

## TERMINOLOGY

**Ask** – a price at which a tool is available for buying.

**Equity** – the balance of funds in the trade account. It is calculated using the following formula: balance + floating profit/ floating loss.

**Arbitrage conversion operation** – operation of foreign exchange, which is aimed at earning profit.

**Base currency** – the first currency in the currency pair, which a client wants to buy/sell for a quote currency.

**Balance** – the financial result of all completed transactions of the trading account.

**Balance operations** – such operations as funds deposit, withdrawal and balance correction.

**Deposit currency** – currency used for funds deposit and withdrawal.

**Quote currency** – the second currency in a currency pair, for which a client is able to sell/buy the base currency.

**Client** – an individual or a legal entity to which the Company services are provided.

**Company** – as stated in your Client's Agreement.

**Quote** – a security price considered while buying and selling. It is expressed in Ask and Bid prices.

**Rate** – the price of one currency expressed in the unit price of another country's currency.

**Locked positions** – positions opened for buying and selling one and the same tool with the same volume.

**Lot** – tool volume unit.

**Margin** – the guarantee, which is required by the dealer to maintain an open locked position or locked position that the client intends to open. Each tool has its own margin.

**Margin trading** – trading with the use of leverage.

**Meta Trader Bridge** – is a piece of software for client trade retractions, which allows a broker to automatically submit trade requests to the prime provider of choice.

**Initial margin** – a deposit required to open a position.

**Necessary margin** – the guarantee required by the dealer to maintain an open position.

**Non-market quote** – the quote that meets the following requirements:

1. Significant price gap.
2. Quick price recovery.

**Transaction volume** – a product of the number of lots and a lot volume.

**Order** – a client's order to buy or sell a certain amount at a given rate.

**Prime broker** – is a broker, who has a corporate account to support clients requests transactions of a second tier broker. Our company is the second tier broker. The prime broker can be any large financial institution or bank.

**Floating profit/ loss** – unrecorded gains/ losses

on the open positions of a certain tool at current rates values.

**Stream quotes** – quote provision which enables a client to make transactions without a request.

**Point** – a minimal price change of the base currency.

**Gap** – a price range where quotes haven't occurred.

**Arrangement** – a client's order to open/close a position, to place/delete or modify a pending order.

**Free margin** – funds available for opening of new positions.

**Swap** – the payment for transferring an open position overnight. It may be both positive and negative. For most currency pairs, the night from Wednesday to Thursday triples the payment. For cryptocurrencies and other instrument types, the timing and recurrence of swaps may vary.

**Spread** – Ask and Bid difference expressed in points.

**Ticket** – a universal identification number, assigned to all transactions and orders.

**Trading account** – trade platform transactions register that shows full completed transactions, open positions, non-trading operations and orders.

**Margin level** – free assets-to-bond ratio \*100%.

**Margin Call level** – warning level. If the current level is lower than Margin Call, the account is in the warning section of the dealer.

**Stop Out level** – compulsory closing of positions. If the current level reduces lower than Stop Out level, in automatically quoted accounts the most

unprofitable position will be closed and in a by dealer quoted account the request about closing of the most unprofitable position will be sent.

**Order activation price (order execution price)** – when the market reaches this price, order will be executed.

**Gap price** – the price of the first quotation after Gap, which can differ from the previous quotation in a few points or more, even in hundreds.

**Obvious error** – non-execution of the client's order, opening or closing of a position at an incorrect price or another action of a dealer linked with incorrect market price evaluation.