



# Margin and Leverage Framework

IC Markets Global is the trading name of Raw Trading Ltd regulated by the Financial Services Authority of Seychelles with Securities Dealer's License Number SD018.

## 1. Purpose and Scope

A reference in this document to “we”, “us”, “IC Markets Global”, “the Company”, “our”, “ours” and “ourselves” (as appropriate) is a reference to Raw Trading Ltd (Co No: 8419879-1) (SDL Number: SD018).

This Margin and Leverage Framework (the “Framework”) sets out the principles and general framework applied by the Company in relation to margin requirements, margin adjustments, leverage application, and associated risk management measures.

This Framework is intended to provide Clients with a high-level understanding of how margin is determined, applied, and managed across Financial Products offered by the Company. It reflects the Company’s operational practices and risk management approach, including the dynamic nature of margin requirements and the factors that may influence them.

This Framework applies to all Clients and all trading accounts held with the Company, across all Financial Products, unless otherwise specified.

Margin requirements and related risk controls form an integral part of the Company’s overall risk management framework and are designed to support the orderly operation of the trading environment, manage the Company’s exposure to market and counterparty risk, and ensure that trading conditions remain commercially sustainable under varying market conditions.

The application of margin requirements, leverage levels, and any adjustments thereto may vary depending on multiple factors, including, but not limited to, the type of Financial Product, market conditions, account characteristics, and the Company’s internal risk assessments.

Detailed leverage schedules, tier thresholds, and illustrative examples may be made available on the Company’s website and form part of the Company’s published margin information.

### **Important Notice**

This Framework is provided for general informational purposes only and is intended to assist Clients in understanding how margin requirements and related mechanisms may operate in practice.

This Framework does not form part of the Terms and Conditions governing the relationship between the Client and the Company and does not create any legally binding obligations on the Company.

This Framework should be read together with the Terms and Conditions governing the relationship between the Client and the Company.

In the event of any inconsistency, the Terms and Conditions shall prevail at all times.

The Company seeks to ensure that this Framework reflects its current practices. However, margin requirements, leverage application, and risk management measures are inherently dynamic and may change at any time, including without prior notice, in accordance with the Terms and Conditions.

Nothing in this Framework limits or restricts the Company's rights under the Terms and Conditions, including its right to determine, apply, amend, or enforce margin requirements, leverage levels, Margin Adjustments, or any related measures at its sole discretion.

## **2. Interpretation, Non-Reliance, and Client Responsibility**

This Framework should be read together with the Terms and Conditions governing the relationship between the Client and the Company. Defined terms used in this Framework shall have the meaning given to them in the Terms and Conditions, unless otherwise stated.

This Framework is provided for general informational purposes only and does not constitute any form of assurance regarding the level of margin, leverage, or trading conditions that may be applied at any given time.

The information contained in this Framework is of a general nature and does not take into account the specific circumstances, trading strategy, financial position, or objectives of any Client.

Clients are informed that:

- margin requirements, leverage levels, and any Margin Adjustments are determined by the Company in accordance with its internal risk management framework and may change at any time, including without prior notice;
- the Company is not required to apply any particular margin methodology, leverage structure, or risk parameter consistently across Clients, accounts, Financial Products, or market conditions;
- any examples, descriptions, or explanations provided in this Framework are indicative only and may not reflect the actual margin treatment applied at any specific time;
- the operation of margin, leverage, and related controls may depend on system configurations, execution environments, liquidity conditions, and other operational factors which may not be fully described in this Framework;
- delays, system limitations, pricing updates, or differences between expected and actual platform behaviour may occur and shall not limit the Company's rights or give rise to any claim against the Company.

Clients remain solely responsible for:

- monitoring their positions, exposure, and margin levels at all times;
- ensuring that sufficient funds are maintained in their account to meet applicable margin requirements;
- understanding the risks associated with trading on margin, including the potential for rapid losses and forced position closures.

The Company may, but is not obliged to, provide margin calls, notifications, or alerts. Accordingly:

- the Company does not guarantee that any margin calls, notifications, or alerts will be received by the Client in a timely manner or at all;
- Clients should not rely on any such notifications and remain responsible for monitoring their positions and margin requirements at all times;
- any margin thresholds, leverage levels, or risk limits may change at any time;
- any action or inaction by the Company will not prevent losses from occurring.

### **3. Margin Framework and Core Concepts**

Margin is the amount of funds required to open and maintain positions in Financial Products offered by the Company. It is a key component of leveraged trading and forms part of the Company's overall risk management framework.

Margin requirements are determined by the Company and may vary depending on a range of factors, including the type of Financial Product, market conditions, account characteristics, and the Company's internal risk assessments.

Margin is not static and may change at any time, including in respect of existing Open Positions, in accordance with the Terms and Conditions.

### **3.1. Relationship Between Margin and Leverage**

Leverage enables Clients to gain exposure to Financial Products by depositing a fraction of the total value of a position as margin.

The level of leverage applied to any position is directly related to the applicable margin requirement. Higher leverage corresponds to lower margin requirements, and lower leverage corresponds to higher margin requirements.

Leverage available to a Client may vary and may be adjusted by the Company at any time, including in respect of existing Open Positions, in accordance with the Terms and Conditions.

Such adjustments may be applied on a dynamic basis and may depend on factors including, but not limited to, exposure levels, account activity, market conditions, and the Company's internal risk considerations.

### **3.2. Types of Margin**

The Company may apply different types of margin as part of its risk management framework. These may include, but are not limited to:

- Initial Margin: the amount required to open a position;
- Maintenance Margin: the minimum level of funds required to maintain an open position;

- Variation Margin: adjustments to margin requirements based on changes in the value of open positions;
- Additional or Increased Margin: any higher margin requirement applied by the Company in response to specific risk factors or conditions.

The Company may determine, apply, amend, or remove any type of margin at its discretion, including applying different margin types or levels across Clients, accounts, Financial Products, or positions.

### 3.3. Margin Methodologies

Margin requirements may be calculated using different methodologies, as determined by the Company. These may include, but are not limited to:

- fixed margin models;
- variable or dynamic margin models;
- tiered margin structures based on position size or exposure;
- exposure-based or concentration-based approaches;
- portfolio-based methodologies.

The Company may apply different methodologies at any time and is not required to apply any specific methodology consistently.

Methodologies are defined based on the asset class and are not client specific.

The Company may also amend the logic, parameters, thresholds, or inputs used within any margin methodology at its discretion, including where this results in a change to the margin treatment applicable to a Client or position.

The specific parameters, thresholds, calculations, and internal controls used in determining margin requirements and leverage levels are part of the Company's internal risk management framework and are not disclosed in this Framework.

Margin methodologies are primarily determined by the characteristics of the relevant Financial Product or asset class, including factors such as volatility, liquidity, and underlying market structure.

However, the application of such methodologies, including Margin Adjustments and leverage levels, may vary based on account-level, exposure-based, or behavioural factors as part of the Company's risk management framework.

### **3.4. Application Across Clients, Accounts and Positions**

Margin requirements and leverage levels may differ across Clients, accounts, Financial Products, and positions.

The Company may apply different margin treatments based on factors including, but not limited to:

- account type or characteristics;
- size, nature, or concentration of positions;
- trading activity or behaviour;
- overall exposure at account or group level;
- prevailing market conditions;
- internal risk assessments.

The Company may also classify or reclassify Clients, accounts, positions, or trading strategies for margin purposes at any time, which may result in immediate changes to applicable margin requirements or leverage levels.

Where applicable, general leverage structures, tiers, or examples may be published on the Company's website. Such information is indicative and may not reflect the specific margin treatment applied at any given time.

### **3.5. Dynamic Nature of Margin and Leverage**

Margin requirements and leverage levels are inherently dynamic and form part of the Company's ongoing risk management processes.

They may be adjusted at any time, including intra-day and in respect of existing Open Positions, in response to changes in market conditions, liquidity, volatility, exposure levels, or other relevant factors.

Such adjustments may occur without prior notice and may have an immediate impact on a Client's account, including the requirement to deposit additional funds or reduce exposure.

#### **4. Margin Adjustments and Dynamic Leverage**

Margin requirements and leverage levels form part of the Company's overall risk management framework and may be adjusted at any time, at the Company's sole discretion, in accordance with the Terms and Conditions.

Such adjustments ("Margin Adjustments") may apply to new Transactions as well as existing Open Positions and may take effect immediately, including without prior notice.

Margin Adjustments may impact the margin required to maintain positions, the leverage applied to positions, and the overall risk exposure of a Client's account.

##### **4.1. Nature of Margin Adjustments and Dynamic Leverage**

Margin Adjustments and related measures may include, without limitation:

- increases or decreases in Initial Margin or Maintenance Margin, including the application of higher margin requirements in certain circumstances;
- adjustments, reductions, or increases in leverage levels applicable to any Financial Product, account, or Open Position, including existing Open Positions;
- application of dynamic, tiered, or exposure-based leverage structures;
- reduction of leverage tiers applicable to existing Open Positions;
- application, removal, or amendment of preferential, reduced, or hedged margin treatments;
- application of different margin requirements across Clients, accounts, Financial Products, or positions;
- application of revised margin or leverage conditions to existing Open Positions;
- changes to the methodology used to determine margin requirements; and

- classification or reclassification of Clients, accounts, positions, or trading strategies for margin and leverage purposes.

Any such adjustments may be applied at the Company's discretion and may have an immediate impact on a Client's account, including margin requirements, leverage levels, and position status.

#### **4.2. Factors That May Trigger Margin Adjustments and Leverage Changes**

Margin Adjustments and leverage changes may be applied in response to a range of factors, including, but not limited to:

- changes in market conditions, including volatility, liquidity, or pricing behaviour;
- underlying market constraints or limitations affecting pricing or hedging;
- size, concentration, or nature of positions held by a Client;
- overall exposure at account level or across related accounts;
- rapid increases in exposure or trading activity;
- availability of liquidity or the Company's ability to manage or hedge risk in the underlying market;
- internal risk exposure, including aggregate exposure across Clients, accounts, or Financial Products;
- classification or reclassification of Clients, accounts, positions, or trading strategies;
- changes in the Company's risk management policies, systems, or methodologies; and
- external factors, including regulatory developments or market disruptions.

These factors are indicative only and do not limit the Company's discretion.

#### **4.3. Application to Existing Open Positions**

Margin Adjustments and leverage changes may be applied to both new and existing Open Positions at any time.

This may result in an immediate increase in margin requirements or a reduction in leverage applied to such positions.

Where such adjustments are applied, Clients may be required to:

- deposit additional funds;
- reduce or close positions; or
- take other actions to maintain compliance with applicable margin requirements.

Failure to meet updated margin requirements may result in the Company taking action in accordance with the Terms and Conditions, including the reduction or closure of positions.

#### **4.4. Client, Account and Strategy Classification**

The Company may, at its discretion, classify or reclassify Clients, accounts, positions, or trading strategies for the purposes of margin and leverage determination.

Such classification or reclassification may:

- directly impact applicable margin requirements and leverage levels;
- result in different treatment of positions, including hedged or unhedged treatment; and
- take effect immediately, including in respect of existing Open Positions.

Classification forms part of the Company's internal risk management framework.

#### **4.5. Removal or Modification of Margin Treatment**

The Company may, at any time and at its discretion:

- remove or amend any reduced, preferential, hedged, or otherwise differentiated margin treatment; or
- modify the conditions under which such treatment is applied.

Where margin treatment is removed or modified, applicable margin requirements may be recalculated by reference to the prevailing mark-to-market value of positions at the time of such change.

This does not imply any entitlement to margin treatment based on prior valuations, entry conditions, or previously applied margin arrangements.

#### **4.6. Timing and Operational Considerations**

Margin Adjustments and leverage changes may be implemented in real time or near real time and may be influenced by system configurations, execution environments, and operational processes.

There may be instances where a Margin Adjustment is determined by the Company and subsequently applied through the Electronic Trading Service, and timing differences may occur between determination and application.

In accordance with the Terms and Conditions:

- system processing, platform behaviour, or market conditions may affect how and when such adjustments are reflected; and
- such timing or operational considerations do not limit the Company's rights or give rise to any claim against the Company.

#### **4.7. No Obligation to Provide Prior Notice**

The Company is not obliged to provide prior notice of any Margin Adjustment, leverage change, or related measure.

Where notifications are provided, these are for convenience only and may not be provided in all circumstances or in advance of the adjustment taking effect.

Clients should not rely on any notification and remain responsible for monitoring their positions and margin requirements at all times.

#### **4.8. No Limitation of Rights**

Nothing in this Section shall be interpreted as limiting or restricting the Company's rights under the Terms and Conditions.

The Company retains full discretion to determine, apply, amend, or enforce margin requirements, leverage levels, Margin Adjustments, and any related measures as part of its risk management framework.

#### **4.9. Position-Taking in Proximity to Risk Events**

The Company may apply Margin Adjustments, including increased margin requirements or reduced leverage, to positions opened in close proximity to periods of elevated market risk where it reasonably determines that such position-taking is intended to circumvent the application of risk management measures.

This may include, without limitation, positions opened in advance of:

- major scheduled economic announcements;
- end-of-day roll periods; or
- weekend or market closure periods.

In such circumstances, the Company may apply adjusted margin or leverage conditions at its discretion, including to positions opened prior to the formal implementation of such measures.

### **5. Margin Requirements and Calculation Principles**

#### **5.1. General Principles**

Margin requirements represent the amount of funds that a Client is required to maintain in their account in order to open and maintain positions in Financial Products.

Margin requirements are determined by the Company in accordance with its internal risk management framework and may vary depending on a range of

factors, including the characteristics of the Financial Product, market conditions, and account-specific considerations.

## 5.2. Types of Margin

Margin requirements may include, but are not limited to:

- Initial Margin, being the amount required to open a position;
- Maintenance Margin, being the minimum amount required to maintain an open position; and
- any other margin requirements or variations applied by the Company as part of its risk management framework.

## 5.3. Margin Determination and Methodology

The Company may determine margin requirements using methodologies and approaches that it considers appropriate in light of its risk management framework.

- Such methodologies may include, without limitation:
- fixed or percentage-based margin requirements;
- dynamic or variable margin;
- tiered margin based on position size or exposure;
- exposure-based or concentration-based margin; and
- portfolio-based or aggregated margin approaches.

The Company is not required to apply any specific methodology consistently and may change, replace, or apply different methodologies at its discretion, including in respect of existing Open Positions.

## 5.4. Relationship Between Margin and Leverage

Leverage is intrinsically linked to margin requirements and represents the ratio between the notional value of a position and the margin required to open and maintain that position.

Changes to margin requirements may result in corresponding changes to the effective leverage applied to a position, and vice versa.

Leverage may be adjusted independently or in conjunction with Margin Adjustments, as described in Section 4.

### **5.5. Account Leverage, Tiered Application and Operational Considerations**

The leverage available to a Client may be subject to an account-level maximum leverage setting, which may be selected by the Client at account opening or subsequently amended through the Client area, subject to the Company's approval and applicable conditions.

Where an account-level leverage setting applies, such setting operates as a maximum cap on the leverage that may be applied to any position. Any margin methodology, including tiered or dynamic leverage structures, will apply within the limits of that cap and will not result in leverage being applied above the account-level setting.

For example, where a Client's account leverage is set at a lower level than the maximum leverage otherwise available for a particular Financial Product or tier, the lower account-level leverage will prevail.

Clients will not be automatically granted access to higher leverage levels than those selected or approved for their account.

The application of tiered or dynamic leverage may therefore result in:

- the application of a single effective leverage rate up to certain exposure levels where constrained by the account-level leverage setting; and
- the application of progressively lower leverage rates as exposure increases, in accordance with the applicable margin methodology.

The manner in which leverage, margin requirements, and any Margin Adjustments are applied may also depend on system configurations, platform capabilities, product characteristics, and execution environments. As a result:

- certain margin or leverage methodologies may apply differently across platforms or Financial Products; and

- operational limitations or implementation differences may affect how margin and leverage are calculated or applied in practice.

In addition, certain risk management measures, including periods of increased margin requirements or reduced leverage (including, for example, during periods of elevated market risk), may be applied to new Transactions and/or existing Open Positions, depending on the circumstances and the Company's risk management approach at the relevant time.

Where such measures are applied or subsequently removed, margin requirements may be recalculated by reference to the prevailing mark-to-market value of positions at that time.

#### **5.6. Product, Account and Market Variability**

Margin requirements may vary depending on multiple factors, including, but not limited to:

- the type and characteristics of the Financial Product;
- the size and nature of positions;
- market conditions, including volatility and liquidity;
- account type or Client classification; and
- any other factors the Company considers relevant as part of its risk management framework.

Margin requirements applicable to a particular Financial Product or account at any given time may differ from those applied at another time.

#### **5.7. Platform Display and Information**

Margin requirements, leverage levels, and related information may be displayed through the Electronic Trading Service or other communication channels provided by the Company.

Such information is indicative of the conditions applicable at the time of display and may be subject to change without prior notice.

For clarity:

- displayed margin or leverage information may be updated dynamically;
- differences may occur between displayed values and those applied at a given time due to system processing, timing, or market conditions; and
- reliance on displayed information does not limit the Company's rights under the Terms and Conditions.

### **5.8. No Guarantee of Consistency**

The Company does not guarantee that:

- margin requirements, leverage levels, or methodologies will remain unchanged for any period of time;
- similar positions will be subject to identical margin treatment across Clients, accounts, or market conditions; or
- any previously applied margin or leverage conditions will continue to apply in the future.

## **6. Margin Calls, Close-Out, and Risk Management Actions**

### **6.1. Margin Monitoring and Margin Levels**

The Company monitors margin requirements and account status as part of its risk management framework. However, such monitoring by the Company does not limit the Client's responsibility to manage their account and ensure that sufficient funds are maintained to meet applicable margin requirements.

Margin adjustments applied under Section 4 may reduce a Client's available margin and trigger the actions described in this Section

Margin levels may fluctuate continuously as a result of changes in the value of Open Positions, market conditions, and any Margin Adjustments applied by the Company.

Margin Adjustments applied under Section 4 may reduce a Client's available margin and may trigger the actions described in this Section, including margin calls, position reduction, or Close-Out.

## **6.2. Margin Calls and Notifications**

The Company may, but is not obliged to, provide margin calls, alerts, or notifications to Clients where margin requirements are not met or where margin levels fall below applicable thresholds.

Clients are informed that:

- margin calls, alerts, or notifications may not be provided in all circumstances;
- any notifications provided are for convenience only and may be delayed or not received;
- the absence of a margin call or notification does not limit the Company's rights under the Terms and Conditions; and
- Clients should not rely on any margin call, alert, or notification and remain responsible for monitoring their account at all times.

## **6.3. Obligation to Maintain Sufficient Margin**

Clients are required to ensure that sufficient funds are maintained in their account at all times to meet applicable margin requirements.

Where margin requirements are not met, Clients may be required to:

- deposit additional funds;
- reduce or close positions; or
- take other actions to restore compliance with applicable margin requirements.

Failure to maintain sufficient margin may result in the Company taking action in accordance with the Terms and Conditions.

#### **6.4. Close-Out and Risk Management Actions**

Where a Client fails to meet applicable margin requirements, or where the Company considers it necessary as part of its risk management framework, the Company may, without prior notice, take any action it deems appropriate, including where such action is taken to manage exposure arising from Margin Adjustments or changes in leverage.

Such actions may include, without limitation:

- closing, reducing, or partially closing Open Positions;
- rebalancing or adjusting positions;
- restricting or suspending trading activity;
- amending account conditions; or
- taking any other action necessary to manage risk.

Such actions may be applied automatically, manually, or through system-driven processes.

#### **6.5. Stop-Out and Automatic Liquidation**

Where applicable margin thresholds are not met, the Company may automatically close or reduce Open Positions.

Close-out actions may:

- be executed in full or in part;
- occur progressively or in stages;
- be applied across one or multiple positions; and
- be executed at the next available market price.

In certain market conditions, execution may occur at prices that differ from expected levels due to volatility, liquidity constraints, or market gaps.

#### **6.6. Timing, Execution and Market Conditions**

Margin calls, Close-Out actions, and other risk management measures may be affected by system processing, execution environments, and prevailing market conditions.

In accordance with the Terms and Conditions:

- execution of Close-Out actions may be subject to delays or differences in timing;
- market conditions, including volatility or reduced liquidity, may impact execution prices and outcomes; and
- such factors do not limit the Company's rights or give rise to any claim against the Company.

#### **6.7. No Limitation of Rights**

Nothing in this Section shall be interpreted as limiting or restricting the Company's rights under the Terms and Conditions.

The Company retains full discretion to determine, apply, and execute any margin call, Close-Out action, or other risk management measure at any time, as it deems appropriate.

### **7. Framework Review, Amendments, and Availability**

This Framework may be reviewed, updated, or amended by the Company from time to time, in order to reflect changes in the Company's risk management framework, operational practices, market conditions, regulatory expectations, or any other relevant factors.

Any updates or amendments to this Framework may take effect immediately upon publication, unless otherwise stated.

The Company is not obliged to provide prior notice of any changes to this Framework. Where notifications are provided, these are for convenience only and may not be provided in all circumstances.

The latest version of this Framework will be made available through the Company's website or through other communication channels as determined by the Company.

Clients are responsible for ensuring that they review the most current version of this Framework and remain informed of any updates.

### **7.1. Relationship with the Terms and Conditions**

This Framework should be read together with the Terms and Conditions governing the relationship between the Client and the Company.

In the event of any inconsistency or discrepancy between this Framework and the Terms and Conditions, the Terms and Conditions shall prevail.

### **7.2. No Limitation on Discretion**

Without limiting the generality of the above, the Company retains full discretion, at all times, to:

- determine, apply, amend, or remove margin requirements;
- adjust, increase, or reduce leverage levels, including on a dynamic or intra-day basis;
- implement Margin Adjustments or any related risk management measures;
- classify or reclassify Clients, accounts, positions, or trading strategies; and
- take any action it deems appropriate in accordance with the Terms and Conditions.