



MARGIN REQUIREMENTS

LEADCAPITAL CORP LTD



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1. INTRODUCTION

Please review this Policy to learn about Forex and CFD Margin Requirements.

Customers should maintain the Minimum Margin Requirement on their Open Positions at all times in order to avoid close out.

ARGOTRADE has the right to liquidate any or all Open Positions whenever the Minimum Margin Requirement is not maintained.

Margin requirements are subject to change at any time. In order to prevent any confusion, ARGOTRADE, at its best effort, will inform customers about any projected changes on Margin Requirements by email and via the messaging system of the trading platform at least a week before changes are implemented.

2. MARGIN REQUIREMENTS LEVEL

Margin requirements are calculated by dividing the true dollar value of a position by the maximum leverage allowed for that trading instrument.

Example A:

35,000 EURUSD position at 1.4000

$35,000 \times 1.4000$ (dollar value of 1 Euro)/200(maximum leverage) = \$245

Example B:

What is the margin requirement of 1,400,000 USD/JPY position?

Answer:

1,400,000 has a 0.5% margin requirement (200:1 leverage) which equals: \$7,000.

3. MARGIN CALLS

If you are a ARGOTRADE Web/Mobile Trader platform client, in the event that the value of your positions falls below 100% of the Initial Margin requirement, we will send you an email and / or any other notification.

Note that if you are an MT4 client, you will not be receiving any specific notifications at the 100% level. Therefore, customers are advised to log into their trading platform on a regular basis to ensure they monitor their margin level of their positions.

Please note that this is an additional service from us to you and does not create any obligation or responsibility on us, for either the performance of your trading account, or for notifying you of the current margin level and the action that you may wish to take. Please monitor the performance of your positions on an ongoing basis. Once an account reaches a Margin Call warning level, it is possible that the margin level could increase above 100%. Should this happen the Margin Call process will reset. If the Margin Call Warning levels are reached again, the Margin Call process will start again. Closure of positions will be done on the basis of best execution prices available to ARGOTRADE at that time.

We reserve the right, acting reasonably, to change at our discretion and with or without prior notice to you, the minimum Margin / Close Out level, in anticipation of evolving market conditions. We do not have any obligation and we will not be notifying you of the execution of the Close Out when the Close Out level is at 50%.

You should consider the following options when in margin call:

- If you anticipate that the market will turn back in your favour, you may deposit additional funds and/or keep your position(s) open
- Close or hedge some or all of your positions

Customers are responsible for placing their own Stop Loss Orders to minimize losses. In addition, ARGOTRADE may, from time to time and at our best effort, contact the Customer and request that the Customer considers the above-mentioned options. Any call for additional margin shall not be deemed precedent for future calls nor future waiver of liquidation rights by ARGOTRADE.