PRIME DESK

MULTI-ASSET INSTITUTIONAL-GRADE BROKERAGE

Margin & Stop-Out Policy

How Margin Is Calculated, Monitored
and Enforced Across Every Account Type

Company Registration Number 2026-00429
Saint Lucia International Business Company
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FORMS PART OF THE CLIENT AGREEMENT

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1 — The Terms

Balance	The result of all closed activity: deposits, plus realised profit, less realised loss, charges, and withdrawals.
Equity	Balance adjusted for the floating profit and loss of open positions. This is the live value of the account.
Used margin	The collateral reserved against open positions. It is your money; it is not available while those positions are open.
Free margin	Equity less used margin — what remains to open positions or absorb adverse movement.
Margin level	Equity divided by used margin, expressed as a percentage. The single clearest indicator of account health.
Margin call level	The margin level at which a warning is issued.
Stop-out level	The margin level at which positions begin closing automatically.

2 — Calculation

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Margin      = (Lots × Contract Size × Price) ÷ Leverage Equity      = Balance ± Floating
P/L Free Margin = Equity − Used Margin Margin Level = (Equity ÷ Used Margin) × 100%
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2.1 Worked Example — Gold

One standard lot of XAUUSD is 100 ounces. With gold at USD 4,400 the notional value is USD 440,000.

AT LEVERAGE	MARGIN REQUIRED FOR 1.00 LOT
1:400	USD 1,100
1:200	USD 2,200
1:100	USD 4,400

An account with USD 5,000 equity holding that position at 1:400 has a margin level of approximately 455%. A loss of USD 4,670 would bring the margin level to 30% and trigger the stop-out.

2.2 Dynamic Leverage

Leverage on most account types is **dynamic**: the applicable ratio reduces as total exposure rises, so that larger positions require proportionally more margin. The applicable tiers are published on the platform and in the account specifications, and may be amended. Because leverage is dynamic, opening an additional position can increase the margin required on positions already open.

3 — Levels by Account Type

ACCOUNT	LEVERAGE	STOP-OUT
Standard	Up to 1:400, dynamic	30%
Pro	Up to 1:400, dynamic	30%
Prime	Up to 1:400, dynamic	30%
DMA	1:100 to 1:200	30%
ZERO	Uncapped	30%
Risk Management	1:100 to 1:200	50%

The figures above are the published levels at the date of this Policy. The current levels are always those shown in the account specifications on the platform, which prevail in the event of any difference.

UNCAPPED LEVERAGE — ZERO ACCOUNT

Where leverage is uncapped, the margin required approaches zero and the margin level ceases to be a meaningful early warning. On a small balance an adverse move can consume the account before the stop-out mechanism is effective. Volume limits apply to this account type and are published with its specifications.

4 — Margin Call and Stop-Out

4.1 Margin Call

A margin call is a notification that your margin level has fallen to the warning threshold. It may be delivered by platform notification, email, or in-terminal alert. **It is a courtesy and not a condition of the Company's right to close positions.** The Company is under no obligation to issue one, and a failure to receive one — for any reason, including a connectivity problem at your end — does not prevent a stop-out.

4.2 Stop-Out

a) The stop-out is triggered automatically by the platform when the margin level falls below the level published for your account type.

b) Positions are closed **beginning with the largest unrealised loss**, and closure continues until the margin level is restored above the stop-out level or no positions remain.

c) Close-out orders are executed as market orders at the next available price. The stop-out level is the trigger, not a guaranteed exit price.

d) A margin close-out takes priority over any new or pending order on the same account.

e) The Company does not partially close a position to restore margin unless the platform configuration for that instrument permits it.

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4.3 — Gapping

In a gapping or illiquid market the fill may be materially worse than the stop-out level, and your loss may exceed the balance shown at the instant the stop-out was triggered. This risk is greatest across weekends, market holidays, and scheduled economic releases.

5 — Changes to Leverage and Margin

The Company may reduce leverage or increase margin requirements at any time, on any instrument, and for any account type. This may be done:

a) Before and during scheduled economic announcements, elections, and central bank decisions.

b) Ahead of weekends, market holidays, and periods of expected illiquidity.

c) Where an instrument becomes materially more volatile, or where a liquidity provider raises its own requirement.

d) Where an individual account's exposure, concentration, or risk profile warrants it.

CONSEQUENCE

An increase in margin requirement raises the margin your existing positions consume and therefore **lowers your margin level immediately**. It can by itself trigger a margin call or a stop-out. Where practicable the Company gives advance notice through the platform or by email, but where a change is required at short notice to manage risk it may take effect immediately.

6 — Negative Balance

Where market conditions cause an account to close with a negative balance, the Company may at its discretion reset that balance to zero. This is a **discretionary act and not a right**. It is considered for retail clients; it is not applied where the negative balance arises from abusive trading under the Client Agreement, from trading during a period of announced restriction, or on an account categorised as professional.

7 — Position and Exposure Limits

Maximum volume	Limits may be set per order, per instrument, and per account, and are published in the account specifications.
Aggregate exposure	The Company may cap total exposure across all of a client's accounts and may require a reduction within a stated period.
Concentration	Where a single instrument represents a disproportionate share of an account's exposure, additional margin may be required.
Hedged positions	Margin treatment of offsetting positions is set in the platform configuration and may be amended. Offsetting positions do not eliminate margin obligations.

8 — Your Responsibility

Monitoring your margin level is your responsibility, not the Company's. The Company is under no obligation to notify you that your margin level is falling, to contact you before a stop-out, or to keep your positions open. You should not rely on receiving a warning.

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