

ESMA

The European Securities and Markets Authority (ESMA) has adopted new guidelines for offering CFDs (Contracts for Difference) to retail clients. These guidelines are scheduled to become effective on August 1, 2018 and will encompass all companies that offer CFD trading services in the EU. Being a retail client of 101Investing, the new ESMA guidelines will be relevant to your trading activity and account without exception.

In line with these guidelines, we will be forced to alter the Leverage on offer for our trading products and the margin closeout percentages.

Differences between classified Retail Traders and Professional Traders

CFDS ASSETS CLASSES:	PROFESSIONAL (MAXIMUM LEVERAGE)	RETAIL (MAXIMUM LEVERAGE)
Forex Major	500:1	30:1
Forex Exotic Pairs	500:1	20:1
Gold	250:1	20:1
Commodities	200:1	10:1
Energy Commodities	200:1	10:1
Major Indices	200:1	20:1
Minor Indices	200:1	10:1
Stocks & Shares	50:1	5:1
Cryptocurrencies	2:1	2:1

Leverage on offer to retail clients will change from the existing levels to the ones listed above on the 1st of August 2018.

OTHER FEATURES

Negative balance Protection*1	Yes	Yes
Margin close out rule*2	15%	50%
Access to contests and other benefits	Yes	No
Dedicated Account Manager	Yes	Yes
Multilingual Customer Support	24/5	24/5
Access to VIP Platinum Education	Yes	No
Eligible for ICF compensation	No	Yes

1Negative Balance Protection

Negative Balance Protection that prevent clients from losing a sum greater than their deposit funds will remain intact per trader's account

The new ESMA guidelines are relevant only to retail clients. To learn more about client categorization, in particular the level of protection afforded to each category of clients, go to Client Categorization Policy page.

For your information, you may opt for re-categorization as an elective professional client. If you choose to do so, the new ESMA guidelines will not affect your trading account and you will be able to preserve the current leverage level in your account. However, you will not benefit from certain protective procedures like Investor Compensation Fund.

Margin Closeout Limits

Margin Closeout Limits will be implemented on each account separately while calculating the percentage at which CFD providers are obligated to shut down one or more active CFDs positions, set at 50 percent.

Trading Platform Stop out before 1st of August Stop out after 1st of August

MetaTrader 4	15%	50%
--------------	-----	-----

Risk warning: the higher the leverage, the higher the possible profits but also the losses

***Please note that in order to qualify to convert to an elective professional client, you must meet at least two of the following three criteria:**

1. You must have carried out transactions in significant size, on the relevant market, at an average frequency of 10 per quarter over the previous one year
2. The size of your financial instrument portfolio, defined as including cash deposits and financial instruments should exceed the amount of €500,000
3. You should work or have worked in the financial sector for at least one year in a professional position, which requires knowledge in the financial instruments offered by the company

Please take into account that if you are not eligible to become an elective professional client, your account as a retail client will stay open and you will still be able to take advantage of the advanced trading services offered by 101Investing.

Margin demands for positions that became active prior to August 1, 2018 will not be affected. Regarding positions that became active after that date, margin level will be cancelled automatically (starting with the worst performing positions).