

MARGIN PLACEMENT POLICY

Introduction

This document shall serve as the Company's policy surrounding margin placements by clients. This document shall be read in conjunction with the Client Agreement of the Company.

In general terms, Margin refers to the amount of equity an investor has in their brokerage account typically used to purchase securities. "To buy on margin" means to use the money borrowed from a broker to purchase securities. A client must have a margin account to do so, rather than a standard brokerage account. In the context of the Company, Margin means the required funds available in a Trading Account for the purpose of opening and maintaining an open position. Leverage is a ratio comparing the transaction size to the initial Margin. For example, 1:100 leverage ratio means that in order to open a position, the initial Margin required is one hundred times less than the transaction size.

Margin Requirement

1. The Client shall provide and maintain the initial Margin in such limits as the Company, at its sole discretion, may require from time to time under the Client Agreement.
2. Such sums of money shall only be paid to the Company's bank account in the form of cleared funds.
3. It is the Client's responsibility to ensure that the Client understands how a Margin is calculated.
4. The Client shall pay initial Margin at the moment of opening a position.
5. The amount of initial Margin for each financial instrument is defined in the Contract Specifications.
6. Depending on the account type as stipulated on the Website, the Company is entitled to close the Client's open positions without the consent of the Client or any prior written notice if the Equity is less than the minimum threshold.
7. It is the Client's responsibility to notify the Company as soon as the Client believes that the Client will be unable to meet a Margin payment when due.
8. Margin trading is based on the Leverage applied on the Client's Trading Accounts. The higher the Leverage, the higher the level of risk and the higher the possibility of a profitable return or bigger loss. For more information, please refer to the Website, trading conditions, and best execution policy.

Execution of Orders

1. The Company is hereby authorized at any time, without prior notice to the Client, to transfer between any account(s) of the Client held by the Company, or any exchange member through which the Company clears the client's transactions, such excess funds and/or financial instruments of the Client as in the Company's sole discretion and judgement may be required for Margin in any other accounts or to reduce or satisfy any debit balance in other accounts, provided such transfer comply with applicable law. The Company will confirm any transfer in writing to the Client within a reasonable time.
- The Client may view the Trading Account(s), Equity and Margin level on the Trading Platform. The Client understands that it is responsible for reviewing trade confirmations as well as cash position, Equity and Margin levels, ensuring correctness and determining at its own discretion the actions that will be taken. The Company, at the Client's request may provide the Client with clarifications as may be reasonably be required explaining any trade confirmation, cash position, Equity and/or Margin level.

Currency Fluctuation Risk

1. In the event that the Client instructs the Company to enter into any foreign exchange transaction(s), any profit or loss arising as a result of a fluctuation in the exchange rate affecting such currency will be entirely for the Client's account and risk, and all initial and subsequent deposits for Margin purposes shall be made in United States Dollars, or another currency which Company may accept, in such amounts as Company may require, with subsequent deposits being in the same currency as the initial deposit and the Company is authorized to convert funds in the Client's account for Margin into and from such foreign currency at a rate of exchange determined by the Company in its sole discretion on the basis of the prevailing money market rates.

Force Majeure

1. If no Force Majeure Event has occurred, the Company is entitled to change Margin requirements, by giving to the Client 3 (three) Business Days' written notice prior to any amendment.
2. The Company is entitled to change Margin requirements without prior written notice in the case of a Force Majeure Event.
3. The Company may, in its reasonable opinion, determine that a Force Majeure Event exists, in which case the Company will, in due course, take reasonable steps to inform the Client.
4. A Force Majeure Event includes without limitation:
 - any act, event or occurrence (including, without limitation, any national emergency, strike, riot or civil commotion, government actions, acts of terrorism, outbreak or threat of war or hostilities, act of god, earthquake, epidemic, accident, fire, flood, storm, breakdown, interruption or malfunction of power supply, electronic, communication equipment or supplier failure, civil unrest, statutory provisions, lock-outs, or any other international calamity, economic or political crisis, or natural disaster which, in the Company's reasonable opinion, prevents the Company from maintaining an orderly market in one or more of the instruments;
 - the suspension, liquidation or closure of any market or the abandonment or failure of any event to which the Company relates its quotes, or the imposition of limits or special or unusual terms on the trading in any such market or on any such event;
 - Abnormal Market Conditions; or
 - any event, act, or circumstances not reasonably within the Company's control and the effect of that event(s) is such that the Company is not in a position to take any reasonable action to cure the default.
5. If the Company determines in its reasonable opinion that a Force Majeure Event exists (without prejudice to any other rights under the Agreement) the Company may without prior written notice and at any time take any of the following steps:
 - increase Margin requirements; or
 - close out any or all open positions at such prices as the Company considers in good faith to be appropriate; or
 - suspend or freeze or modify the application of any or all terms of the Agreement to the extent that the Force Majeure Event makes it impossible or impractical for the Company to comply with them; or
 - take or omit to take all such other actions as the Company deems to be reasonably appropriate in the circumstances with regard to the position of the Company, the Client and other clients.
 - increase Spreads;
 - decrease Leverage.

Default

1. The Parties understand and agree that each of the following constitutes, but is not limited to, an “Event of Default”:
 - The failure of the Client to provide any initial Margin and/or hedged Margin, or other amount(s) as required for the performance and/or obligation(s) arising from this Agreement;
 - The failure of the Client to perform any obligation(s) due to the Company;
 - The initiation by a third party of proceedings for the Client’s bankruptcy or winding-up or for the appointment of an administrator or receiver in respect of the Client or any of the Client’s assets, or if the Client makes an arrangement with creditors or any procedure which is similar to any of the above is commenced in respect of the Client;
 - Where any representation or warranty made by the Client is or becomes untrue;
 - Where the Client is unable to pay the debts as they fall due;
 - Where the Client becomes incapacitated or unable to carry out obligation(s) for whatsoever reason;
 - Any other circumstance where the Company reasonably believes that it is necessary or desirable to take any action to protect its interest;
 - The Client attempts and/or performs any of the actions which shall be determined by the Company as fraud, manipulation, deceitful activity in Client’s account(s) as held by Company;
 - The Client has carried out trading, which is excessive, without legitimate intent, to profit from market movements, which may be considered as market abuse, etc.

2. In an Event of Default, the Parties understand and agree that the Company reserves the right, and at any time without prior written notice to take one or more of the following steps;
 - Terminate the Client Agreement without any notice;
 - Close out all or any of the Client’s open positions at current quotes;
 - Debit the Client’s Trading Account(s) for the amounts which are due to the Company;
 - Close any or all of the Client’s Trading Account(s) held with the Company;
 - Refuse to open new Trading Account(s) for the Client;
 - Adjust the Client’s Trading Account balance to remove illicit profit;
 - To take any other action which is reasonable and fair, in order to protect the interest and reputation of the Company.