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Dear Client,

This email is sent as a communication to inform you of certain regulatory changes HF Markets (Europe) Ltd has applied as a result of the recent regulatory announcements by Cyprus Securities and Exchange Commission and the European Securities and Markets Authority (ESMA). Some of these might have an effect on your trading activities as of **29 January 2017**, and thereafter. We kindly ask you to carefully go through the information provided below and should you need clarifications to [contact us](#) directly.

## 1. Leverage

- (a) *Introduction of Default Leverage Ratio 1:50* – We have set our Default Leverage Ratio to 1:50 for new trading accounts. However, we allow our clients to increase or decrease the ratio choosing from other options available and which are specified in our internal Leverage and Appropriateness Test Policy.
- (b) *Restrictions to leverage ratios* – Aiming to protect less experienced clients, we have set as cap the Default Leverage Ratio for clients who do not pass the Appropriateness Test. In particular, clients who did not pass the test will be allowed to enjoy leverage of up to 1:50 but can, at their discretion, trade with no leverage or lower leverage ratios too.

## 2. Bonuses & Rewards

- (a) *Termination of bonuses* – HF Markets (Europe) Ltd will no longer offer any bonus programs. Should your trading account hold any outstanding bonus, this will be removed on **28 January 2017**.
- (b) *Introduction of New Reward Options* – Nonetheless, we still offer our traders the chance to earn daily cash rebates with the [Trading Rebate Program](#). In addition, clients can opt for the [30% Rescue Program](#) which protects from periods of drawdown.

## 3. Revision of Policies

*Order Execution Policy, Best Execution Monitoring Policy, Conflicts of Interest Policy & Account Opening Agreement* – Reflecting the guidelines set out in the recent Questions and Answers Document of ESMA, we have revised our Order Execution Policy, Best Execution Monitoring Policy, Conflicts of Interest Policy, as well as our Account Opening Agreement. All of the above can be found [here](#).

These changes have an effect on your overall Terms & Conditions of trading, so please let us know if you require us to take any specific action for your trading account.

## 4. Negative Balance Protection

Keeping our clients' best interest in mind, we remain committed to providing Negative Balance Protection so that you don't have to worry about possible debts. This is because if a negative balance occurs in your trading account due to stop out, we will make a relevant adjustment to cover the full negative amount.

Sincere regards,  
HotForex Management