



Opting in or opting out?

In the FinSA world, financial services providers must classify their clients into:

- a. **Private clients,**
- b. **Professional clients**
- c. **Institutional clients.**

I often get asked this question when it comes to high-net worthy retail clients wishing to be categorized as professional clients: Is it opting in or opting out?

The answer is: **Opting out!**

But they have to prove that they satisfy 1 of the 2 below criteria (it is not cumulative!):

a. on the basis of training, education and professional **experience** or on the basis of comparable experience in the **financial sector**, they possess the necessary **knowledge** to understand the risks associated with the investments and have at their disposal **assets of at least CHF 500,000**;

or

b. they have at their disposal **assets of at least CHF 2 million**