PRIME DESK

INSTITUTIONAL EXECUTION

Margin Calculation

Schedule to the Client Agreement

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Floating Leverage · Hedged Margin · Order Margin

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This Schedule forms part of the Client Agreement and governs the calculation of Margin on the Trading Account. Capitalised terms have the meaning given to them in the Client Agreement. Where this Schedule conflicts with the Contract Specifications published on the Trading Platform, the Contract Specifications prevail.

1. Margin Requirement

The Client shall maintain sufficient funds in the Trading Account to meet the Margin required for all open Positions. Margin shall be calculated automatically by the Trading Platform in accordance with this clause and the Contract Specifications applicable to each Symbol.

2. Margin Formula

Unless the Contract Specifications provide otherwise, the Margin for a Position shall be calculated as follows:

MARGIN CALCULATION

Lots × Contract Size × Market Price × Margin Rate ÷ Applicable Leverage

Where the Margin currency differs from the Account currency, the resulting amount shall be converted into the Account currency at the rate applied by the Trading Platform.

3. Floating Leverage

The Company applies a **multi-tier floating leverage structure** under which the Applicable Leverage decreases as the Client's traded volume increases. The volume tiers and corresponding leverage levels for each Symbol are displayed in the Contract Specifications available on the Trading Platform.

The Client acknowledges that:

a. opening or increasing a Position may move the Account into a higher volume tier and reduce the Applicable Leverage;

b. the Applicable Leverage for a tier applies **only to the volume falling within that tier**, and a change in tier may therefore increase the Margin required; and

c. the Client is responsible for reviewing the applicable tiers before placing an Order.

3.1 Tiered Application of Leverage

Tiered leverage is applied on a **banded basis**. The volume within each tier is margined at the Applicable Leverage for that tier, and the leverage of a higher tier does not apply retrospectively to volume already margined within a lower tier.

ILLUSTRATION ONLY — ACTUAL TIERS ARE PUBLISHED IN THE CONTRACT SPECIFICATIONS

Assuming tiers of 1:500 up to 10 lots, 1:200 from 10 to 20 lots and 1:100 above 20 lots, a Position of 25.00 lots is margined as follows:

First 10.00 lots	**1 : 500**
Next 10.00 lots	**1 : 200**
Remaining 5.00 lots	**1 : 100**

> Because the band applies only to the incremental volume, crossing a tier boundary increases the Margin on the new volume alone and does not re-margin Positions already open at a higher leverage. The tiers in force for each Symbol are those published in the Contract Specifications, and under Clause 10 the Trading Platform's calculation prevails over any example given here.

4. Hedged Positions

Positions of opposite direction in the same Symbol held in the same Trading Account are **"Hedged Positions"**, and the matched volume is the **"Hedged Volume"**. Margin shall be charged on both the Hedged Volume, in accordance with the Hedged Margin value in the Contract Specifications, and any unmatched volume.

FOR THE AVOIDANCE OF DOUBT

Holding Hedged Positions does **not**, unless the Contract Specifications expressly provide otherwise, eliminate the Margin requirement.

5. Margin on Orders

Market Orders	Margin is charged **upon execution**.
Limit, Stop and Stop Limit Orders	**No Margin is charged** while the Order remains pending.
On trigger	Once a pending Order is triggered and executed, the resulting Position is subject to Margin under this Schedule, and such Margin may place the Account in a higher volume tier.
Insufficient Free Margin	If the Trading Account has insufficient Free Margin at the time a pending Order is triggered, the Order may be **rejected or cancelled without prior notice**, and the Company shall not be liable for any resulting loss or missed opportunity.

6. Worked Example

For illustration only. The example assumes the Hedged Margin equals the Contract Size.

HEDGED AND UNMATCHED VOLUME

Buy Positions held	**2.00 lots**
Sell Positions held	**2.50 lots**
Hedged Volume (matched)	**2.00 lots**
Unmatched volume	**0.50 lots**
Volume carrying Margin	**2.50 lots**

> Margin is charged on 2.00 lots of Hedged Volume and 0.50 lots of unmatched volume — equivalent to Margin on 2.50 lots in total — subject to the Applicable Leverage, Margin Rate and weighted average prices.

7. Changes in Margin

The Margin required may change as a result of changes in Market Price, conversion rates, traded volume, or the closing of one side of Hedged Positions. **The Client is solely responsible for monitoring the Trading Account and maintaining sufficient Equity at all times.** The Company is under no obligation to notify the Client of any change in Margin except as required by applicable law.

8. Amendments to Margin Requirements

The Company may, at its sole discretion, amend the Margin requirement for any Symbol or Trading Account, including Margin Rates, Hedged Margin values, volume tiers and Applicable Leverage. The Company may do so, without limitation, before or during:

- major news events;
- weekends and holidays;
- periods of low liquidity or high volatility;
- abnormal market conditions; or
- where it reasonably considers this necessary to manage risk.

Amendments may apply to **both open Positions and new Orders**, and may result in a Margin Call or Stop Out.

9. Insufficient Margin

If the Client's Equity is insufficient to meet the Margin requirement, the Company may reject new Orders, and Positions may be closed in accordance with the Company's Margin Call and Stop Out provisions, **without further notice to the Client**.

10. Prevailing Calculation

In the event of any discrepancy between an illustrative example in this Schedule and the calculation made by the Trading Platform, **the calculation made by the Trading Platform in accordance with the Contract Specifications shall prevail**, save in the case of manifest error.

RISK WARNING

Trading on margin carries a high level of risk. Movements in Market Price, changes to leverage tiers and amendments made under Clause 8 can each increase the Margin required at short notice and may result in the closure of Positions. You may sustain a loss of some or all of your invested capital.