

Client Categorization Policy

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CLIENT CLASSIFICATION

Beetoom (hereinafter the “Company”) does categorize its Clients into one of the following three categories: retail, professional or eligible counter-party.

CLIENT CLASSIFICATION / RISK CLASSIFICATION

The Company, prior to engaging in any business relationship with its potential clients, categorises the potential clients based on their level of experience and understanding of the risks involved. Clients shall be categorized as follows, based on the criteria outlined below:

a. Professional Clients

Professional client is a client who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs.

b. Retail Clients

Each client, who is not a professional client, is considered to be a retail client. All the individual Clients are classified as Retail Clients.

Moreover, each Client, either Retail or Professional, will be categorised on three risk levels, based on his ability to bear the trading risk, as per the below classification:

When any of the above criterias are met, the Client can ask to be reclassified accordingly. For example, a Level 1 Client that sends to the Company 8 interchange orders for execution, needs to apply for Level 2 in order to be able to continue trading. Once he applies for Level 2 classification the Company will verify his Balance eligibility and proceed with his request. Once he will be classified as Level 2 he will be able to send up to 19 interchange orders and his trading account leverage will increase to 1:100.

The Client doesn't have the option to change his RISK CLASSIFICATION. This is set by the Company based on his Balance and number of deals.

II. OPTION TO CHANGE CLIENT CLASSIFICATIONThe Client doesn't have the option to change his RISK CLASSIFICATION. This is set by the Company based on his Balance and number of deals.

It is noted that an eligible counterparty or professional client is allowed to request non professional treatment and the Company may agree to provide a higher level of protection. In this respect, the Company notifies its clients in a written form of their option to be classified as retail clients. The Company proceeds in this action, in order to offer a uniform level of protection to all of its clients.

The higher level of protection will be provided by the Company when the client enters into a written agreement with the Company, to the effect that it shall not be treated as a professional. It is the responsibility of the client who is classified as a professional client to ask for a higher level of protection when he is not in a position to properly assess and manage the risks involved in the transactions.

III. REQUEST FOR DIFFERENT CLIENT CATEGORISATION

In accordance with Section II above, the following request may be submitted to the company:

- a) A Retail Client requesting to be categorised as a Professional Client. In that case the Client will be afforded a lower level of protection.
- b) A Professional Client requesting to be categorised as a Retail Client. In that case the Client seeks to obtain a higher level of protection.

The Company reserves the right to decline any of the above requests for different categorisation.

IV. PROTECTION RIGHTS

Retail Clients/ Professional Clients

Where the Company treats the Client as a retail client, he/she/they will be entitled to more protections than if the Client was entitled to be a professional client. In summary the additional protections retail clients are entitled to are as follows:

1. A retail client will be given more information/disclosures with regard to the Company, its services and any cost, commissions, fees and charges and the safeguarding of client instruments and client cryptocurrencies.
2. When executing orders, the Company must take all reasonable steps to achieve what is called "best execution" of the client's orders that is to obtain the best possible result for their clients.

Where the Company executes an interchange order on behalf of a retail client, the best possible result shall be determined in terms of the total consideration, representing the value of the Contract and the cost related to execution, which shall include all expenses incurred by the client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to the third parties involved in the execution of the order, if such fees apply.

When providing professional clients with best execution the Company is not required to prioritise the overall cost of the transaction as being the most important factor in achieving best execution for them.

3. The Company must inform retail clients of material difficulties relevant to the proper carrying out of their order(s) promptly upon becoming aware of the difficulty.

4. If the Company provides services to a new retail client, the Company must enter into a basic agreement with the client, setting out the essential rights and obligations of the firm and the client.

5. We shall not use possessions held by us on behalf of a client for our own account or the account of another client of ourselves, without the client's prior express consent to the use of the instruments on specified terms, as evidenced, in the case of a retail client, by his signature or equivalent alternative mechanism.

