



Stryk is a trading name of BUX Europe Limited,
Previously Hua Ren (Cyprus) Financial Limited
(Regulated by the Cyprus Securities & Exchange Commission)

Product Governance Policy

Approved by	Board of Directors
Classification	Product Governance Policy
Last Revision Date	February 2021
Next Review Date	February 2022
Version	3

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1. Introduction

BUX EUROPE LIMITED, previously Hua Ren (Cyprus) Financial Limited (hereinafter referred to as the “Company”), is an investment firm that operates as a broker, where investment and ancillary services can be provided. **BUX EUROPE LIMITED** is incorporated in the Republic of Cyprus with Registration Number HE 350475. The Company is authorized and regulated by the Cyprus Securities and Exchange Commission (‘CySEC’), with license No. 374/19 and registered office located at 67 Franklin Roosevelt avenue, Lima Carna building, office 101, 3011 Limassol, Cyprus.

The Company is operating under Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on Markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (the “Markets in Financial Instruments Directive 2014/65/EU” or “MiFID II”) and amending Directive 2002/92/EC and Directive 2011/61/EU, as last amended by Directive (EU) 2016/1034 of the European Parliament and of the Council, of 23 June 2016 and under Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (the “MiFIR”) which was implemented in Cyprus by the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017), which provide for the provision of Investment Services, the exercise of Investment Activities, the operation of Regulated Markets and other related matters (the “Investment Services and Activities and Regulated Markets Law”), as the same may be modified and amended from time to time.

The Company will perform periodical reviews of this Policy and at least once a year and reserves the right to amend the current Policy at any time if such amendment is needed as a result of any amendments of the law, any regulations or for any reason the Company considers as a proper reason to amend the Policy.

2. Regulatory Framework

2.1 Main Legislation

- (a) The Investment Services Law 87/2017 (hereinafter, the “Law”) as amended from time to time
- (b) European Commission’s Directive 2014/65/EU (hereinafter, “MiFID II”) as amended from time to time
- (c) Commission Delegated Directive (EU) 2017/593 as amended from time to time
- (d) ESMA’s Guidelines on MiFID II product governance requirements as amended from time to time
- (e) CYSEC’s Circular C236 as amended from time to time
- (f) (Jointly or collectively referred to as the “Product Governance Requirements”)

2.2 The objective

The objective of Product Governance Requirements is to enhance the level of investor (i.e. client) protection by regulating all stages of the life-cycle of products or services in order to ensure that firms which manufacture and distribute financial instruments and structured deposits act in the Clients’ best interests. This Policy provides for Product Governance Requirements specifically for manufacturers and distributors of financial instruments as well as Product Governance Requirements applicable to both.

The Company is required to comply, in a way that is appropriate and proportionate, with the Product Governance Requirements, taking into account the nature of the financial instrument, the investment service and the target market for the product.

3. Scope Of The Policy

The Policy applies to Retail Clients, Professional Clients as per their classification in Article 4 of MiFID II:

- client’ means any natural or legal person to whom an investment firm provides investment or ancillary services;
- ‘professional client’ means a client meeting the criteria laid down in Annex II;
- ‘retail client’ means a client who is not a professional client;

4. Product Approval Process

4.1 Product Characteristics

The Company shall ensure that Products which designs and offers or recommend are compatible with the needs, characteristics, and objectives of the identified target market taking into consideration for each product its design features (including but not limited to the average volatility, the maximum leverage offered, the trading hours, the underlying prices, complexity, costs and charges structure, risk-reward profile or liquidity) and ensure that all relevant risks concerns of the target market are met. Conflicts of interested must be identified and taken into account during the product development to ensure the features of the product benefit the Client and not the Company.

4.2 Process

Upon the Manufacturing of a new Product as well as following any important adaptations of existing Products, the Compliance Officer shall complete a Product Approval Report which shall take into consideration the contents of this Policy.

4.3 Product Governance Oversight and responsibilities

4.3.1 Responsibilities of the Head of the Reception and Transmission Department

The Head of the Reception and Transmission Department shall be the responsible person for the designing/Manufacturing of any new Products. The Head of the Reception and Transmission Department as well as any other relevant staff of the said department involved in the designing/manufacturing of products should possess the necessary understanding, knowledge and expertise to understand the:

- characteristics and risks of products they intend to offer or recommend, and the services provided
- characteristics and risks of the Products they intend to manufacture.

4.3.2 Responsibilities of the Administration/Back Office Department

The Administration/Back Office Department shall be involved in the Product Governance Process by processing new Client account applications.

The Administration/Back Office Department shall be responsible to identify any new Clients which may fall under the Negative Target Market and bring them to the Compliance Officer's attention prior to their approval.

Moreover, the Administration/Back Office Department shall be involved in the periodic review of the Product Governance Policy and its implementation by providing any Client data/statistics required by the Compliance Officer for the purposes of the required reviews.

4.3.3 Responsibilities of the Compliance Officer

The Compliance Officer and generally the Compliance Function shall be responsible for:

- a) monitoring and overseeing the development of product governance arrangements and;
- b) periodically reviews and at least on an annual basis this Policy and the product governance arrangements and procedures stipulated under the Product Governance Requirements and this Policy and;
- c) Detecting any risk of failure by the Company to comply with the product governance rules.

Furthermore, the Compliance Officer must systematically prepare reports to the Board and which shall include information about the products offered or recommended by the firm and the services provided, as well as information about the Company's compliance level with this Policy.

5. Types Of Products Available By The Company

- 5.1 Contracts for Difference (hereinafter "CFD")** are complex financial products in accordance with the applicable law. They are traded on an 'over-the-counter ('OTC') basis and not through a regulated market. CFDs, allow investors to speculate on the short-term movements in the price of financial instruments. CFDs are speculative products and incorporate product features, such as leverage and

automatic close-out. CFDs, which are agreements to exchange the difference in value of a particular underlying instrument between the time at which the agreement is entered into and the time at which it is closed, allowing the investors to replicate the economic effect of trading in particular currencies or other asset classes without requiring actual ownership.

When trading CFDs there is no physical exchange of assets; therefore, financial settlement results from the difference at the time the position is closed and the price of the underlying asset (formulated by the Company) at the time the position is opened. Therefore a CFD allows an investor to speculate on rising or falling prices in an underlying market.

The profit or loss (P/L) is determined according to the following formula:

For Buy (Long) positions:

Deal size (in units of base asset) x [Close Bid – Open Ask] = P/L (in units of the other asset).

For Sell (Short) positions:

Deal size (in units of base asset) x [Open Ask – Close Bid] = P/L (in units of the other asset).

The P/L from the closed positions is then converted into the base currency of the Client's account, if different. This is done on the basis of the relevant Bid/Ask rate of the two (2) currencies at the time the position is closed.

The P/L is calculated by, and shown on, the trading platform on a continuous basis, and losses on the positions will affect the Client's margin.

Currency pair prices may fluctuate significantly in a short period of time and if the change in price is against the direction chosen by the Client, then the Client can experience significant losses over a short period of time up.

The underlying assets of the CFDs fall under the following categories:

Number	Type Offered	Example
1	Forex Pairs	EURUSD
2	Indices	FTSE 100; UK 100
3	Metals	Gold, Copper, Silver

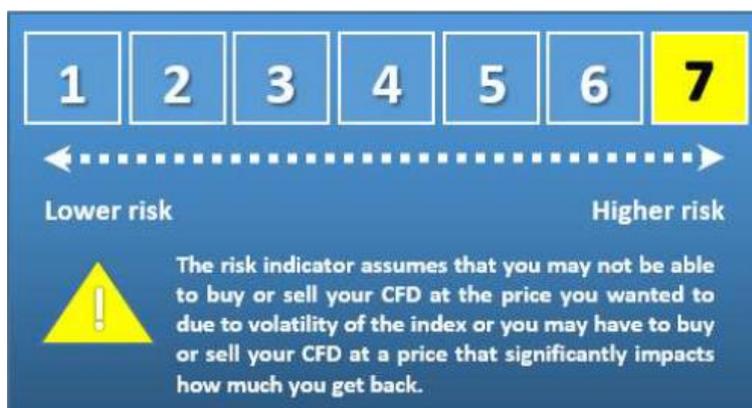
5.2 Forex Pairs

A currency pair is the quotation and pricing structure of the currencies traded in the forex market; the value of a currency is a rate and is determined by its comparison to another currency. The first listed currency of a currency pair is called the base currency, and the second currency is called the quote currency. The currency pair indicates how much of the quote currency is needed to purchase one unit of the base currency. The bid (buy price) represents how much of the quote currency you need to get one unit of the base currency. Conversely, when you sell the currency pair, you sell the base currency and receive the quote currency. The ask (sell price) for the currency pair represents how much you will get in the quote currency for selling one unit of base currency.

The company offers currency pairs available to its clients through the online trading platform.

6. Risk Factors

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 7 out of 7, which is the highest risk class. This rates the potential losses from future performance of the product at a very high level.



Be aware of currency risk. It is possible to buy or sell CFDs in a currency which is different to the base currency of your account. The final return you may get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above. In some circumstances you may be required to make further payments to pay for losses. The total loss you may incur may significantly exceed the amount invested. Market conditions may mean that your CFD trade is closed at a less favourable price, which could significantly impact how much you get back. We may close your open CFD trade if you do not maintain the minimum margin that is required, if you are in debt to the company, or if you contravene market regulations. This process may be automated. This product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment. However our company is part of the Investor Compensation Fund (“ICF”). For more information please read the complaints handling policy.

7. Target Market Assessment Per Product

(Prepared in line with the characteristics described in ESMA’s report on guidelines on product governance from the 2nd of June 2017/ESMA35-43-620.)

7.1 Contracts for Differences on Forex Pairs (EURUSD)

	Criteria	Details
1	Client Type (per MiFID II)	Retail, Professional & Eligible Counterparties
2	Knowledge and experience	Practical knowledge and Experience – results achieved by passing the appropriateness test. Only experienced traders with knowledge and experience.
3	Financial situation with a focus on their ability to bear losses	Ability and willingness to bear 100% capital loss
4	Risk tolerance and compatibility of the risk/reward profile of the product with the target market	Types: aggressive (risk orientated) / balanced / conservative. CFDs on Forex Pairs are not suitable for Conservative clients. Mostly high-risk profiles such as aggressive and very experienced balanced.
5	Clients' objectives	Clients aiming to maximizing their profits quickly. Emphasis on liquidity supply, retirement provision or the number of years the investment is to be held. CFDs are compatible with the needs of clients who seek: * Fast capital growth/Risk takers/Able to afford losses.
6	Clients' needs	CFDs on Forex Pairs are incompatible with the needs of clients who are looking: *are looking for full capital protection or full repayment of the amount invested *are fully risk averse/have no risk tolerance * need a fully guaranteed income or fully predictable return profile

7.2 Contracts for Differences on Indices (ASX200cash; CAC40cash; NGAS)

	Criteria	Details
1	Client Type (per MIFID II)	Retail, Professional & Eligible Counterparties
2	Knowledge and experience	Practical knowledge and Experience – results achieved by passing the appropriateness test. Only experienced traders with knowledge and experience.
3	Financial situation with a focus on their ability to bear losses	Ability and willingness to bear 100% capital loss
4	Risk tolerance and compatibility of the risk/reward profile of the product with the target market	Types: aggressive (risk orientated) / balanced / conservative. CFDs on Indices are not suitable for Conservative clients. Mostly high-risk profiles such as aggressive and very experienced balanced.
5	Clients' objectives	Clients aiming to maximizing their profits quickly. Emphasis on liquidity supply, retirement provision or the number of years the investment is to be held. CFDs on Indices are compatible with the needs of clients who seek: * Fast capital growth/Risk takers/Able to afford losses.
6	Clients' needs	CFDs on Indices are incompatible with the needs of clients who are looking: *are looking for full capital protection or full repayment of the amount invested *are fully risk averse/have no risk tolerance * need a fully guaranteed income or fully predictable return profile

7.3 Contracts for Differences On Metals (Gold; Silver; Copper)

	Criteria	Details
1	Client Type (per MiFID II)	Retail, Professional & Eligible Counterparties
2	Knowledge and experience	Practical knowledge and Experience – results achieved by passing the appropriateness test. Only experienced traders with knowledge and experience.
3	Financial situation with a focus on their ability to bear losses	Ability and willingness to bear 100% capital loss
4	Risk tolerance and compatibility of the risk/reward profile of the product with the target market	Types: aggressive (risk orientated) / balanced / conservative. CFDs on Metals are not suitable for Conservative clients. Mostly high-risk profiles such as aggressive and very experienced balanced.
5	Clients' objectives	Clients aiming to maximizing their profits quickly. Emphasis on liquidity supply, retirement provision or the number of years the investment is to be held. CFDs on Metals are compatible with the needs of clients who seek: * Fast capital growth/Risk takers/Able to afford losses.
6	Clients' needs	CFDs on Metals are incompatible with the needs of clients who are looking: *are looking for full capital protection or full repayment of the amount invested *are fully risk averse/have no risk tolerance * need a fully guaranteed income or fully predictable return profile

7.4 Positive Target Market

Positive Target Market shall consist of the following:

- Retail clients, Professional clients & Eligible Counterparties
- Practical knowledge and Experience – passing the Appropriateness test
- Clients' ability and willingness to bear 100% capital loss
- Clients with high-risk appetite
- Clients aiming to maximizing their profits quickly
- Clients above 18 years of age

The Positive Target Market identified for the Product should be well aware of the concept and mechanics of leverage and the risks that it entails. Moreover, the Company provides various risks warnings, both in marketing communication as well as in its website, as well as via the Pre-Contractual Documentation provided to Clients. Nevertheless, the Company undertakes assessment of the Client's experience and knowledge in financial instruments including in particular the understanding of CFDs main characteristics including leverage prior to their approval and Clients obtaining access to the Products.

The Product's default leverage is 1:30 while Experienced Clients wishing to undertake further risks in the prospect of higher profits from the same amount of initial investment may request a higher leverage level. The maximum Leverage ratio for this Product is capped at the 500:1.

7.5 Negative Target Market

- Applicant is under 18 years of age
- Applicant resides in an OFAC country or country from which our company does not accept clients
- Applicant is flagged by internal checks (example: AML concerns)
- Applicant is currently going through bankruptcy
- Applicant applies for an account in the name of a faith-based or educational organization
- Applicant applies for an account in the name of a non-profit organization
- Applicant who indicated that they are unemployed/student and receiving government support
- Applicant who does not have any Knowledge and Experience connected to financial instruments.
- Applicant who does not have the Ability and willingness to lose more than 50% of Invested Capital.

8. Cost-Benefit Analysis (Performance Scenarios)

8.1 CFD Forex Performance Scenario

CFD FOREX							
EURUSD Held Intraday							
Opening Price	P	1.2415					
Trades Size	TS	25,000 (0.25 lot)					
Margin %	M	1%					
Margin Requirement (\$)	MR = P * TS * M	\$250					
National Value of the trade (\$)	TN = P * TS	\$31,037.50					
LONG				SHORT			
Performance Scenario	Closing Price	Price Change	Profit / Loss	Performance Scenario	Closing Price	Price Change	Profit / Loss
Favourable	1.2615	1.61%	\$500	Favourable	1.2285	1.30%	\$325.00
Moderate	1.2515	0.81%	\$250	Moderate	1.2355	0.60%	\$150
Unfavourable	1.2365	-0.40%	(\$125.00)	Unfavourable	1.2505	-0.90%	(\$225.00)
Stress	1.2155	-2.09%	(\$650.00)	Stress	1.2655	-2.40%	(\$600.00)

8.2 CFD on Metals Performance Scenario

CFD METALS							
XAUUSD Held Intraday							
Opening Price	P	1332.80					
Trades Size	TS	150 ounces (1.5 lot)					
Margin %	M	\$750 per lot (fixed)					
Margin Requirement (\$)	MR = P * TS * M	\$1,125.00					
National Value of the trade (\$)	TN = P * TS	\$199,920.00					
LONG		SHORT					
Performance Scenario	Closing Price	Price Change	Profit / Loss	Performance Scenario	Closing Price	Price Change	Profit / Loss
Favourable	1335.20	0.18%	\$360.00	Favourable	1328.15	0.35%	\$697.50
Moderate	1334.60	0.14%	\$270.00	Moderate	1330.25	0.19%	\$382
Unfavourable	1331.10	-0.13%	(\$255.00)	Unfavourable	1335.60	-0.21%	(\$420.00)
Stress	1329.50	-0.25%	(\$495.00)	Stress	1338.45	-0.42%	(\$847.50)

8.3 CFD on Indices Performance Scenario

CFD INDICES							
DOW JONES Held Intraday							
Opening Price	P	24851					
Trades Size	TS	200 contracts (2 lot)					
Margin %	M	\$2000 per lot (fixed)					
Margin Requirement (\$)	MR = P * TS * M	\$4,000					
National Value of the trade (\$)	TN = P * TS	\$4,970,200					
LONG		SHORT					
Performance Scenario	Closing Price	Price Change	Profit / Loss	Performance Scenario	Closing Price	Price Change	Profit / Loss
Favourable	26352	6.04%	\$30,020	Favourable	22325	10.16%	\$50,520.00
Moderate	25486	2.56%	\$12,700	Moderate	24003	3.41%	\$16,960
Unfavourable	23410	-5.80%	(\$28,820.00)	Unfavourable	25325	-1.91%	(\$9,480.00)
Stress	21651	-12.88%	(\$64,000.00)	Stress	26132	-5.15%	(\$25,620.00)

8.4 Traditional FOREX Performance Scenario

FOREX							
USDJPY Held Intraday							
Opening Price	P	105.75					
Trades Size	TS	75,000 (0.75 lot)					
Margin %	M	1%					
Margin Requirement (\$)	MR = P * TS * M	\$750					
National Value of the trade (\$)	TN = P * TS	\$75,000.00					
LONG		SHORT					
Performance Scenario	Closing Price	Price Change	Profit / Loss	Performance Scenario	Closing Price	Price Change	Profit / Loss
Favourable	107.85	1.99%	\$1,489.36	Favourable	103.26	2.35%	\$1,765.96
Moderate	106.37	0.59%	\$439.72	Moderate	104.59	1.10%	\$823
Unfavourable	105.02	-0.69%	(\$517.73)	Unfavourable	106.36	-0.58%	(\$432.62)
Stress	104.26	-1.41%	(\$1,056.74)	Stress	107.15	-1.32%	(\$992.91)

9. On Leverage Scenarios

Performance Scenarios: Invested amount 200EUR at 50:1 Leverage (assuming no Overnight Financing effects and Clients' total Account Balance is invested as Margin for opening positions):

Deal Size	Opening Price	Closing Price	Direction chosen	Change in price	P/L	Pip Value (in EUR)	Spread (e.g. 2 pips)	Client Balance
10,000 EUR	1.1800	1.1850	Buy	0.42%	EUR 42.19	0.84388	1.68776	242.19
10,000 EUR	1.1800	1.1810	Buy	0.08%	EUR 8.46	0.84674	1.69348	208.46
10,000 EUR	1.1800	1.1800	Buy	0.00%	EUR 0	0.84746	1.69492	200
10,000 EUR	1.1800	1.1790	Buy	-0.08%	EUR -8.46	0.84818	1.69635	191.54
10,000 EUR	1.1800	1.1750	Buy	-0.42%	EUR -42.19	0.85106	1.70213	157.81

Performance Scenarios: Invested amount 50EUR at 200:1 Leverage (assuming no Overnight Financing effects and Clients' total Account Balance is invested as Margin for opening positions):

Deal Size	Opening Price	Closing Price	Direction chosen	Change in price	P/L	Pip Value (in EUR)	Spread (e.g. 2 pips)	Client Balance
10,000 EUR	1.1800	1.1850	Buy	0.42%	EUR 42.19	0.84388	1.68776	92.19
10,000 EUR	1.1800	1.1810	Buy	0.08%	EUR 8.46	0.84674	1.69348	58.46
10,000 EUR	1.1800	1.1800	Buy	0.00%	EUR 0	0.84746	1.69492	50
10,000 EUR	1.1800	1.1790	Buy	-0.08%	EUR -8.46	0.84818	1.69635	41.54
10,000 EUR	1.1800	1.1750	Buy	-0.42%	EUR -42.19	0.85106	1.70213	7.81

Performance Scenarios at EUR 200 at 1:300 Leverage (assuming no Overnight Financing effects):

Deal Size	Opening Price	Closing Price	Direction chosen	Change in price	P/L	Pip Value (in EUR)	Spread (e.g. 2 pips)	Client Balance
60,000 EUR	1.1800	1.1850	Buy	0.42%	EUR 253.16	0.75949	1.51898	453.16
60,000 EUR	1.1800	1.1810	Buy	0.08%	EUR 50.80	0.75949	1.51898	250.8
60,000 EUR	1.1800	1.1800	Buy	0.00%	EUR 0	0.75949	1.51898	200
60,000 EUR	1.1800	1.1790	Buy	-0.08%	EUR -50.80	0.75949	1.51898	149.2
60,000 EUR	1.1800	1.1750	Buy	-0.42%	EUR -253.16	0.75949	1.51898	-53.16

This risk indicator assumes that the Client keeps the product for up to 24 hours.

The market deterioration risk materializes in instances where the price of the underlying currency pair moves to an opposite direction than the direction held by the Client. Market exposure is the key element of the Product attracting the Positive Target Market clientele into the Product and thus should not be considered, per se, as detrimental to the Client's interest. Nevertheless, the Company taking into consideration the Client's best interest, mitigates the market deterioration risk for the Client by capping the Client's losses to the Client's Total Account Balance (Negative Balance Protection).

Due the Negative Balance Protection, higher leverage allows the Client to participate to higher profit potentials while capping the (materialized) losses to the same level. Nevertheless, as evidenced from the above examples, that higher leverage levels entail higher probabilities of Client's losses materializing, given that in case of an adverse market movement, client's margin would be consumed from a smaller (negative) movement in the value of underlying currency pair and thus (in comparison to opening the same initial investment but at a lower leverage level).

Materialization of Counterparty Risk

The Products are manufactured and distributed by the Company. Nevertheless, to facilitate the offering the Product to the Client, the Company executes back to back transactions between the Client and with its Liquidity Provider while in all instances, the Company remains the contractual counterparty to the Clients' transactions. Therefore, default of a Liquidity Provider (or other inability to deliver the Product) would put strains on the Company's resources and would not impact the Client directly.

To ensure that the Company remains able to meet its obligations against the Client in relation to the product in case of default of a Liquidity Provider, the Company shall maintain sufficient capital buffer.

Furthermore, in order to minimize the possibility of a Liquidity Provider default, the Company shall be assessing its Liquidity Providers on frequent basis to ensure that counterparty risk is minimized.

Finally the Company maintains lines with a pool of renounced Liquidity Providers in relation to the Product in order to ensure the continued distribution of the Product in case of default of any particular Liquidity Provider.

10. Costs And Charges

As per Annex II of the COMMISSION DELEGATED REGULATION (EU) 2017 – 565, the following costs and charges may apply per financial instrument:

This table shows the different types of cost categories and their meaning			
Undated and Forwards	One-off entry or exit costs	Spread	The difference between the buy price and the sell price is called the spread. This cost is realised each time you open and close a trade.
		Currency conversion	Any cash, realised profit and losses, adjustments, fees and charges that are denominated in a currency other than the base currency of your account, will be converted to the base currency of your account and a currency conversion fee will be charged to your account.
Undated only	Ongoing costs	Daily holding cost	An overnight holding cost is applied each night that your position is held. This could be a credit or debit depending on the product you are trading.
Forwards Only	Other costs	Rollover costs	We charge you to roll over a forward contract into the next month, or quarter, equal to half the applicable spread to open and close a trade.
Equities Only	Other costs	Commission charge	We charge you a small fee each time you open and close a CFD on an equity.

Cost Structure Example of Standard Account			Cost Structure Example of Prime Account		
FX - EURUSD			FX - EURUSD		
Trade Size	1 lot		Trade Size	1 lot	
Spread	1.8 pips	\$18.00	Spread	0.3 pips	\$3.00
	Long	Short		Long	Short
Swap	(\$1.20)	\$0.30	Swap	(\$1.20)	\$0.30
Commission	NA		Commission	\$7.38	
Metals - XAUSUD			Metals - XAUSUD		
Trade Size	1 lot		Trade Size	1 lot	
Spread	25c	\$25.00	Spread	15c	\$15.00
	Long	Short		Long	Short
Swap	(\$12.35)	\$0.07	Swap	(\$12.35)	\$0.07
Commission	NA		Commission	\$9	
CFD Indices - Dow Jones			CFD Indices - Dow Jones		
Trade Size	1 lot		Trade Size	1 lot	
Spread	4 points	\$40.00	Spread	4 points	\$40.00
	Long	Short		Long	Short
Swap	(\$30.25)	(\$7.50)	Swap	(\$30.25)	(\$7.50)
Commission	\$12.00		Commission	\$9	

11. Marketing And Distribution Strategy

11.1 Distribution

The Company and according to Article 16(3) of MiFID II, ensure that its intended distribution strategy is consistent with the identified Positive Target Market as well as to take reasonable steps to ensure that the financial product is distributed to the identified Positive Target Market (Article 24(2) of MiFID II).

Furthermore, the Company should define its distribution strategy so that this strategy favors the sale of each product to the target market of this product. In defining its distribution strategy, the Company should determine the extent of clients' information necessary to the distributor to properly assess the target market for its product. Hence, the Company should propose the type of investment service

through which the targeted clients should or could acquire the financial instrument. If the product is deemed appropriate for a sale without advice, the firm could also specify the preferred acquisition channel.

The Company's marketing strategy promotes the Company itself and the services offered by the Company and the Company does not explicitly promote any particular Product.

Nevertheless, the Company undertakes the necessary measures to ensure that the (potential) Client base to which the Company's marketing strategy is targeting, falls within the specified Positive Target Market for this product in order to minimize the possibility that the Product does not reach the Positive Target Market or that the Product reaches the Negative Target Market.

11.2 Marketing Campaigns

Any new marketing campaign shall be reviewed prior to its Launch by the Compliance Officer in order to ensure that do not entail any elements which attract any potential Clients outside the identified Positive Target Market for any of the Products the Company offers at the time or is expected to launch soon.

12. Conflicts of Interest

The specific Product does not entail any particular conflicts of Interest between the Company and the Client. The Company is not licensed for and does not perform the investment activity of Dealing on Own Account and therefore the Company never takes a position against the Client.

To this end and since the Company cannot undertake any positions on own account under no circumstances Clients may be adversely affected if they take: (a) an exposure opposite to the one previously held by the firm itself; or (b) an exposure opposite to the one that the firm wants to hold after the sale of the product. (i.e. Client's loss does not correspond to Company's Profits). Furthermore, it is noted that the personnel of the Brokerage Department is compensated on fixed remuneration and independent of any "targets", which could have raised any conflicts of interests between the Company and Clients.

The Company's charging structure is not constant across all the Products and underlying Assets offered to Clients, however, the mark-up is fixed and does not vary based on the respective underlying currency. Furthermore, not least to regulatory restrictions, the Company does not provide any (unauthorized) investment advice to any Client in relation to a specific underlying currency or otherwise prompts the Client to invest into any Particular Product or to the underlying asset to a Product.

The conflicts of interest between the Company and the Client are controlled via the Company's Conflicts of Interest Policy, the Remuneration Policy and various other procedures and controls that the Company has set-up and implements in this respect. The said Conflicts of Interest Policy is clearly communicated to the Clients while the Positive Target Market is expected to have the ability to take investment decisions on its own discretion and to ignore any inappropriate invitations to trade more which might be presented by any employee of the Company or Introducer acting outside the Company's approved procedures and practices.

13. MiFIR and EMIR Reporting

Based on the changes introduced by MiFID II and Markets in Financial Instruments Regulation (MiFIR) the Company is obliged to report financial instruments subject to the trading obligation, according to Articles 23 and 28 MiFIR, each trading venue and Systemic internaliser. For other financial instruments, each execution venue will make available to the public, without any charges, data relating to the quality of execution of transactions on that venue on a quarterly basis.

The Company, when execute clients' orders will summarize and make public on an annual basis, for each class of financial instrument, the top five execution venues in terms of trading volumes, where they executed clients' orders in the preceding year and information on the quality of execution obtained. In cases where the Company provides both, the services of order execution and transmission of orders, two separate reports will be prepared in relation to these services.

Reporting data for non-securities financing transactions

- Volume of client orders as percentage of executed orders;
- Percentage of the executed orders that were passive, aggressive and directed;
- Confirmation whether a firm has executed an average of less than one trade per business day in the previous year in a given class of financial instruments.

Reporting data for securities financing transactions

- Volume and number of client orders executed as a percentage of total executed orders;
- Confirmation whether a firm has executed an average of less than one trade per business day in the previous year in a given class of financial instruments;

Summary analysis per class of financial instruments

- Relative importance of execution factors (price, cost, speed, likelihood of execution) or any others;
- A description of close links, conflicts of interests, common ownership;
- A description of payments, discounts, rebates or non-monetary benefits received;
- An explanation of changes on the list of venues in the policy, if applicable;
- An explanation of how order execution differs according to client categorisation;
- An explanation of whether other criteria were given precedence over immediate price and cost when executing retail orders;
- An explanation of how the investment firm has used any data or tools relating to the quality of execution.

14. Monitor And Review

The Product Governance Requirements requires Manufacturers and Distributors to review Products on a regular basis to assess whether the Product remains robust and fit for their purpose and consistent with the needs, characteristics and objectives of the identified Positive Target Market. The said review should also be assessing whether the Products distributed are reaching the (envisioned) target market and that the intended marketing and distribution strategy remains appropriate. The review must also take into account any event that could materially affect the potential risk to the identified target market.

The Manufacturers should consider, on a proportionate basis, what information they need in order to complete their review and how to gather that information. In line with Recital 20 of the MiFID II Delegated Directive, relevant information could include, for example, information on which distribution channels have been employed, the proportion of sales made outside the Positive Target Market, summary information of the types of Client, a summary of any complaints received and questions suggested by the Manufacturer to a sample of Clients for feedback. Such information may be in an aggregated form and does not need to be on an instrument-by- instrument or sales-by-sales basis. However, instrument-specific information should be provided in cases with particular relevance for certain individual instruments (e.g. if the Company comes to the conclusion that a target market for a specific product was wrongly determined).

A review will also be carried out whenever a material change occurs that affects the ability of the Company to continue to provide the best possible investment services to clients. The Company will notify any Customers affected by material changes in its Policy.

Responsible Person

The Company's Board of Directors and the senior management shall be responsible for the review of new and existing products and the maintenance of this Policy from time to time for it to adhere to changes in the relevant legislation and level of risk.

The Compliance Officer shall be also responsible for ensuring the proper implementation of this Policy and compliance with all Product Governance Requirements, including the ongoing review and monitoring of existing Products to ensure that they remain suitable for and reach the Positive Target Market and to complete the Product Approval Form.

15. Client Consent

The Company is required, when establishing a business relationship with the Customer, to obtain his/her prior consent to this Policy.

By entering into the 'Customer Agreement', the Customer provides the consent referred to above, where the Customer is informed that any orders placed with the Company for the Financial Instruments offered by the Company, the Company acts as the principal and the Company is the sole Execution Venue, which is a non-regulated market.

16. Customer Assistance

Questions regarding the Product Governance Policy should be addressed, in the first instance, to the Customer Support Department: support.eu@strykapp.com.