



## **Treatment of Professional Clients**

An Elective Professional Client is a potential investor assessed by Hawkwood as having sufficient investment knowledge, expertise and experience as well as an understanding of the risks involved in investing in Hedge Funds.

**As a consequence of being classified as an Elective Professional Client you will lose:**

- 1. The right of access to the Financial Services Ombudsman for arbitration on complaints and disputes and the entitlement to claim compensation under the Financial Services Compensation Scheme.**

- 2. Disclosure of charges, remuneration and commission**

We will not be obliged to disclose to you the basis or amount of charges for any services we provide to you in the course of carrying out business with you or on your behalf, or the nature or amount of any other income (e.g. remuneration, commission) that we may receive from third parties in connection with such services.

- 3. Financial promotions and communications**

We may have regard to your expertise as an Elective Professional Client when complying with the requirements under the regulatory system that communications be clear, fair and not misleading.

However, we are not obliged to set out any of the prescribed contents, disclosures or risk warnings needed for Retail clients in prospectuses, marketing brochures and other non-real time financial or promotional material, nor will we be subject to the restrictions that apply to Retail Clients regarding unsolicited real-time communications (i.e. cold calling) with you.

- 4. Understanding of risk**

We are not required to provide you with the written risk warnings that are required for Retail Clients in relation to complex financial instruments such as derivatives.

- 5. Suitability**

Where we provide you with discretionary asset management services, we are entitled to assume that you have the requisite knowledge and experience to understand the risks involved, consistent with your investment objectives.

- 6. Best Execution**

When executing orders for you, we must take all reasonable steps to obtain the “best possible result” for you. The requirement, for Retail Clients, to determine the best possible result in terms of total consideration for the transaction does not apply to Elective Professional clients.

When carrying out client orders, firms must inform Retail Clients of any material difficulty in carrying out the order promptly on becoming aware of the difficulty. This condition does not apply to Elective Professional Clients.

- 7. Periodic statements**

We are not obliged to provide periodic statements with as much content and detail as we do for Retail clients. Timing requirements for providing periodic statements which apply to Retail Clients do not apply to Elective Professional clients.

***Please note the FSA Rules advise that once you have been categorised as a Professional Client, you are responsible for keeping us informed of any change that could affect this categorisation.***