

**NEGATIVE BALANCE PROTECTION:**

Contracts for Differences (“CFDs”) and Foreign Exchange (“Forex”) are leveraged products. Leverage enables clients to magnify the potential profits of a trade but it also magnifies the client’s potential losses due to the fact that losses incurred are possible to be higher than the capital originally invested, but never higher than the account balance of the client due to the negative balance protection implemented by the Company.

**AIM OF THE NEGATIVE BALANCE PROTECTION POLICY:**

The aim of Negative Balance Protection is to prevent clients from losing more than their deposited funds. This protective measure will remain functional on a per account basis and it is applied only to Retail clients.

**NEGATIVE BALANCE PROTECTION PROGRAM:**

For the benefit of the Company’s clients, the Company has implemented a “negative balance” protection program, on a per account basis, whereby the client cannot lose more than his invested capital. Negative balance protection ensures that traders with losing positions don’t end up with a negative balance in their forex trading account. Nonetheless, the client is expected to actively monitor and manage open positions in the account and to contact the Company about options if the account is close to a margin call. The client agrees not to abuse the “negative balance” protection policy and acknowledges that the Company reserves the right, at its sole discretion, to immediately terminate the client's access to the trading account and to recover any losses caused by the client in the case of abuse. The Company may consider the following, whether intentional or unintentional, to be attempts to abuse the policy, by way of, but not limited to:

- i. requesting a cash withdrawal from the account which causes the margin level to drop to 100% or lower
- ii. hedging exposure using multiple trading accounts, whether in the client's name or in connection with another client
- iii. using arbitrage to intentionally take advantage in gaps or delays in the data feed in such a way that it creates an exceptionally large exposure for the Company and/or (iv) by failing to take reasonable and responsible action to manage open positions in order to reduce the risk of loss.

In the event that a negative balance occurs in the clients’ trading accounts due to stop out and/or extremely volatile market conditions, will make a relevant adjustment to cover the full negative amount.

**\*The client is not at risk of losing funds more than deposited.**

**UPDATES:** The Policy is in line with the Company’s operational model, and therefore in case of any changes in the operations, these will be properly reflected in this policy. In addition, in the event of any updates to the respective policy the Company’s clients are notified accordingly through e-mail.