Margin and Leverage

Introduction

A.N All New Investments Ltd operating under the trading name LEGACYFX is a Cypriot Investment Firm ("CIF") registered with the Registrar of Companies in Nicosia under number: HE 348194 and regulated by the Cyprus Securities & Exchange Commission ("CySEC") under license number 344/17 (hereinafter called the “Company”).

Scope

This Leverage and Margin Policy (the “Policy”) sets out how we set leverage and margin levels and procedures when you trade in Contracts of Difference (“CFDs”) with us. The purpose of this Policy is to explain the key aspects of leverage trading with margin and what leverage levels we make available depending on your knowledge and experience and regulatory requirements. It also outlines the impact on your margin and account where negative market movements occur.

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.
Leveraged

A leveraged FX contract is a margined over the counter (i.e. not executed on an exchange) trade between you and us where the price is determined by reference to the exchange rate between the currency pair that underlies the contract (“FX Contract”). Moreover, FX Contracts are classified in the EU as investments and firms offering to deal in them are required to be authorized and regulated.

Leverage up to 30:1

Using leverage means that you can trade positions larger than the amount of money in your trading account. Leverage amount is expressed as a ratio, for instance 50:1, 100:1, or 500:1.

At LegacyFX clients have the flexibility to trade by using the same margin requirements and leverage from 1:2 to 30:1 depending on instrument.

Detail Leverage Levels per Financial Instruments below:

<table>
<thead>
<tr>
<th>CFDs on the following financial instruments</th>
<th>Leverage Levels</th>
<th>Margin Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major FX</td>
<td>30:1</td>
<td>3.33%</td>
</tr>
<tr>
<td>Minor FX</td>
<td>20:1</td>
<td>5%</td>
</tr>
<tr>
<td>Exotic FX</td>
<td>20:1</td>
<td>5%</td>
</tr>
<tr>
<td>Gold</td>
<td>20:1</td>
<td>5%</td>
</tr>
<tr>
<td>Major Indices</td>
<td>20:1</td>
<td>10%</td>
</tr>
<tr>
<td>Minor Indices</td>
<td>10:1</td>
<td>10%</td>
</tr>
<tr>
<td>Commodities (other than gold)</td>
<td>10:1</td>
<td>10%</td>
</tr>
<tr>
<td>Shares and other reference values</td>
<td>5:1</td>
<td>20%</td>
</tr>
<tr>
<td>Cryptocurrencies</td>
<td>2:1</td>
<td>50%</td>
</tr>
</tbody>
</table>

Margin

The Margin Level indicates how close your account is to a margin call. It is calculated as Equity/Initial Margin and is typically shown in “%”. When the margin level decreases, your account bears an increased risk of liquidation. We call this the Close Out (stop out) Level and explain it further below. You are advised that you should monitor this margin level at all times. Whilst we may from time to time send you notifications of
your Margin Level reaching certain thresholds, you are reminded that under the Retail Client Investments Services Agreement between you and us it is your responsibility to monitor at all times the margin level and take relevant actions.

At LegacyFX, the Margin Close-Out rule (the equity level at which your open positions get automatically closed), for Silver, Gold and Platinum trading accounts, the stop-out level is 50%.

*Margin requirements do not change during the week, nor do they widen overnight or at weekends.*

**Negative Balance Protection**

We offer all our clients Negative Balance Protection. This means that our clients will never lose more than the amounts you invested with us. Although each client is fully responsible for monitoring their trading account activity, LegacyFX follows a margin call policy to guarantee that your maximum possible risk does not exceed your account equity. As soon as your account equity drops below 100% of the margin needed to maintain your open positions, we will attempt to notify you with a margin call warning you that you do not have sufficient equity to support open positions.

**Risk Warning Notice**

A high degree of “gearing” or “leverage” is associated with trading our Products. This stems from the margining system applicable to our Products. This stems from the margining system applicable to our Products which generally involves a comparatively modest deposit of the overall contract value to open a Trade. This can work for you and against you. A small price movement in your favour can result in a high return on the money placed on deposit; however, a small price movement against you may result in substantial losses, possibly more that money placed on deposit. Prices can move quickly particularly at times of high market volatility and, if these price movements are unfavourable to your trade(s), you could quickly build up significant losses. If you do not maintain enough funds in your Account to satisfy your Margin Requirements, we may close any or all of your Open Positions (in some circumstances without warning). If we do this, your Open Positions may be closed at a loss for which you will be liable.

**Offering CFDs In Certain Jurisdictions**

CFDs are not eligible for sale in certain jurisdictions or countries. This Policy is not directed to any jurisdiction or country which is included in the Company’s Banned Jurisdictions as this is defined in the Investment Services Agreement. The Policy does not constitute an offer, invitation or solicitation to buy or sell CFDs.
**Applicable Language**

Please note that where you have been provided with a copy of this Policy other than in the English language, such Policy is provided to you for information purposes only. The English version of this Policy is the version that is binding on A.N. All New Investments Ltd at all times.