



CLIENT CATEGORISATION NOTICE

MITRADE EU LIMITED

1. Introduction

Mitrade EU Limited (“**we**” or “**Mitrade**”), pursuant to and in accordance with the provisions of the Investment Services and Activities and Regulated Markets Law of 2017, L. 87(I)/2017 (the “**Law**”), is required to categorise its clients into one of the following categories: Retail Clients, Professional Clients or Eligible Counterparties.

The purpose of the present Client Categorisation Notice (the “**Notice**”) is to inform new clients of their categorisation, their rights to request a different categorisation and any limitations to the level of client protection that a different categorisation would entail.

Mitrade accepts only natural persons and not legal entities. All Clients are automatically categorised as Retail Clients and they may explicitly request to be treated as Professional Clients, subject to the eligibility criteria (“**Elective Professionals**”).

2. Categories Of Clients

Retail Clients are clients who are neither Professional Clients nor Eligible Counterparties. Retail Clients are entitled to the highest level of protection.

Professional Clients are clients who possess the experience, knowledge and expertise to make their own investment decisions and properly assess the risks that they incur.

Eligible Counterparties are certain types of authorized or regulated entities, governments or public bodies.

3. Request For Different Categorisation

Retail Clients may request to be treated as Professional Clients and waive some of the protections afforded by the Law. Mitrade is allowed to treat a Retail Client as a Professional Client, provided that the relevant criteria (points 1 and 2) and the procedure (point 3) mentioned below are fulfilled:

- 1) Mitrade undertakes an adequate assessment of the expertise, experience and knowledge of the client that gives reasonable assurance, in light of the nature of the transactions or services envisaged, that the client is capable of making investing decisions and understanding the risks involved.
- 2) In addition, to point 1 above, Mitrade takes all reasonable steps to ensure that the client, as a minimum, meets two of the following criteria:
 - a) The client has carried out transactions, in significant size, at an average frequency of 10 per quarter over the previous four quarters.
 - b) The size of the client’s financial instrument portfolio exceeds EUR 500,000.
 - c) The client works or has worked in the financial sector for at least one year in a professional position, which requires knowledge of the transactions or services envisaged.

- 3) Retail Clients may waive the protections afforded by the Law, only where the following procedure is followed:
 - a) The client must notify Mitrade in writing that they wish to be treated as a Professional Client.
 - b) Mitrade provides a clear written warning of the protections and investor compensation rights the client may lose.
 - c) The client confirms in writing, in a separate document from the contract, that is aware of the consequences of losing such protections.

Requests by Retail Clients to be treated as Professional Clients are considered as general requests for re-categorisation for all the services covered in the Client Agreement. Re-categorisation to Professional Client in relation to a specific service, transaction or type of transaction is not available.

Before deciding to accept any request for waiver, Mitrade shall take all reasonable steps to ensure that the client requesting to be treated as a Professional Client meets the relevant requirements stated hereinabove. Mitrade may reject any requests for change in the categorisation of a Retail Client, if it is not satisfied with the client meeting the relevant criteria.

Elective Professionals are responsible for keeping Mitrade informed about any change, which could affect their current categorisation. Should Mitrade become aware however that a Professional Client on request, i.e. Elective Professional, no longer fulfils the initial conditions, which made him/her eligible for a professional treatment, Mitrade shall take appropriate action and inform the client accordingly.

It is clarified that Elective Professionals may request at any time to be re-categorised as Retail Clients.

4. Protection Rights

Retail Clients are entitled to more protections under the Law compared to Professional Clients. The protections that apply to both Retail and Elective Professional Clients may include, but are not limited, to the following:

- 1) Retail and Elective Professional Clients are entitled to receive the same information/disclosures regarding Mitrade's services and financial instruments, costs and charges, safeguarding of client money and all the required regulatory information in relation to execution of their orders.
- 2) Retail and Elective Professional Clients are required to provide information regarding their knowledge and experience in the investment field relevant to the specific type of product or service offered or demanded, to enable Mitrade to assess whether the service or product envisaged is appropriate for the client.
- 3) When executing orders of Retail or Elective Professional Clients, Mitrade shall take all sufficient steps to obtain the best possible result.
- 4) Retail clients are provided with a 'margin-close out protection', as per the requirements of CySEC's

Directive DI87-09, which are further clarified in the Client Agreement. Elective Professional clients, even though not entitled, are also offered 'margin-close out protection'.

The following protections are afforded to Retail Clients but not to Elective Professional Clients:

- 1) Retail Clients may be entitled to a compensation under the Investor Compensation Fund (the "ICF"). Elective Professionals are not entitled to be compensated under the ICF.
- 2) Mitrade shall limit the maximum leverage offered to Retail Clients from 1:30 to 1:2 depending on the type of the underlying asset, as per the requirements of CySEC's Directive DI87-09. These limitations do not apply to Elective Professionals.
- 3) Retail Clients are entitled to negative balance protection and may not lose more than the total amount deposited in their trading account. Elective Professional Clients may not be entitled to negative balance protection.
- 4) Retail Clients are entitled to receive a standardized risk warning about CFD trading. Elective Professional Clients are not subject to the standardized CFD risk warning.



MITRADE EU LIMITED IS INCORPORATED IN THE REPUBLIC OF CYPRUS, WITH REGISTRATION NUMBER HE 420923 AND REGISTERED ADDRESS AT 79, SPYROU KYPRIANOU AVE., MGO PROTOPAPAS BUILDING, 1ST FLOOR, 3076, LIMASSOL, CYPRUS. MITRADE EU LIMITED IS AN INVESTMENT FIRM, AUTHORISED AND REGULATED BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION (CIF NO.438/23).