

BofA Securities Client Classification and Protections Document

Version 2.1

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1 Eligible Counterparty Categorisation

1.1 Unless otherwise agreed, in accordance with the Applicable Rules where we:

- (a) deal on our own account;
- (b) execute orders on your behalf;
- (c) receive and transmit orders; or
- (d) provide you with an Ancillary Service directly relating to any of (a), (b) or (c),
we will categorise you as an eligible counterparty if you fall into one of the following categories (whether you are from an EEA state or not):
 - (i) an investment firm;
 - (ii) a credit institution;
 - (iii) an insurance company;
 - (iv) a collective investment scheme authorised under the UCITS Directive or its management company;
 - (v) a pension fund or its management company;
 - (vi) another financial institution authorised or regulated under EU legislation or the national law of an EEA State or the UK;
 - (vii) a national government or its corresponding office, including a public body that deals with the public debt at national level;
 - (viii) a central bank;
 - (ix) a supranational organisation; or
 - (x) any other category that may be treated as an eligible counterparty in accordance with the Applicable Rules.

1.2 Additionally, you may be categorised as an eligible counterparty where we separately agree to such a categorisation with you to the extent permissible under Applicable Rules. In such cases, you will be deemed an “elective eligible counterparty” for the purposes of Applicable Rules.

2 Types of Client Categorisation and Differences in Protections

2.1 Professional Clients

Where we treat you as a professional client, you will be entitled to fewer protections under the Applicable Rules than you would be entitled to as a retail client. The benefits you would lose include that we would no longer be subject to obligations under Applicable Rules requiring:

- (i) the provision of a report to you, if we provide investment advice, that includes an outline of the advice given and how any recommendation provided is suitable, including how it meets your objectives and personal circumstances;
- (ii) us not to assume that you have the necessary experience and knowledge in order to understand the risks involved in relation to the products or Services offered or demanded when assessing whether a Service is appropriate for you;
- (iii) Best Execution (when applicable) to be determined in terms of total consideration (i.e. representing the price of the financial instrument and the costs relating to execution, including all expenses incurred by you which are directly related to the execution of your order) as opposed to considering the execution factors more widely;
- (iv) that where we execute orders for you, we provide you with a summary of the order handling and execution policy, focused on the total costs incurred which also includes a link to the most recent execution quality data published for each execution venue listed in the execution policy;
- (v) that where a Service is offered together with another Service or product as part of a package or as a condition for the same agreement or package, and the risks resulting from such an agreement or package offered to you are likely to be different from the risks associated with the components taken separately, we must provide you with an adequate description of the different components of the agreement or package and the way in which its interaction modifies the risk;
- (vi) additional information to be provided to you about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty;
- (vii) that where you are provided with information about a financial instrument that is the subject of a current offer to the public and a prospectus has been published in connection with that offer, in good time before the provision of investment services or Ancillary Services we inform you where that the prospectus is made available to the public; and
- (viii) that where information provided contains an indication of past performance of a financial instrument, a financial index or an investments service, we provide you with enhanced warnings that the return may increase or decrease as a result of currency fluctuations where the indication relies on figures denominated in a currency other than that of the state in which you are resident (limited to residency in an EEA member state or the UK, as applicable).

In addition, you may not be entitled to compensation (or the same level of compensation) under any relevant investor compensation scheme, any relevant deposit compensation scheme and/or any other relevant compensation scheme of a similar type.

2.2 Eligible Counterparties

Where we treat you as an eligible counterparty, you will be entitled to fewer protections under the Applicable Rules than you would be entitled to as a professional client. The benefits you would lose include, in addition to the above, that we would no longer be subject to obligations under Applicable Rules requiring us to:

- (i) act in accordance with your best interests; assess the appropriateness of Services or products proposed to you or requested by you;
- (ii) take all sufficient steps for obtaining the best possible result for the execution of your orders;
- (iii) implement procedures providing for the prompt, fair and expeditious execution of your client orders relative to the orders of our other clients or our trading interests;
- (iv) ensure that financial instruments are offered or recommended to you only when this is in your interests;
- (v) restrict and disclose the giving and receiving of any fee, commission or non-monetary benefit in connection with the provision of any service or Ancillary Service; and
- (vi) when a service is offered together with another service or product as part of a package or as a condition for the same agreement or package, inform you whether it is possible to buy the different components separately.

Further information on the consequences of your categorisation as a professional client or eligible counterparty is available on request from your usual relationship contact.

