Terms and Conditions for Margin Trading

Quadcode Markets is the trade name of IQBROKER EUROPE LTD (formerly IQOption Europe Ltd). IQBroker Europe Ltd with Registration No. HE327751 and registered office at 82nd road, 4 Kato Polemidia, 4153, Limassol, Cyprus (hereinafter referred to as the "Company"), is an investment firm with license no. 247/14 that is authorized and regulated by the Cyprus Securities and Exchange Commission (hereinafter referred to as the "CySEC" or "Commission").

The domain name quadcodemarkets.com is owned and operated exclusively by the Company.

The present annex is incorporated and forms part of the Company's Terms and Conditions and any and all Policies included in the Company's official website, e.g., Order Execution Policy, Risk Disclosure Policy etc. (hereinafter collectively referred to as "Agreement") regulating the relationship between the Company on the one part and the Client who has registered for a trading account with the Company and deposited funds on the other part as described in the Agreement.

1. Terms

"Trading Account or Account" means the unique personified account registered in the name of the Client and which contains, inter alia, any and all the Client's transactions/ operations on the Trading Platform (as defined below) of the Company.

"Available Margin" means the funds available for opening new positions.

"Balance" means the amount of available cash in the Client's Account.

"CFD (contracts for difference)" means a tradable contract entered into between the Client and the Company, who exchange the difference in the value of an instrument, as specified on the Trading Platform at the time of opening a transaction and the value of that instrument at the contract's end.

“Cross Margin” means a margin methodology whereby all open positions within a trading account share the total available balance; therefore, unrealized profits from profitable positions may be used to support margin requirements for losing positions across the entire portfolio. In the event of a margin call, all positions may be subject to liquidation to meet margin requirements.

“Equity” means the Client’s Balance including unrealized profits and deducting unrealized losses of open positions and adding and/or deducting ongoing trading fees, including, inter alia, swaps.

“Isolated Margin” means a margin methodology whereby each individual position is allocated a specific, separate margin amount that is isolated from other positions in the account. The margin assigned to each position is ring-fenced and cannot be used to support other positions. Under this system, if a position reaches its margin threshold, only that specific position will be subject to liquidation, while other positions remain unaffected. The maximum loss for any isolated position is limited to the margin allocated to that position. Margin is allocated as an investment amount, but can be extended in case the stop-loss level is set to a level that requires more margin than what was initially allocated for the position, or if a client uses the “keep position open” checkbox, which allows the position to stay open even if additional margin is needed.

“Leverage” means the ratio of the funds used in a position to the Margin required.

“Lot” means a unit measuring the transaction amount that is displayed and specified for each underlying asset of a CFD in the Trading Platform.

“Margin” means the required funds available in the Trading Account for the purposes of maintaining an open position.

“Initial Margin” means the funds to be held by the Company from the Client’s Equity as a security for the Client’s current and future obligations towards the Company. Margin shall be calculated as a percentage of the full value of the position.

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“Maintenance Margin” means the funds required to maintain an open position. Margin level is calculated by dividing the Equity by the Initial Margin and is expressed as a percentage.
“Margin Call” means the situation where the Client is informed that he/she does not have enough Margin to maintain his/her positions open and/or place orders.

“Hedged Positions” means the long and short positions of the same instrument opened on the Client’s Account.

“Hedged Margin” means the necessary margin required by the Company in order to open and maintain Hedged Positions in the CFD trading.

“Trading Platform” means an electronic system on the internet that consists of all programs and technology that present quotes in real-time, allow the placement/modification/deletion of orders and calculate all mutual obligations of the Client and the Company.

“Website” means the Company’s official website, i.e., quadcodemarkets.com

2. Provision of Services

1. By accepting the Agreement, the Client confirms that he is aware of any and all the risks in relation to the use of Margin or Leverage and in particular, the Client agrees and understands that the use of Margin or Leverage creates greater risks and there are situations where the Company will need to close out a portion of and/or all of the Client’s open positions without prior notice (e.g., where the Client does not maintain the required Maintenance Margin in order to support his/her open positions).
2. The client also agrees and understands that, in addition to being exposed to the credit risk of the Company, they may also lose 100% of the amount invested and may have to make payments additional to the amount initially invested. However, the value of the account does not fall lower than 50% of the total initial margin that was paid to enter into all currently open CFDs.

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3. In order to open a position, the Company shall hold the Initial Margin as specified by the Company from time to time at his own discretion, for all CFDs offered on its Trading Platform.
4. The Company reserves the right to set out its Initial Margin and Maintenance Margin requirements at its own discretion.
5. The Company shall only accept cash (monetary funds) as a form of Margin.
6. Open positions are required to be fully margined at all times. The Client is responsible for monitoring the Account and maintaining in full the required Maintenance Margin at all times to support his/her open positions.
7. The Company will monitor the Client's Maintenance Margin levels in real-time and will automatically close out open positions by way of market orders at the current market price if the Account Equity falls below 50% of the Maintenance Margin requirements.
8. It should be noted that the Company offers (a) margin close-out rule set a 50% to ensure Clients' margin is not eroded close to zero (b) negative account balance protection, i.e., the Client's losses may never exceed the total amount of funds available in the Client's account.
9. Failure to meet the Maintenance Margin requirements will result in the closure of open positions without further notice, whether at a loss or at a profit. In the event of the Account failing to meet the Maintenance Margin requirements, the Company will close the Client's open positions starting with the open position subject to the largest unrealized loss of the Account, and will subsequently continue to close open positions in this order, until it results in the Account meeting the Maintenance Margin requirements.
10. The Company reserves the right to alter its Initial Margin and Maintenance Margin requirements at its own discretion within such time as may be specified or, if none is specified, with immediate effect. Such alterations shall not affect positions that had been opened prior to the changes. The Client will receive a prior notification once he/she logs into his/her Account in case the Company decides to increase Margin requirements in CFD trading. However, in certain circumstances (e.g., force majeure events and/or in any other event that is specified in the Company's Agreement) the Company reserves the right to increase Margin requirements in CFD trading without the provision of prior notice.

11. In case of Hedged Positions, the Client agrees and acknowledges that the Company reserves the right to reduce the Margin requirements for any new Hedged Positions opened by the Client.
12. The Company is not obliged to keep the Client informed of his/her account Balance and Margin required, i.e., to make a Margin Call to the client. The Client is responsible for monitoring his Account and the Company's Margin requirements as specified on its Website. It should be noted that the applicable margin requirements for retail clients and professional clients are different. The Company will not be liable for any losses, charges, or damages suffered or incurred by the Client as a consequence of his/her failure to monitor his Account and to keep his/her open positions fully margined at all times.
13. Ongoing trading fees and costs, such as, inter alia, swaps, shall be deducted by the Company from the Client's Equity. Further information in relation to the Company's applicable fees, can be found in the Company's General Fees Policies.
14. The Client agrees and acknowledges that he/she is fully aware and/or understands how Margin is calculated.
15. Funds not used by the Client as Margin may be freely withdrawn, subject to the provisions of the Agreement and the availability of funds in the Client's Account, up to an amount equal to the Client Balance or Available Margin, whichever is the lowest. Notwithstanding the provision of section 11, in case the Client has an open position(s) as at the time of submitting a withdrawal request, the maximum withdrawable amount shall be 95% of the Balance or 95% of the Available Margin, whichever is the lowest. This provision has been adopted in order to safeguard the Client's Maintenance Margin requirements.

It should be noted that the Company provides Clients with two modes related to margin trading, the simple mode — isolated margin and the advanced mode — cross margin. Clients shall have the option to choose between isolated margin and cross margin according to their preference. Isolated margin allows Clients to allocate a specific amount for each trade without risking their entire balance, a function that allows Clients to have full control over the exact amount invested in each position. Cross margin allows Clients to use their available funds to re-finance losing positions when the margin call level is reached. Further information regarding *"The Basics of Margin Trading"* can be found here.

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