

FIRST ABU DHABI BANK UK

Consequences of Categorisation as an Elective or *per se* Professional Client

January 2021

Introduction

The Global Markets division of First Abu Dhabi Bank PJSC, UK Branch (“**FAB UK**”) only provides services directly to clients that, in our assessment, qualify automatically as eligible counterparties or professional clients, or those clients wishing to elect to be treated as a professional client that have the necessary expertise, experience, resources and knowledge to be re-categorised as such.

We provide this document to you as a clear written warning of the protections and investor compensation rights that you may lose by being an elective professional client as opposed to retail client. This document is not comprehensive and it summarises certain provisions. While accurate at the time of publication, applicable regulations are subject to change. We will seek to keep this document up to date and will publish the most recent version at <https://www.bankfab.com/en-gb/regulatory>, but we are not required to notify you of any such changes.

This document sets out the differences in regulatory protections that apply to a professional client as compared with a retail client in relation to MiFID (or equivalent third country business) in respect of services provided by FAB UK.

Terms used in this document have the same meanings as in our Terms of Business for professional clients and eligible counterparties (which is published at <https://www.bankfab.com/en-gb/regulatory>), unless the contrary intention appears. References in this document to professional clients shall include both *per se* and elective professional clients.

It is important that you read and understand this document before you continue with any request to be treated as an elective professional client. If, after reading this written warning, you still wish to be considered as a professional client, please confirm this in writing to us at FABLondonKYCTeam@bankfab.com.

If you elect to be categorised as a professional client, you are responsible for keeping FAB UK informed about any change that could affect your categorisation. If FAB UK becomes aware that you no longer fulfil the initial conditions that made you eligible for categorisation as a professional client, FAB UK may re-categorise you as a retail client.

If you have any other questions, please do not hesitate to contact us.

Consequences of Categorisation as an Elective or *per se* Professional Client

Under the provisions of the FCA Handbook and PRA Rulebook, as applicable, professional clients are granted fewer protections than retail clients. In particular:

1. **Less FAB UK Information.** You will be provided with less information with regard to the firm, its services and any investments;
2. **Assumption of Knowledge.** Where we assess the appropriateness of a product or service, we can assume that you have sufficient knowledge and experience to understand the risks involved;
3. **Less Financial Instrument Information.** We may provide you with less information relating to the nature and risk profile of the financial instruments we offer to you;

4. **Assumption of Experience and Financial Position.** If we are required to assess the suitability of a personal recommendation made to you, we can assume that you have sufficient experience and knowledge to understand the risks involved, and can sometimes assume that you are able financially to bear any related investment risks consistent with your investment objectives;
5. **Best Execution.** When providing you with best execution we are not required to prioritise the overall costs of the transaction as being the most important factor in achieving best execution for you;
6. **Less Information Concerning Orders.** We do not need to inform you, promptly upon becoming aware, of material difficulties relevant to the proper carrying out of your order(s);
7. **More Limited Costs and Charges Information.** We may agree to provide you with more limited information on costs and charges than would otherwise be required under Applicable Law;
8. **Less Disclosure Regarding Certain Financial Instruments.** Where investment services or ancillary services relate to financial instruments that are the subject of current offers to the public and a prospectus has been published, we are not required to provide you, in good time before the provision of investment services or ancillary services, with information about where the prospectus has been made available to the public;
9. **Title Transfer Collateral Arrangements.** We may conclude title transfer financial collateral arrangements for the purpose of securing or covering your present or future, actual or contingent or prospective obligations;
10. **Less Reporting.** We do not need to comply with more extensive reporting obligations in respect of the execution of orders, portfolio management and contingent liability transactions or positions in leveraged financial instrument;
11. **Financial Ombudsman Service.** The services of the Financial Ombudsman Service in the UK may not be available to professional clients, unless they are, for example, consumers, small businesses or individuals acting outside of their trade, business, craft or profession; and
12. **UK Financial Services Compensation Scheme.** In the UK we are a member of the UK Financial Services Compensation Scheme. You may be entitled to claim compensation from that scheme if we cannot meet our obligations to you. This will depend on the type of business and the circumstances of the claim. Compensation is only available for certain types of claimants and claims in respect of certain types of business. Eligibility for compensation from the scheme is determined under the rules applicable to the scheme and your rights (if any) to make a claim are unlikely to be directly affected by your categorisation as a professional client. For more information please see the FAB UK Terms of Business which can be found at <https://www.bankfab.com/en-gb/regulatory>.