

CXM LEVERAGE POLICY

CXM Direct LLC ("CXM") has established a leverage policy which applies to all customers. Please review the below prior to trading.

What is leverage?

Leverage increases a trader's buying power by giving them the ability to trade larger volumes even with a minimal amount of funds deposited or at risk. It is expressed as a ratio of the notional value of the trade to the trade's margin requirement, e.g. 2000:1, 100:1, or even Unlimited:1.

Standard Leverage requirements

Whenever you open an account with CXM (i.e., Standard, Bonus, ECN, Zero, or CENT), your maximum available leverage changes automatically to match fluctuations in your account's equity. Below is a handy table outlining these levels of leverage requirements, and at which equity levels they are triggered:

Standard Account Leverage Policy**					
Account Equity (USD)	FX & Gold & Silver	CFD Indices	Energies	Cryptos	Base Metals
\$0 to \$10,000	1:2000	1:200	1:200	1:10	1:10
\$10,001 to \$30,000	1:1000	1:200	1:200	1:10	1:10
\$30,001 to \$100,000	1:500	1:200	1:200	1:10	1:10
> \$100,000	1:100	1:200	1:200	1:10	1:10

BONUS Account Leverage Policy**					
Account Equity (USD)	FX & Gold & Silver	CFD Indices	Energies	Cryptos	Base Metals
\$0 to \$30,000	1:1000	1:200	1:200	1:10	1:10
\$30,001 to \$100,000	1:500	1:200	1:200	1:10	1:10
> \$100,000	1:100	1:200	1:200	1:10	1:10

ECN & Zero Account Leverage Policy**					
Account Equity (USD)	FX & Gold & Silver	CFD Indices	Energies	Cryptos	Base Metals
\$0 to \$30,000	1:1000	1:200	1:200	1:10	1:10
\$30,001 to \$100,000	1:500	1:200	1:200	1:10	1:10
> \$100,000	1:100	1:200	1:200	1:10	1:10

CENT Account Leverage Policy**					
Account Equity (USD)	FX & Gold & Silver	CFD Indices	Energies	Cryptos	Base Metals
ALL	1:2000	1:200	1:200	1:10	1:10

***Leverages listed are max per asset class. Individual products may have additional restrictions*

Please note that leverage is **adjusted automatically based on your equity**.

Unlimited leverage requirements

Unlimited leverage allows you to hold only a negligible amount in margin, thereby allowing you to open more positions and implement different strategies. It is available to clients holding a Standard, Standard Bonus, or ECN accounts (CENT and Zero account holders cannot apply for Unlimited Leverage).

Below is a handy table outlining the levels of leverage requirements for accounts switched to have Unlimited Leverage, and at which equity levels they are triggered:

Standard/Bonus/ECN Account Unlimited Leverage Policy**					
Account Equity (USD)	FX & Gold & Silver	CFD Indices	Energies	Cryptos	Base Metals
\$0 to \$500	Unlimited*** (2M to 1)	1:200	1:200	1:10	1:10
\$501 to \$1,000	Unlimited*** (50K to 1)	1:200	1:200	1:10	1:10
\$1,001 to \$10,000	1:2000	1:200	1:200	1:10	1:10
\$10,001 to \$30,000	1:1000	1:200	1:200	1:10	1:10
\$30,001 to \$100,000	1:500	1:200	1:200	1:10	1:10
> \$100,000	1:100	1:200	1:200	1:10	1:10

Unlimited Leverage is ideally suited for the most experienced traders as it carries higher risks and a possible greater loss of capital. Accounts may be converted to Unlimited Leverage after the trading account has executed a minimum of **two (2) trades**.

Please note that Unlimited Leverage is not available for all financial instruments offered by CXM. Examples include most Exotic pairs, Cryptos, Energies, Base Metals, Baskets, Stocks and Indices. The margin for these instruments is held in accordance with the instruments' fixed margin requirements and is not affected by Unlimited Leverage. You can check the list of instruments below. In addition, leverage change requests made on accounts with Unlimited Leverage will not be accepted. Please contact CXM Support for any questions or concerns.

MT5 Cryptocurrency Leverage

MT5 Cryptocurrency Tiered-Leverage		
Cryptocurrency	Leverage up to 1 lot	Leverage > 1 lot
BCHUSD	100:1	10:1
BTCUSD	100:1	10:1
ETHUSD	100:1	10:1
LTCUSD	100:1	10:1
SOLUSD	100:1	10:1
All Others	20:1	10:1

On the 5 major cryptocurrency pairs, clients can trade with up to 100:1 leverage and 20:1 on everything else. This new structure is based upon the Net-Open-Position ("NOP") of each client's account. Once the NOP in each cryptocurrency exceeds 1 lot, the margin requirement on risk-adding trades in that **instrument only** will be executed at a leverage of 10:1. The higher margin requirement (i.e., lower leverage) only applies to trades executed where the NOP is greater than 1 lot; the initial trades are not affected. This is **only** applicable to traders on the MT5 platform.

Fixed margin requirements

Margin requirements for some instruments are fixed, regardless of the leverage applied to your trading account. In addition, there are certain instruments which are always subject to higher margin requirement rules.

These financial instruments include the groups:

- Exotics
- Energies
- CFD Indices
- Stocks
- Base Metals

The margin for these instruments is held in accordance with the instruments' margin requirements and is not affected by Unlimited Leverage. You can check the list of instruments on our website www.cxm.com.

News Events

Leverage will be capped at **200:1** on new trades opened 3 mins before and 1 minute after an important news event. The leverage for these positions will then be adjusted back to the account's initial leverage after the news time period is over. Any positions open prior to the news event will not be impacted. Additionally, this does not impact any products with fixed margin requirements. Please refer to the below table:

News Leverage Policy***

Initial Leverage	News Leverage
Unlimited*** (2M to 1)	1:200
Unlimited*** (50K to 1)	1:200
1:2000	1:200
1:1000	1:200
1:500	1:200
1:100	1:100

***The above is intended as an illustration and only applies to new trades opened during the news window

End of Week Trading

Leverage will be capped at **100:1** on new trades opened 10 mins before the end of the trading session on Fridays. The leverage for these positions will then be adjusted back to the account's initial leverage at the start of the new trading day on Monday. Any positions open prior to the event will not be impacted. Additionally, this does not impact any products with fixed margin requirements. This restriction applies ONLY to Unlimited Leverage Accounts.

End of Wednesday Trading

Leverage will be capped at **100:1** on new trades in JPY instruments opened 10 mins before the end of the trading session on Wednesday. The leverage for these positions will then be adjusted back to the account's initial leverage at the start of the new trading day on Thursday. Any positions open prior to the event will not be impacted. Additionally, this does not impact any products with fixed margin requirements.

Abusive Behavior

However, If CXM suspects or has reason to believe that a client (or clients) abused or attempted to abuse the terms of the Firm's policies by acting in bad faith, the Company reserves the right, at its sole discretion, to deny, withhold, withdraw or terminate any leverage offering and, if necessary: to withhold, cancel and charge any costs it deems, from that client's account(s), to terminate that client's access to services provided by the Company and/or terminate the contract between the Company and the client for the provision of services, to block that client's Account(s) and to arrange for the transfer of any unused balance, less the offer amount, as well as any profits which the Company deems to have been gained via Abusive Behavior, to the client.