments:

- Paragraph 7 of Article 237 (Keeping records and documents)
- Paragraphs 3 and 4 of Article 250 (Professional care of a brokerage company)
- Paragraphs 1, 2 and 10–18 of Article 251 (Obligation of a brokerage company, information for clients and market communications)
- Articles 252 to 257 (Protection of clients' interests, Financial instruments of a brokerage company, Obligation to provide explanation, Exemptions from obligation to provide explanation, Equivalent market in a third country, Agreement on provision of investment services)
- Article 259 (Exemptions from obligation to provide explanations and reports)
- Articles 267 to 270 (Executing orders under most favourable conditions for client, Policy of execution of clients' orders, Location of execution of clients' orders, Monitoring and assessing efficiency of order execution policy)
- Article 272 (Procedures and measures for execution of client orders)

In compliance with Article 276 of the ZTFI-1 the eligible counterparties include the following persons in a member state:

- investment firm,
- credit institution,
- insurance company or reinsurance company,
- collective investment undertakings – UCITS and companies for managing such undertakings,
- pension funds and companies managing them,
- other regulated financial institutions in member states,
- persons from Paragraph 2 of Article 62 of the ZTFI-1.

2.5.2 Classification into the category of eligible counterparties according to items 2.5.1 and 2.6.1 of this Policy does not exclude the right of the abovementioned persons to request from the Bank to be classified into the category of clients for which provisions of the ZTFI-1 referred to under item 2.5.1 of this Policy apply. If the said person exercises this right and if this person is in accordance with Chapter 2 of this Policy classified by the Bank into the category of professional clients, the Bank must not exclude the provisions of point 3.3.1 of this Policy by means of an agreement. The agreement mentioned in the preceding sentence must be concluded in a written form and must define the content of rights and obligations of the Bank and the client, who is in line with the request under this point treated as a professional client.

### **2.6 Other companies as eligible counterparties by the ZTFI-1**

2.6.1 In addition to companies referred to in item 2.5.1, the Bank can classify into the category of eligible counterparties also some other company in a member state which meets the predefined conditions, including quantity thresholds.

2.6.2 If the Bank intends to conclude a transaction with a counterparty for which the laws of another Member State apply, the assessment and its treatment as eligible counterparty shall be based on the laws of the Member State in which it has its registered office.

2.6.3 The Bank shall obtain an express consent from the client for its classification into the category of eligible counterparties in accordance with item 2.6.1 or 2.6.2, if the client is a resident of another member state.

2.6.4 The Bank may classify into the category of eligible counterparties also the following:

- a third country person equivalent to the persons from item 2.5.1 of this Policy and
- a third country company which meets the requirements from item 2.6.1 of this Policy.

2.6.5 The Bank can also acknowledge as an eligible counterparty another company with the registered office in the Republic of Slovenia, which meets the conditions from item 2.2.1 of this Policy and Paragraphs 4–6 of Article 247 of the ZTFI-1. For these persons the procedure with the request to be treated as a professional client referred to under point 2.4 of this Policy is applied *mutatis mutandis*, only that instead of the term “professional client” the term “eligible counterparty” is used and instead of the term “non-professional client” either the term “non-professional client” or the term “professional client” can be used depending on the category of the client requesting the treatment as eligible counterparty.

### **2.7 Classification of clients by individual products and/or investment services and activities**

The client can request the classification into another category for all or individual investment services and activities or for all or individual types of products or activities. Should the client request classification into another category for an individual product this, it must do so before the execution of each individual activity or transaction with such a product.

## **3. The application of rules of sound and prudent operations for individual client categories**

### **3.1 Professional clients**

3.1.1 It is supposed that clients from Chapter 2.2., which are considered professional clients by the ZTFI-1, have adequate knowledge and experience, that all investment products, services and activities of the Bank are suitable for them as well as that, according to item 3.2.1, the Bank does not have to verify additionally the client's knowledge and experience.

3.1.2 For the clients from Chapter 2.3, which are classified into the category of professional clients on the basis of the client's request, the Bank shall carry out a procedure in accordance with Chapter 2.4 of this Policy to check the adequate knowledge and experience as well as to assess whether all investment products, services and activities of the Bank are suitable for them. The request for classification into the category of professional clients shall have a legal effect of waiver of a guarantee for claims of the Bank's investors in accordance with the ZTFI-1.

3.1.3 When performing investment and auxiliary services for an eligible counterparty the Bank shall act honestly, conscientiously and with due professional care as well as provide to the client fair, clear and reliable information, considering the characteristics of the eligible counterparty and its transactions.

3.1.4 The clients, which are considered professional clients by the ZTFI-1 and request classification into the category of non-professional clients, according to the ZTFI-1 are not included in the system of guarantees for claims of the Bank's investors.

### **3.2 Non-professional clients**

3.2.1 In order to protect the interests of non-professional clients, the Bank shall request from the client and the potential client, before starting to provide an investment service or activity and before offering an individual product, except for products from item 3.2.5, the information on the client's knowledge and experience relevant to individual type of services, activities or products. When providing the service of individual asset management and/or investment advice the Bank shall request from the client also information on its financial standing and investment goals. For this purpose the Bank shall submit questionnaires to the client prior to providing an individual investment service.

3.2.2 Although the Bank, in accordance with item 3.2.1 of this Policy, establishes that an individual investment service or activity or product is adequate and/or suitable for the client, the Bank shall still treat that client as a non-professional client.

3.2.3 If the Bank, in accordance with item 3.2.1. of this Policy, establishes that individual investment service or activity or product is not adequate and/or suitable for a non-professional client, the Bank must warn the client about this fact. Regardless of the above, the Bank shall provide an investment service or activity or product to the client, if it first warns the client that the service is not adequate for it and the client nevertheless wants to conclude the transaction related to this service/product. However, the Bank cannot perform a service of individual asset management or a service of investment advice for such a client.

3.2.4 If a non-professional client does not want to submit to the Bank information in accordance with item 3.2.1 of this Policy or it submits only incomplete information about its knowledge, experience, financial standing and investment goals, the Bank must warn the client that due to such a decision it is unable to assess whether a certain investment service or product is adequate/suitable for this client. With individual asset management or investment advice the Bank cannot perform the said service for the client due to the lack of information required for the assessment of suitability of investment service for the client. With other services the client can operate with the Bank on its own responsibility with regard to consequences arising from inadequacy of the service or product for the client.

3.2.5 Provisions of Chapter 3.2. of this Policy do not apply to execution or acceptance and transmitting of orders for clients and any auxiliary services related to these services if the following conditions are met:

- a) these services are related to one of the following financial instruments:
  - shares admitted to trading on a regulated market or an equivalent market in a third country,
  - money-market instruments,
  - bonds and other forms of debt instruments excluding those that embed a derivative,
  - units of undertakings for the collective investment in transferable securities – UCITS or
  - other simple financial instruments in line with the secondary legislation governing performance of investment and other services,
- b) the Bank provides these services at the initiative of a client or a potential client,
- c) the Bank informed a client or a potential client that it is not obliged to assess the appropriateness of financial instruments or services in the provision of these services, and
- d) the Bank implements measures for identifying and managing the conflict of interest in accordance with Article 233 of the ZTFI-1.

### **3.3 Eligible counterparty**

3.3.1 According to Article 276 of the ZTFI-1 the following does not apply to the eligible counterparties:

- separate keeping of all documents on the agreements on investment services (Paragraph 7 of Article 237 of the ZTFI-1) for each eligible counterparty, which should be carried out by the Bank,
- provision on information and market communications (Paragraphs 3 and 4 of Article 250 of the ZTFI-1),
- provision on protection of clients' interests (Article 252 of the ZTFI-1),

- obligation to provide explanation – it is not necessary to submit the questionnaire from the Attachment to the eligible counterparty (Articles 252 to 257 and 259 of the ZTFI-1),
- obligation to conclude a written agreement and submission of any general terms and conditions to the eligible counterparty (Article 257 of the ZTFI-1),
- execution of orders under most favourable conditions (Articles 267 to 270 and 272 of the ZTFI-1).

3.3.2 If eligible counterparty requests to be treated as a client for which provisions from point 3.3.1 apply but does not explicitly request the classification into the category of non-professional clients, the Bank shall classify it into the category of professional clients. When concluding a written agreement, it is permitted to exclude or limit the use of other provisions from Chapter 7.2 that are not included in item 3.3.1 of this Policy.

3.3.3 The rules on providing investment services and activities, defined by the ZTFI-1, are not used for provision of services by the Bank in the capacity of a counterparty in transactions provided by state bodies or public bodies in relation to the management of public debt or the members of ESCB which perform their tasks in accordance with the Treaty establishing the European Community (Official Gazette of the RS – International Treaties, no. 7/04), the Statute of the ESCB and the European Central Bank (Official Gazette of the RS – International Treaties, no. 7/04) or which provide equivalent tasks in accordance with the provisions of other member states.

The client shall submit all notifications, letters and statements from this Policy and related hereto, unless specified otherwise for individual cases, to the following address: **NLB d.d., Trg republike 2, 1520 Ljubljana**

## Notification on classification of the client according to the Market in Financial Instruments Act (legal entities only)

Client's name: \_\_\_\_\_

Company reg. no.: \_\_\_\_\_

Registered office: \_\_\_\_\_

Name and surname of the legal representative or authorised person: \_\_\_\_\_

Name and surname of the principal (legal representative): \_\_\_\_\_

Date of authorisation: \_\_\_\_\_

### Circle the category of legal entities into which you belong.

A	Persons, which must obtain appropriate authorisation from the competent supervisory authority of a member state or a third country or in any other way obtain the right to operate on financial markets, namely: 1) credit institutions, 2) investment firms, 3) other regulated financial companies, 4) insurance companies, reinsurance companies 5) collective investment undertakings – UCITS and companies for managing such undertakings, 6) pension funds and companies managing these funds.
In the case that you circled point A, the Bank will treat you as <b>eligible counterparty</b> for acceptance and transmission of orders, execution of orders and operations for own account, whereas for all other investment services it will treat you as a <b>professional client</b> .	
B	The Republic of Slovenia, and other states or national and regional authorities, public entities that exercise public debt, Bank of Slovenia and other 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.
C	Other institutional investors whose regular activity is to invest in financial instruments, including entities dedicated to the securitisation of assets or other financing transactions; collective investment undertakings and companies for managing such undertakings (except UCITS and pension funds) and pension companies. Other persons which must obtain appropriate authorisation from the competent supervisory authority of a member state or a third country or in any other way obtain the right to operate on financial markets and are not included in point A, namely: 1) persons trading in commodities and commodity derivatives, 2) local companies in the meaning defined in item 4 of Paragraph 1 of Article 4 of the Regulation 575/2013/EU and 3) other institutional investors.
D	A large company which meets at least two of the following criteria at the level of the company: 1) the balance value of total assets reaches EUR 20,000,000, 2) net annual sales revenue reaches EUR 40,000,000, 3) the value of own capital reaches EUR 2,000,000.
In the case you circled one of the points from B to D, the Bank will treat you as a <b>professional client</b> for all investment services.	
E	The person which does not belong to any of the categories of persons from A to D.
In the case you circled point E, the Bank will treat you as a <b>non-professional client</b> for all investment services.	

### Statement of data authenticity

“By signing this document I confirm authenticity and accuracy of data and information which I submitted to the Bank in accordance with the Client Classification Policy of NLB d.d. and I am aware that my answers show the level of my understanding of investment services and the related risks. I also undertake to promptly submit to the Bank, at its request, authentic documents proving the truthfulness of data and to regularly inform the Bank of any changes of data which could be relevant for a different client classification.”

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Name and code of OU: \_\_\_\_\_

Client: \_\_\_\_\_  
(signature)

NLB d.d.: \_\_\_\_\_  
(name and surname) (signature)

### Warnings

The client shall fall into the classification which it circled in the upper part of the form. In the case the client wants a different classification it can make a **request for reclassification** (any of the requests stated below) and the request may also refer to individual service or transaction:

- 1) If you circled one of the points from A to D you can request to be treated by the Bank as a non-professional client and thus obtain a higher level of protection. For this purpose you must complete the **Form 4 ZTFI-1 – Request for treatment as a professional client** and send it with a letter to NLB d.d., Trg republike 2, 1520 Ljubljana.
- 2) If you want that the Bank treats you as a professional client or an eligible counterparty, complete the **Form 2 ZTFI-1 – Request for treatment as a professional client/eligible counterparty** and send it with a letter to NLB d.d., Trg republike 2, 1520 Ljubljana.
- 3) If you circled point A and you want that the Bank treats you as a professional client also for the brokerage services and transactions for own account, you send a written request with a letter to the Bank's address: NLB d.d., Trg republike 2, 1520 Ljubljana.



The Bank will use the data in accordance with the purpose of obtaining those data. The Bank guarantees to the client protection and application of personal data, which the client disclosed in its answers, in accordance with the law regulating personal data protection. The completion of the questionnaire applies as the classification of the client by the ZTFI-1 and is regarded as a written information for the client on his/her classification under the ZTFI-1. If the client does not want to submit information and the required data from the questionnaire and/or does not sign the Statement of data authenticity, the Bank shall classify the client on the basis of data known about the client and at its own discretion. In such case the client does not sign this form.

The notification is signed in two copies, of which the client shall receive one and the Bank the other copy.



## Request for treatment as a professional client/eligible counterparty

Name and surname/client's name: \_\_\_\_\_

Personal/Company ID no.: \_\_\_\_\_

Permanent resid./registered office: \_\_\_\_\_

Name and surname of the legal representative or authorised person: \_\_\_\_\_

Name and surname of the principal (legal representative): \_\_\_\_\_

Date of authorisation: \_\_\_\_\_

### Warnings

1. If the client does not want to submit information and the required data from the questionnaire, the Bank cannot assess if the client has adequate knowledge and experience to be treated as a professional client or as an eligible counterparty.
2. The Bank warns the client that the client's request for professional treatment or treatment as an eligible counterparty has a legal effect of waiver of protection and other rights, which the Bank provides to non-professional clients on the basis of the general terms of operation and waiver of guaranteed investor claims in accordance with the ZTFI-1.
3. The Bank will use the data in accordance with the purpose of obtaining those data. The Bank guarantees to the client protection and application of personal data, which the client disclosed in its answers, in accordance with the law regulating personal and other data protection.
4. The completed questionnaire is regarded as a written request for treatment as a professional client/eligible counterparty.

### Statement of waiver of protection

"By signing this document I confirm that I understand the consequences of waiver of rights which the Bank provides to clients with higher level of protection in accordance with the Client Classification Policy of NLB d.d."

### Statement of data authenticity

"By signing this document I confirm authenticity of the stated data and information, and I am aware that my answers show the level of my understanding of investment services and the related risks. I undertake to promptly submit to the Bank, at its request, authentic documents proving the truthfulness of data and to regularly inform the Bank of any changes of data which could influence the assessment of adequacy or suitability of the product and/or investment service."

Date: \_\_\_\_\_

Client: \_\_\_\_\_

(client's signature; in case of legal entity signature of the legal representative or authorised person)

**Send the signed document together with the completed questionnaire to the following address: NLB d.d., Trg republike 2, 1520 Ljubljana. The client will be notified about approval or rejection of the request. Reclassification into the category of professional clients/eligible counterparties takes effect on the day the request is approved.**

### Circle as appropriate

You want the Bank to treat you as:

a) **professional client** in accordance with the Bank's Client Classification Policy

In case that the request does not apply to all investment services, activities or products, please state to which it applies:

\_\_\_\_\_

b) **eligible counterparty** with services of accepting and transmitting orders, executing orders and operations of the Bank for own account

*(Natural persons and legal entities which are not companies cannot be classified into the category of eligible counterparties, except if these legal entities are regulated financial institutions.)*



4. Level of education (for legal entities: of the legal representative or person, who is in charge for completing the questionnaire)
- Below level V
  - Level V
  - Level VI
  - Level VII
  - Above level VII

The client's profession (for legal entities: legal representative or person who is in charge for completing the questionnaire) \_\_\_\_\_

5. Please indicate which financial instruments you are familiar with and what scope of transactions you performed with an individual financial instrument.

You are hereby informed that you can additionally verify your knowledge of individual groups of financial instruments with questions which are available at [www.nlb.si](http://www.nlb.si).

		Are you familiar with the instrument? (Please circle)		Have you executed at least 2 transactions with individual instrument (please circle)?	
1	Equity securities (shares listed on a stock exchange)	YES	NO	YES	NO
2	Debt securities (bonds)	YES	NO	YES	NO
3	Investment funds (mutual funds and investment companies)	YES	NO	YES	NO
4	Shares not admitted to trading on stock exchange but traded in over-the-counter market	YES	NO	YES	NO
5	Options (warrants)	YES	NO	YES	NO
6	Futures contract (forward transactions, synthetic forwards)	YES	NO	YES	NO
7	Swap deals (FX swap, interest swap etc.)	YES	NO	YES	NO
8	Derivatives used for transfer of credit risk	YES	NO	YES	NO
9	Contracts for differences (CFD)	YES	NO	YES	NO
10	Structured deposit (on the price of goods, on currency pair)	YES	NO	YES	NO
11	Investment certificates	YES	NO	YES	NO
12	Any other transactions undertaken in relation to securities, foreign currencies, interest rates, yields, goods, variables of atmosphere, transportation costs, emission allowances, inflation rates or other official economic statistical data as basic instruments or in relation to assets, rights, obligations, indexes and measures and which has characteristics of other derivatives If yes please name them:	YES	NO	YES	NO

6. Please indicate how often did you make deals in the last year with any financial instrument and how much was the average size of individual transaction (circle only one answer).

		Average number of transactions	
		4 or less	5 or more
The average size of individual transaction of ALL concluded transactions in this period	up to EUR 7,500	a)	c)
	over EUR 7,500	b)	d)

7. Please indicate what kind of transactions did you perform in the past.

Investment in financial instruments with the purpose of preserving the value	YES	NO
Investment in financial instruments with the purpose of achieving growth in the value	YES	NO
Investment in financial instruments with the purpose of speculating	YES	NO
Investment in financial instruments with the purpose of collateralising	YES	NO

## Suitability/adequacy of the service for clients

### I/A Questionnaire on knowledge and experience (adequacy)

Client's name and surname/Company  
name: \_\_\_\_\_

Company reg. no.: \_\_\_\_\_

Permanent residence/registered office: \_\_\_\_\_

Name and surname of the legal

representative or authorised person: \_\_\_\_\_

Name and surname of the principal (legal  
representative): \_\_\_\_\_

Date of authorisation: \_\_\_\_\_

#### Instructions for completing the questionnaire

The questionnaire consists of two parts:

I/A – Questionnaire on knowledge and experience

I/B – The Bank's warning (with regard to answers from point A of this questionnaire) to the client after receiving of answers to the questionnaire).

Please fill in the questionnaire and sign the "Statement of data authenticity".

For **legal entities** the questionnaire must be completed and signed by the legal representative of the legal entity or his/her authorised person. The **natural person** completes the questionnaire in his/her own name. If the natural person has a legal representative (custodian) the questionnaire is completed by the latter.

#### Warnings

1. The questionnaire is prepared because of obligations of NLB d.d. according to **Article 254 of the Market in Financial Instruments Act (ZTFI-1)** according to which the Bank must obtain from the client information on its knowledge and experience to be able to assess the suitability of the Bank's services for a certain client.
2. The purpose of obtaining data and information about the client in this questionnaire is to **ensure the protection of the interests of a client as an investor**. It is important that the client submits accurate and complete information on the basis of which the Bank can assess the suitability of products which the client orders from the Bank (services of executing orders). More detailed information on risks of investments into financial instruments is available to clients and potential clients in General Terms and Conditions of Trading in Financial Instruments of NLB d.d. The Bank will use and process data and information obtained by answers in the questionnaire in accordance with the reasons from item 1 above and the purpose of their acquisition hereunder and keep them together with contractual documentation of the client. The Bank guarantees to the client protection of personal and other data, which the client disclosed in its answers, in accordance with the law regulating personal data protection, the ZTFI-1 and other applicable regulations, and shall not forward them to third persons without a prior written consent of the client.
3. The Bank is obliged to provide the assessment of adequacy of investment service or product **before concluding an agreement** with the client. Obtaining information and data on the client by this questionnaire thus constitutes a precondition for conclusion of an agreement on brokerage services or other similar agreements.
4. If the client does not want to submit information and the required data from this questionnaire, the Bank cannot assess whether the type of investment services or products which the client wants to order from the Bank or trade in them are adequate for the client. The same applies if the Bank on the basis of information and data, received from the client on the basis of a completed questionnaire, assesses that the investment service or product is not adequate for this client. If the client nevertheless wants that the Bank performs a certain investment service for it or offers it a product, the client shall confirm its wish by placing an order for the purchase or sale or conclusion of a transaction with financial instrument for which the Bank assessed to be inadequate for the client. Simultaneously with placing an order or concluding a transaction the client confirms to be aware of risks arising from an inadequate product and that the Bank warned them about that and to assume all risks which might occur because of inadequacy of a product/service for the client.

#### Client statement

"By signing this statement I confirm authenticity of data and information which I state in the answers to questions, and I am aware that my answers show the level of my understanding of investment services and the related risks.

I undertake to promptly submit to the Bank, at its request, authentic documents proving the truthfulness of data and to regularly inform the Bank of any changes of data which could influence the assessment of adequacy or suitability of the product and/or investment service.

By signing this statement I agree with the reasons and the purpose of obtaining information and data by means of a questionnaire and with verbal explanations (items 1 and 2 above) and the method of their processing (item 2). I am aware that the data and information obtained by this questionnaire are required for execution of the agreement on providing investment services or activities."

#### Circle as appropriate

A. I am completing the questionnaire on knowledge and experience.

B. I do not want to submit data and complete the questionnaire on knowledge and experience, and I am aware of the risks arising from this fact.

Date: \_\_\_\_\_

Client: \_\_\_\_\_

(signature of the legal representative or their authorised person)

**Education level:**

- a) Below level V
- b) Level V
- c) Level VI
- d) Level VII
- e) Above level VII

**Occupation of the client/employment:** \_\_\_\_\_

1. Please indicate which financial instruments you are familiar with and what scope of transactions you performed with an individual financial instrument.

You can additionally verify your knowledge of individual groups of financial instruments with questions which are available at [www.nlb.si](http://www.nlb.si).

		Are you familiar with the instrument? (Please circle)		Have you executed at least 2 transactions with individual instrument (please circle)?	
1	Equity securities (shares listed on a stock exchange)	YES	NO	YES	NO
2	Debt securities (bonds)	YES	NO	YES	NO
3	Investment funds (mutual funds and investment companies)	YES	NO	YES	NO
4	Shares not admitted to trading on stock exchange but traded in over-the-counter market	YES	NO	YES	NO
5	Options (warrants)	YES	NO	YES	NO
6	Futures contract (forward transactions, synthetic forwards)	YES	NO	YES	NO
7	Swap deals (FX swap, interest swap etc.)	YES	NO	YES	NO
8	Derivatives used for transfer of credit risk	YES	NO	YES	NO
9	Contracts for differences (CFD)	YES	NO	YES	NO
10	Structured deposit (on the price of goods, on currency pair)	YES	NO	YES	NO
11	Investment certificates	YES	NO	YES	NO
12	Any other transactions undertaken in relation to securities, foreign currencies, interest rates, yields, goods, variables of atmosphere, transportation costs, emission allowances, inflation rates or other official economic statistical data as basic instruments or in relation to assets, rights, obligations, indexes and measures and which has characteristics of other derivatives If yes please name them:	YES	NO	YES	NO

2. Please indicate how often did you make deals in the last year with any financial instrument and how much was the average size of individual transaction (circle only one answer).

		Average number of transactions	
		4 or less	5 or more
The average size of individual transaction of ALL concluded transactions in this period	up to EUR 7,500	a)	c)
	over EUR 7,500	b)	d)

3. Please indicate what kind of transactions did you perform in the past.

Investment in financial instruments with the purpose of preserving the value	YES	NO
Investment in financial instruments with the purpose of achieving growth in the value	YES	NO
Investment in financial instruments with the purpose of speculating	YES	NO
Investment in financial instruments with the purpose of collateralising	YES	NO



## I/B The Bank's warning

**Client's name and surname/Company name:** \_\_\_\_\_

**Company reg. no.:** \_\_\_\_\_

**Permanent residence/registered office:** \_\_\_\_\_

On the basis of your answers, which you submitted in the completed questionnaire on knowledge and experience, please find attached the assessment of the Bank which financial instruments are adequate or suitable for you

Financial instrument	Adequacy
Equity securities (shares listed on a stock exchange)	
Debt securities (bonds)	
Investment funds (mutual funds and investment companies)	
Shares not admitted to trading on stock exchange but traded in over-the-counter market	
Options (warrants)	
Futures contract (forward transactions, synthetic forwards)	
Swap deals (FX swap, interest swap etc.)	
Derivatives used for transfer of credit risk	
Contracts for differences (CFD)	
Structured deposit (on the price of goods, on currency pair)	
Investment certificates	

The client shall assume all consequences arising from placing an order or concluding a transaction with financial instrument(s) or product(s), for which NLB d.d. assessed that were not adequate or suitable for the client.

**Date:** \_\_\_\_\_

**Name and code of OU:** \_\_\_\_\_

**NLB d.d.:** \_\_\_\_\_  
(name and surname) (signature)

*The original warning I/B shall be sent to the client with a registered letter, a copy is retained by the Bank.*

*In the case that the client receives the warning I/B directly from the bank officer, the client confirms the receipt of the warning by signature.*

**Client:** \_\_\_\_\_  
(signature)



## Request for treatment as a non-professional client

**Client's name and surname/Company name:** \_\_\_\_\_

**Personal/Company ID no.:** \_\_\_\_\_

**Permanent residence/registered office:** \_\_\_\_\_

Name and surname of the legal representative

or authorised person:

Name and surname of the principal (legal representative): \_\_\_\_\_

Date of authorisation: \_\_\_\_\_

### Circle as appropriate and fill in

A. "I request to be treated by the Bank in accordance with the Client Classification Policy of NLB d.d. as a non-professional client with all investment services it offers. My request to be treated as non-professional client shall be considered as of the date of submitting this request as an amended contractual provision which regulates my classification into one of the categories of clients foreseen in the Client classification policy of NLB d.d. in all agreements on providing investment services between me and the Bank concluded up till now."

or

B. "In accordance with the Client Classification Policy of NLB d.d. I request to be treated by the Bank as a non-professional client for the following investment service(s):"

or

C. "In accordance with the Client Classification Policy of NLB d.d. I request to be treated by the Bank as a non-professional client for the following investment service(s):"

\_\_\_\_\_  
*(Enter the code/name of financial instrument, quantity and foreseen date of transaction).*

This request becomes a constituent part of the agreement no. \_\_\_\_\_, date of conclusion \_\_\_\_\_.

*(Enter the agreement with the Bank on providing investment service for which you want non-professional treatment.)*

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Name and code of OU:** \_\_\_\_\_

**Client:** \_\_\_\_\_  
(signature)

**NLB d.d.:** \_\_\_\_\_  
(name and surname) (signature)

*The request shall be signed in two original copies, of which the client receives one and the Bank – Legal Compliance Office the other copy.*



**Explicit confirmation – Eligible counterparty**

Company name: \_\_\_\_\_

Identification/registration no.: \_\_\_\_\_

We have read and understood the notice regarding classification and confirm that your classification of our company as Eligible counterparty is in accordance with as determined by the law or measures of the country in which we have been established, and that we agree with such classification.

Full name of the authorized representative  
or authorized signatory: \_\_\_\_\_

Signature of authorized representative or  
authorized signatory: \_\_\_\_\_

Date: \_\_\_\_\_



## Request for treatment as a professional client

**Client's name and surname/Company name:** \_\_\_\_\_

**Personal/Company ID no.:** \_\_\_\_\_

**Permanent residence/registered office:** \_\_\_\_\_

Name and surname of the legal representative

or authorised person: \_\_\_\_\_

Name and surname of the principal (legal representative): \_\_\_\_\_

I request to be treated by the Bank in accordance with the Client Classification Policy of NLB d.d. as a professional client for all investment services it offers.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Name and code of OU:**  
\_\_\_\_\_

**Client:** \_\_\_\_\_  
(signature)

**NLB d.d.:** \_\_\_\_\_  
(name and surname) (signature)