



Margin Policy

Finsa Pty Ltd has produced this policy document to highlight our margining practices.

To open a CFD Transaction with us, rather than pay the full contract value for acquiring the underlying instrument, we deduct margin from the cash balance of your account. Margin is calculated in the currency of the underlying instrument.

Initial Margin Requirement (IMR)

The amount of margin required to open a position is referred to as the IMR or the initial margin requirement (IMR). The IMR for each CFD Product is set out in the market information sheets.

The IMR is a percentage of the contract value. This varies by CFD product and is set in relation to the perceived volatility and liquidity of the CFD product. Every open position requires you to deposit at least the IMR in your account in order to open the position.

You are not able to open a CFD Transaction unless you have sufficient trading resources to meet the IMR. CFD Transaction requests are not part filled.

The Margin Process

You are responsible for monitoring the margin required to maintain positions at any one time. The platform uses an automated risk management system to control client liability. This policy works as a margin call policy.

If the cash on your account and the value of your positions falls below the margin required on your account, you will be required to fund the shortfall. In such circumstances the amount that you would have to pay would be sufficient to ensure that you have covered the margin required to maintain all the positions on your account.

We may contact you to inform you that you are required to make an additional margin payment, otherwise known as a margin call, but we are not obligated to do so. Our failure to contact you and inform you of a margin call in no way negates your obligation to monitor your positions and pay any margin shortfalls when necessary.

As per the client agreement, we have the right to close out your positions when the equity on your account (Cash Balance + Open Position P&L) falls to or below 20% of the margin required to support those positions.