



Client Categorisation

Stratos Markets Limited



Stratos Markets Limited (hereafter referred to as “Tradu” and “we”) is required under the rules of the UK Financial Conduct Authority (“FCA”) and the Markets in Financial Instruments Directive II (“MiFID II”) to classify our Clients as Retail, Professional, or Per Se Eligible Counterparty. Clients may request to receive a different classification at any time, either generally or in respect of specific circumstances.

For your information, we have included below an explanation of the differences in classification and the protections afforded to each level.

Any terms used in this policy that are not specifically defined herein shall be interpreted as defined in the Terms of Business.

Retail Client

A **Retail Client** is a Client who is not a Professional Client or a Per Se Eligible Counterparty.

As a **Retail Client**, you are entitled to the maximum level of protection in relation to the FCA’s Conduct of Business (“COBS”) and Client Money and Assets (“CASS”) rules; and the services of the Financial Ombudsman Service (“FOS”) and Financial Services Compensation Scheme (“FSCS”).

With regards to funds held with us, any money we receive from you or hold on your behalf will be treated as “Client Money” as defined in the CASS rules. This means that any money we receive from you or hold on your behalf will be segregated from Tradu’s own money and you will not rank as a general creditor of Tradu in the event of insolvency or an equivalent failure.

Per Se Professional Client

A **Per Se Professional Client** includes any of the following (A-D):

- A. An entity required to be authorised or regulated to operate in the financial markets including:
- [credit institutions](#);
 - [investment firms](#);

- insurance companies;
- collective investment schemes or the management company of such schemes;
- pension funds or the management company of a pension fund;
- other authorised or regulated financial institutions;
- commodity or commodity derivatives dealers;
- locals; and
- other institutional investors.

B. A company meeting two of the following size requirements:

- balance sheet total of EUR 20,000,000;
- net turnover of EUR 40,000,000; and
- own funds of EUR 2,000,000.

C. A national or regional government, public body that manages public debt, central bank, international or supranational institution (e.g., World Bank, the IMF, the ECB), or other similar international organisation.

D. Another institutional investor whose main activity is to invest in [financial instruments](#).

Elective Professional Client

Before a Client can be categorised as an **Elective Professional Client**, the Client must meet **two** of the following criteria:

- Has carried out transactions, in significant size, on a relevant market at an average frequency of 10 per quarter over the previous four quarters;
- Has a financial portfolio exceeding EUR 500,000; and

- Has worked in the financial sector for at least one year in a professional position, which requires knowledge of the products to be traded.

As a **Professional Client**, you will lose the following protections afforded to Retail Clients under FCA rules:

- You may not be eligible to seek the services of the FOS and may not be eligible for compensation under the FSCS.
- Our communications, including financial promotions, will not be subject to all the retail regulatory requirements.
- Where we assess whether a product or service is appropriate for you, we can assume that you have the necessary level of knowledge and experience to understand the risks involved in it.
- The COBS rules relating to the confirmation of transactions will apply in a modified form. Provisions regarding extra reporting requirements for dealings with Retail Clients and provision of hard copies of confirmations not accessed electronically will not apply.
- 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.
- As a professional Client negative balance protection will not apply to you. You will have an obligation to make additional payments should your account fall into a negative balance.

- insurance companies;
- authorised collective investment schemes or its management company;
- pension funds or its management company;
- another regulated financial institution;
- certain own account dealers in commodities or commodity derivatives; or local authorities;
- national governments or its corresponding office;
- central banks; and
- supernational organisations

As a **Per Se Eligible Counterparty**, you will lose the same protections applicable to Professional Clients, as specified above. Additional FCA rules may not apply to Per Se Eligible Counterparties, including in respect of the transactions, which we carry on with you or any related ancillary services, we are not bound by certain FCA conduct of business rules and MIFID II requirements, including on Best Execution, Order Handling, disclosure of information on financial products, costs and charges. Such transactions however remain subject to the agreements made between us.

Per Se Eligible Counterparty Client

Per Se Eligible Counterparty Client carries out **eligible counterparty business** and is any of the following undertakings:

- credit institutions;
- investment firms;