IGUAKO CAPITAL · Group policy

Client Classification and Eligibility

The group serves institutions, intermediaries, founders and ultra-high-net-worth principals. It has no retail business anywhere and does not intend to acquire one. This policy sets the three client categories the group recognises, the evidence required to place a client in each, the protections that attach to each, and the process for reclassification or withdrawal of service.

CODE	CATEGORY	VERSION
IGC-CC-001	Conduct and clients	5.0
EFFECTIVE	**REVIEW**	**OWNER**
2025-04-21	Annual, and on any change to eligibility criteria in a jurisdiction of domicile	Group Head of Client Governance

1. Purpose and scope

Classification determines what the group may offer, what it must explain and which protections apply. It is settled before a mandate begins and recorded on the client file. It is not a marketing category and it is never adjusted to accommodate a particular transaction.

Scope covers every relationship in all six divisions and in all 28 jurisdictions of domicile. It covers the 61 private-wealth family relationships and every institutional counterparty. Co-investors admitted to a group vehicle are classified individually before admission rather than by reference to the lead investor.

Where local law defines categories differently, the local definition governs the local entity and the group category is recorded alongside it. Where the two sets of protections differ, the stricter set applies to the relationship as a whole.

2. Categories and definitions

An eligible counterparty is a regulated financial institution, a fund, a pension arrangement, a large corporate or a public body dealing on its own account. It receives the least protection because it is presumed able to evaluate an opportunity without assistance from the group.

A professional client is an entity or individual with the experience, knowledge and resources to make its own investment decisions and to bear the resulting loss. Professional status is evidenced rather than assumed, and the evidence is recorded on the file with the date it was obtained.

An accredited individual is a natural person meeting the group wealth and experience tests, ordinarily a founder or principal within a private-wealth relationship. The group accepts no retail clients in any jurisdiction and operates no retail service, product or channel.

- Eligible counterparty: an institution or public body dealing on its own account.
- Professional client: an entity or person with evidenced experience and capacity to bear loss.

- Accredited individual: a natural person meeting the group wealth and experience tests.

3. Principles

Protection is not waived for convenience. A client may ask to be treated as more sophisticated than the evidence suggests. The request is granted only where fresh evidence supports it, and never because a product would otherwise be unavailable to that client.

The more protective classification wins a finely balanced case. A doubtful professional is treated as an accredited individual, with the additional disclosure and suitability work that follows from that treatment under IGC-CC-002. The cost of the extra work is small against the cost of a client who did not understand what it bought.

Classification is reviewed rather than fixed. Wealth changes, mandates change and the people who take decisions inside an institution change. An annual confirmation keeps the record aligned with the facts and forces a conversation when it is not.

4. Classification requirements

Requirement 4.1. Every client is classified before the first mandate and the classification is approved by two people, one from the client governance team. The category, the evidence relied on and the date are recorded in the client system.

Requirement 4.2. An accredited individual evidences investable assets above US$5 million, or a professional background in financial services of at least 5 years, together with a written acknowledgement of the risks of private market exposure.

Requirement 4.3. An institutional counterparty evidences own-account dealing, its regulatory status where it holds one, and total assets above US$50 million. The most recent audited financial statements are held on file and refreshed each year.

Requirement 4.4. Classification is confirmed annually by the relationship owner. A confirmation more than 60 days overdue restricts new mandates for that client until it is completed, and the restriction is reported to the division head.

5. Reclassification and withdrawal

A client may request reclassification in writing. The request is assessed by the client governance team against the same evidence standard as an initial classification, and the outcome is confirmed to the client in writing within 10 business days of the decision.

The group may reclassify a client on its own initiative where the facts change. Where reclassification reduces the products available, the client is told which mandates are affected and given 30 days to respond before existing positions are addressed.

The group withdraws service where a client cannot be placed in one of the three categories. Withdrawal is orderly: positions are held or realised on the timetable in the mandate, and no new business is accepted from the date of the decision.

6. Roles and responsibilities

The Group Head of Client Governance owns this policy and the classification standard. Relationship owners gather the evidence and propose a category. The client governance team approves the category and holds the record for the life of the relationship.

The Compliance & Conduct Committee reviews classification exceptions each quarter. The Head of Private Wealth is accountable for the classification of the 61 family relationships and confirms it to the committee once a year in writing.

7. Monitoring, breaches and review

Monthly reporting shows classifications by category and division, annual confirmations outstanding, reclassifications granted and refused, and clients restricted for an overdue confirmation. New relationships are reported separately from existing ones so that onboarding quality is visible.

Accepting a mandate from an unclassified client is a breach. It reaches the Group Head of Client Governance within 24 hours, the mandate is suspended and the classification is completed before any further activity on the account.

This policy is reviewed annually. Version 5.0 took effect on 21 April 2025 and replaced four categories with three, retiring the separate category previously used for family investment companies. Classification records are retained for 10 years after exit.

Key controls

- Every client is classified before the first mandate and approved by two people.
- An accredited individual evidences investable assets above US$5 million or 5 years in financial services.
- An institutional counterparty evidences own-account dealing and total assets above US$50 million.
- Classification is confirmed annually and new mandates are restricted after 60 days overdue.
- Reclassification requests are decided against the initial evidence standard within 10 business days.
- The Head of Private Wealth confirms the classification of all 61 family relationships each year.
- Classification records and supporting evidence are retained for 10 years after exit.

Related policies

- Suitability and Appropriateness (IGC-CC-002)
- Know Your Client and Client Due Diligence (IGC-FC-002)
- Fair Treatment of Clients (IGC-CC-006)
- Cross-Border Services and Perimeter (IGC-CC-008)