

Updated on 24/09/2020

## **LEVERAGE POLICY**

## **Market Conditions**

During weekends and public holidays the margin requirements may increase from 1 % to 3 %. The client is obliged to bring his open positions in accordance with the increased margin requirements at least 30 minutes before the trading session closes (before bidding).

The actual trading rules are available via the official Company's website through this link:

<http://www.fibogroup.eu/products/account-types/mt4-ndd/policy/>.

Force majeure. There also may be a case when something extraordinary happens, Brexit vote or SNB unpegging the CHF could be a good example: in such case we look at the leverage from our liquidity providers and modify our own leverage accordingly while issuing an appropriate warning for the clients affected.

## **A margin close-out rule**

A margin close-out rule on a per account basis standardize the percentage of margin (at 50% of minimum required margin) at which the Company is required to close out one or more retail client's open CFDs.

The Margin call level is set at 100% and the stop out level is set at 50% for MT4 accounts.

The Company does not change the leverage if the price approaches one of these levels because it might have an adverse impact on the clients` trading.

## **Risks of given derivatives**

The Company offers only Forex CFDs (includes spot metals) trading instruments/assets.

The Company offers a competitive range of leverage to the Professional Clients up to 400:1, subject to the limits set for each account type. The choice of leverage is based on a Client decision.

Any volatility on the markets resulting in liquidity shortage is to be resolved with our liquidity providers first, in case of geopolitical/economic/trading events on a scale significant enough to affect liquidity or our hedging capabilities directly or indirectly can result in leverage range reduction while issuing an appropriate warning for the clients affected.

## **The risk appetite and risk management of the Company**

The Company pays close attention to the Clients with trading volumes large enough to pose significant risk due to exposure. The Company reserves a right to intervene and reduce the leverage for such a Client in case of capital adequacy metric being affected outside of acceptable outcomes while issuing an appropriate warning for the clients affected.

### **Hedged/Portfolio Management Clients**

It is always recommended to keep the hedged Clients leverage within the leverage range offered by the liquidity provider used for hedging. The maximum leverage used for Portfolio Management Clients should always be less or equal to the current leverage offered by the liquidity provider used for hedging with strategies provided with respect to Portfolio Management Clients as a base guidance.