



Capital Com SV Investments Limited

(the "Company")

Leverage and Margin Policy

Version 12.0 June 2026



1. Purpose

CAPITAL COM SV INVESTMENTS LIMITED (the "Company") is authorized and regulated by the Cyprus Securities and Exchange Commission (the "CySEC") as a Cyprus Investment Firm (the "CIF") with license number. 319/17.

This Leverage and Margin policy (the "Policy") sets out the leverage and margin levels and procedures applicable to Contract For Difference ("CFD") transactions between the Company and its clients.

This policy is subject to at least annual review and when necessary revision will be made.

2. Legal and Regulatory Framework

- Part 2 of the Investment Services and Activities and Regulated Markets Law 87 (I)/2017 as in force (hereafter "the Law") in relation to the requirements resulting from the investor protection topics;
- Directive DI87-09 for the restriction on the Marketing, Distribution or Sale of Contracts for Differences (CFDs) to Retail Clients.

The Company has proceeded with the appropriate measures to ensure compliance with the above-mentioned legal and regulatory framework.

3. 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.

Special Statement for Residents of Spain: The Company offers CFDs trading. CFD is a product that is complex and difficult to understand. The National Securities Market Commission of Spain (Comisión Nacional del Mercado de Valores) has determined that, due to the complexity of the CFDs and the risks involved, the purchase of CFDs by retail investors is not appropriate/suitable. A CFD is also a leveraged product and the losses incurred may be greater than the amount initially invested. Amount initially invested corresponds to the initial margin required to open a position.

4. Definitions

4.1. “Equity” is the sum of net invested funds plus realized profit & loss plus unrealized profit & loss plus/minus any other cash transactions.

4.2. “GSL Fee” shall mean the charge applied when a Guaranteed Stop Loss Order is triggered and executed, as a cost of the execution guarantee. The GSL Fee is distinct from the GSL margin amount: the GSL margin amount is reserved in the client's account at the time the GSL is placed and forms part of the Margin calculation; the GSL Fee itself is charged at the point of trigger.

4.3. “Leverage” is the ratio showing by how many times the purchasing power of a deposit is increased. E.g., a leverage of 1:30, means that for a \$1,000 deposit you can open trades worth a maximum of \$30,000 (1000 x 30).

4.3 “Margin Rate” shall mean the sum of Cash Required for all open positions and pending orders. For positions carrying a Guaranteed Stop



Loss order, the Cash Required for that position is the greater of the standard leverage-based position margin or the GSL margin amount, as further described in Section 5 of this Policy.

4.4. "Leveraged Trading" or "Margin Trading" means that the client can trade amounts significantly higher than his deposit.

4.5. "Cash Required" is the amount of money needed to open and maintain a position. It is derived by:

$$\text{Cash Required} = (\text{Volume} * \text{Underlying Instrument Price}) / \text{Leverage}$$
or

$$\text{Cash Required} = (\text{Volume} * \text{Underlying Instrument Price}) * \text{Margin Rate}$$

The Cash Required fluctuates with the changes in price of the underlying asset.

4.6. "Available" are the funds available for opening new positions.

4.7. "Margin" is the sum of Cash Required for all open positions and pending orders.

4.8. "Margin Level" is a percentage derived by:

$$ML = \text{Equity} / \text{Margin}$$

4.9. A "Margin Call" takes place when the client's Margin Level is at or below 100% and the Company sends its client a notification that he/she needs to either delete pending orders to free up margin, or close some positions, or deposit more funds in his/her account to maintain the relevant positions open.

4.10. A "Close Out" takes place when the client's Margin Level is at or below 50%, and the Company decides to exercise its right to liquidate client's open positions on a gradual basis subject to clause 5 below.



If a sudden market movement causes the Margin Level to drop from above 100% to below 50% the Company may liquidate the client's open positions without sending a notification to the client that his/her Margin Level is at or below 100%.

5. Margin

The Client shall provide and maintain Margin in accordance with the terms of this Agreement to secure Client's obligations to the Company. The Client must maintain at all times the minimum Margin requirement for the Open Positions in Client's Account.

The Margin shall be paid in a currency acceptable by the Company and such Margin deposits will be treated as Client's funds in accordance with the terms of this Agreement and the provisions of the legal framework. It is the Client's responsibility to understand the Margin requirement mechanisms and reference shall be made to the Company's Website.

The Client needs to continuously monitor any Open Positions in Client's Account in order to avoid them being closed due to unavailability of funds, taking into account that the Company is under no obligation to make calls for margin. The Company will endeavor to notify the Client, as soon as it is reasonably practicable for the Client's convenience.

In the event that the Client fails to react to a Margin Call, the Company reserves the right to immediately close the Client's Open Positions at current market price and/or (in case of use of capital.com trading platform) cancel the pending orders, as margins are reserved for pending orders. Both actions are possible without obtaining the consent of the Client.

When the minimum margin level of 50% is reached in the Capital.com trading platform the positions and/or orders are closed out in the following order until minimum Margin requirement is restored:

- 1) all pending orders are cancelled,
- 2) If the Margin Level is still below 50%, then all losing open positions on open markets are closed,



3) If the Margin Level is still below 50%, then all remaining positions on open markets, including hedged positions, are closed,

4) If the Margin Level is still below 50%, then everything else is closed as soon as the markets open, including hedged positions.

When the minimum margin level of 50% is reached, in the Metaquotes trading platform the positions and/or orders are closed out one-by-one starting from the most losing open position on open markets, including hedged positions, until the margin level reaches above 50%. If the margin level is still below 50%, then the remaining positions will be closed one-by-one starting from the most losing open position, including hedged positions, as soon as the markets open.

Where a client holds a position with a Guaranteed Stop Loss (GSL) order, the GSL provides per-position protection by guaranteeing execution at the Client's chosen stop level. However, the account-level margin close-out rule described in this section operates independently of any GSL in place. If the overall margin level across all open CFD positions in the account falls to or below 50%, the Company may close one or more positions (including positions carrying a GSL) before the market price reaches the GSL stop level. In such circumstances, the position will be closed at the prevailing market price in accordance with the close-out sequence set out above, rather than at the GSL stop level.

In addition to the close-out mechanics described above, where a Client holds a CFD position with a Guaranteed Stop Loss order, the margin reserved for that position is the greater of: (i) the standard position margin, being the notional value of the position divided by the applicable leverage ratio; or (ii) the GSL margin amount, being the maximum loss at the client's chosen stop level, calculated as the distance between the open price and the stop level multiplied by the position size. Where the GSL margin amount is larger, it is that amount (not the standard position margin) that counts toward the total Margin used in the Margin Level calculation.



Any failure by the Company to enforce its rights hereunder shall not be deemed as a waiver of such rights by the Company and the Company maintains the right to liquidate Client's Open Positions in case of inadequate funds without calling Margin.

6. Leverage

The European Securities and Markets Authority (ESMA) and CySEC have formally adopted measures on the provision of contracts for differences (CFDs).

Leverage limits on the opening of a position by a retail client from 30:1 to 2:1, which vary according to the volatility of the underlying asset:

- 30:1 for major currency pairs;
- 20:1 for non-major currency pairs, gold and major indices;
- 10:1 for commodities other than gold and non-major equity indices;
- 5:1 for individual equities and other reference values;
- 2:1 for cryptocurrencies.

Clients have the option to adjust their leverage limit to a lower level than the maximum leverage stated above.

The major currencies are currency pairs comprising any two of the following currencies: US Dollar, Euro, Japanese Yen, Pound Sterling, Canadian Dollar or Swiss Franc.

All other currencies are considered non-major.

The major indices are any of the following equity indices: Financial Times Stock Exchange 100 (FTSE 100); Cotation Assistée en Continu 40 (CAC 40); Deutsche Bourse AG German Stock Index 30 (DAX30); Dow Jones Industrial Average (DJIA); Standard & Poors 500 (S&P 500); NASDAQ Composite Index (NASDAQ), NASDAQ 100 Index (NASDAQ 100); Nikkei Index (Nikkei 225); Standard & Poors / Australian Securities Exchange 200 (ASX 200); EURO STOXX 50 Index (EURO STOXX 50);

All other indices are considered non-major.



If under the legal and regulatory requirements of certain foreign jurisdictions that are relevant for the Company's activities the maximum leverage for affected clients is capped at a level lower than made available, the Company will offer the affected clients the maximum leverage prescribed by the laws and regulation of that foreign jurisdiction (i.e. apply the maximum leverage that is lower than the one made available, but limit such application only to the affected clients).

Please note that if residents of Spain or Poland decide to trade, a set of additional rules and procedures will become applicable. Such set of additional rules and procedures can be found in sections 12 & 20 of the Company's Terms & Conditions.

7. Leverage and Margin Ratios

The leverage and margin ratios per underlying asset depend on the underlying asset's historical performance, volatility, liquidity, market capitalization and other characteristics. The ratios will also reflect the Company's financial strength and risk appetite and general economic climate and factor in the margin requirements imposed by its liquidity providers. Regulatory limitations applicable to margin rates will be taken into account and complied with by the Company at all times.

Important: The Company reserves the right to decrease leverage (i.e. increase margin rates), for specific financial instruments, in relation to the prevailing market conditions. Where possible, the Company will provide its clients with a 3 (three) business days' notice of such changes, to allow the client to take appropriate measures. Changes in rates may be caused by:

- a) expected release of major announcements (elections, referendums);
- b) periods of low liquidity in the markets (holiday season);
- c) periods of abnormal market volatility; or
- d) any other situation which at the sole discretion of the Company justifies a change.



In addition, the Company reserves the right to decrease leverage (i.e., increase margin rates), for specific client accounts, on a case-by-case evaluation. The Company might exercise this right at its sole discretion in cases where the trading style of specific accounts justifies such change, or in cases where a client account exceeds the Company's acceptable risk limits. The Company shall inform the client of such change.

Negative Balance Protection

It is possible for adverse market movements to result in the Company's clients losing more than their account balance. In this case, the Company will bear the negative consequences of such adverse events affecting retail clients and any of the retail clients' losses will be limited to their then current account balance. For more information, please refer to the Terms and Conditions.

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