

CLIENT CLASSIFICATION POLICY

February 2025



Trading Moon (the “Company”, “us”, “we”, “our”, “ours” or “ourselves” as appropriate) is authorised and regulated in the Seychelles by the Financial Services Authority (“FSA”) with licence No: SD042 and Registered Office is F2-2A, Oceanic House, Providence Estate, Victoria, Mahe, Seychelles

1. Introduction

- 1.1. At Trading Moon, we classify our clients to ensure they receive the appropriate level of financial protection and services based on their experience, risk awareness, and financial sophistication. This policy aligns with the *Securities (Conduct of Business) (Amendment) Regulations, 2024 (SI 119 of 2024)* and provides a structured approach to classifying clients engaging in financial services and securities transactions.

2. Scope

- 2.1. This policy applies to all clients engaging with Trading Moon. Proper classification helps define the suitability of financial products and services while ensuring compliance with regulatory requirements.
- 2.2. Clients might be categorized into two primary groups:
1. **Retail Clients** – Provided with the highest level of investor protection.
 2. **Professional Clients** – Expected to have a higher level of financial knowledge and risk tolerance, thus receiving fewer protections.

3. Client Categories

3.1. Retail Clients

Retail Clients are individuals or entities that do not meet the criteria for Professional Client classification. They benefit from the highest level of investor protection, including but not limited to:

- Comprehensive disclosure requirements to ensure transparency.
- Negative balance protection for leveraged products.
- Suitability and appropriateness assessments before being offered services.
- Margin requirements for speculative investments to limit financial exposure.

3.2. Professional Clients Categories

Trading Moon recognizes two main categories of Professional Clients:

3.2.1 Institutional Professional Clients (Per Se/Automatically Classified)

These entities are automatically classified as Professional Clients by default. They include:

- Credit institutions
- Investment firms
- Insurance companies

- Collective investment schemes and their management companies
- Pension funds and their management companies
- Commodity and commodity derivatives dealers
- Other institutional investors whose main activity is investing in financial instruments

3.2.2 Elective Professional Clients (EPC)

Clients who do not automatically classified as Institutional Professional Clients may request classification if they meet at least two of the following criteria:

- A balance sheet total of at least USD 20 million (or equivalent).
- A net turnover of at least USD 40 million (or equivalent).
- Own funds of at least USD 2 million (or equivalent).

4. Assessment and Documentation

4.1. Client Classification Assessment

Before offering any services, Trading Moon will assess each client's financial standing, investment experience, and risk awareness.

- Clients requesting Professional status must submit supporting documents demonstrating they meet the criteria.
- Clients must also acknowledge, in writing, that they understand and accept the reduced level of investor protection associated with being a Professional Client

4.2. Record Keeping

- Client classification records and supporting documents will be kept for at least seven (7) years.
- Regular reviews will be conducted to ensure clients continue to meet classification requirements.

5. Client Reclassification

- 5.1. Clients can request to change their classification at any time:
- 5.2. Trading Moon reserves the right to reject classification requests if the client does not meet the required conditions.
- 5.3. Additionally, if Trading Moon identifies that a Professional Client no longer meets the criteria, they will be reclassified as a Retail Client and notified accordingly.