



MARGIN POLICY

Introduction

QUALITY FX LTD (hereinafter, the “Company”) has established a Margin Policy (hereinafter, the “Policy”) which applies to all its retail clients.

Scope

The Policy applies to all retail clients who are speculating on the movements in the price of CFD’s which are complex products and it may be difficult for a majority of them to understand the risk involved.

Margin close-out rule per account

A Position will automatically close when a margin call reaches 20%.

Negative Balance Protection

A negative balance protection means that our clients may never lose more funds than those deposited in their trading account (i.e. negative balance protection).

A negative balance protection on a per account basis will be imposed, limiting a retail investor’s aggregate liability for all CFDs connected to a CFD trading account with a CFD provider to the funds in that CFD trading account.

Risks Involved

Trading CFDs is a form of leveraged trading and is highly speculative, complex and involves a significant risk of loss and is not suitable for all investors. CFDs are among the riskiest types of investments and can result in large losses.

Before deciding to trade CFDs a client should carefully consider his/her investment objectives, level of experience and risk appetite. While trading CFDs a client can sustain a partial or full loss of his/her initial investment. Clients should be aware of all the risks associated with trading CFDs and seek advice from an independent financial advisor if they have any doubts. CFDs are not suitable for “buy and hold” trading, therefore if a client does not have enough time to monitor such investment on a regular basis, he or she should not trade in CFDs.

Approval and Reviews

We collectively refer to all the above legislations, regulations, and guidelines as “Regulations”. Moreover, the Company’s Policy is consistent with sound and effective risk management and intended to deter risk-taking beyond the Company’s expressed risk appetite and risk tolerance levels.

The Policy shall be regularly reviewed and updated from time to time as shall be necessary to adhere to changes in the relevant legislation and level of risk.