



LEVERAGE POLICY

ABF Trade EU Limited

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Document Control

Version	Date	Description	Approved By
v1.0	12 May 2026	Initial version for ABF Trade EU Limited	Board of Directors

1. Introduction

By accepting this Leverage Policy ("the Policy"), you acknowledge and confirm that the official legally binding language of ABF Trade EU Limited is English. Where this Policy is made available in other languages for convenience, the English version shall prevail in the event of any discrepancy.

ABF Trade EU Limited ("the Company") is a Cyprus Investment Firm ("CIF") with business address at 162 Fragklinou Rousvelt, 1st & 2nd Floors, Limassol 3045, Cyprus, registered under Company Registration No. HE 291958 and authorised and regulated by the Cyprus Securities and Exchange Commission ("CySEC") under CIF Licence No. 171/12.

This Policy sets out the leverage limits, margin requirements, and related risk management measures applicable to Clients of the Company when trading Contracts for Differences ("CFDs"). This Policy should be read in conjunction with the Client Agreement, the Risk Disclosure and Warning Notice, and the Best Interest and Order Execution Policy.

2. Regulatory Framework

The leverage limits applicable to retail clients are set by the European Securities and Markets Authority (ESMA) through product intervention measures adopted under Article 40 of Regulation (EU) No 600/2014 (MiFIR), and applied on an ongoing basis by national competent authorities under their own product intervention powers. In Cyprus, CySEC applies these measures through its own product intervention decisions, which are consistent with the ESMA measures.

The leverage limits set out in this Policy are the maximum leverage limits applicable to retail clients in accordance with current regulatory requirements. These limits may not be exceeded for retail clients. Professional clients, where applicable, are subject to different arrangements as agreed in writing with the Company.

The Company does not offer increased leverage beyond the regulatory limits applicable to retail clients. The Company applies the same fixed leverage limits to all retail clients, regardless of account type.

3. Maximum Leverage and Margin Requirements

The following table sets out the maximum leverage available to retail clients for each asset class, together with the corresponding minimum margin requirement (expressed as a percentage of the notional value of the position):

Asset Class / Underlying	Max Leverage (Retail)	Min Margin Req.
Major FX Currency Pairs (e.g. EUR/USD, GBP/USD, USD/JPY)	1:30	3.33%
Non-major FX Pairs, Gold (XAU/USD), Major Equity Indices (e.g. Germany 40, US 500)	1:20	5.00%
Commodities (other than gold), Non-major Equity Indices	1:10	10.00%
Individual Equities (Shares) and Other	1:5	20.00%

Reference Values		
Cryptocurrencies (e.g. BTC/USD, ETH/USD)	1:2	50.00%

For the purposes of this table:

- "Major FX Currency Pairs" means currency pairs comprising two of the following currencies: USD, EUR, GBP, JPY, CAD, CHF, or AUD, where both currencies are included in this list and form an actively traded pair (e.g. EUR/USD, GBP/USD, USD/JPY, USD/CHF, USD/CAD, AUD/USD, NZD/USD).
- "Major Equity Indices" means the indices of the most traded equity markets, including Germany 40, US 500, UK 100, France 40, and Japan 225.
- "Cryptocurrencies" includes all cryptocurrencies offered as CFDs by the Company, including Bitcoin (BTC), Ethereum (ETH), Litecoin (LTC), Ripple (XRP), and others as listed on the Company's website.

The current list of instruments available for trading, together with their applicable leverage ratios, is available in the MT5 trading platform and on the Company's website at www.abftrade.com/eu.

4. Understanding Leverage and Margin

4.1 What is Leverage?

Leverage is the ratio of a Client's exposure to the financial markets compared to the amount of capital the Client is required to deposit as collateral (margin) to maintain that exposure. For example, a leverage ratio of 1:30 means that for every EUR 1 of margin deposited, the Client can open a position with a notional value of EUR 30.

Leverage magnifies both potential profits and potential losses. A small movement in the price of the underlying asset can result in a proportionately larger gain or loss relative to the margin deposited. Clients should ensure that they understand the risks associated with leverage before trading.

4.2 What is Margin?

Margin is the amount of funds that must be available in a Client's trading account in order to open and maintain a position. The margin requirement is expressed as a percentage of the notional value of the position and is determined by the applicable leverage ratio.

For example, to open a CFD position on EUR/USD with a notional value of USD 30,000 at 1:30 leverage, the Client would need to maintain a margin deposit of USD 1,000 (USD 30,000 × 3.33%).

Margin requirements may change as the value of open positions changes due to market movements. Clients are responsible for monitoring their margin levels at all times.

5. Margin Call and Stop Out Policy

The Company monitors the margin level of all Client accounts on a continuous basis. The margin level is calculated as follows:

$$\text{Margin Level} = (\text{Equity} / \text{Used Margin}) \times 100\%$$

where Equity = Account Balance + Unrealised Profit or Loss on open positions.

Event	Margin Level Trigger
Margin Call (Warning)	100% of required margin
Stop Out (Automatic Position Closure)	50% of required margin

5.1 Margin Call

When a Client's margin level falls to or below 100% of the required margin, the Company will endeavour to notify the Client by email or by a notification within the MT5 trading platform. This notification serves as a warning that additional margin needs to be deposited or existing positions should be closed in order to prevent the account from reaching the stop out level.

A margin call is a warning only and does not guarantee that positions will not be closed. The Client is responsible for monitoring their account at all times.

5.2 Stop Out

When a Client's margin level falls to or below 50% of the required margin, the Company's automated risk management system will begin to close the Client's open positions, starting with the largest losing position, until the margin level is restored above the stop out threshold. This process is carried out automatically and without prior notice.

The price at which positions are closed may be significantly different from the price at which the stop out level was reached, particularly during periods of fast-moving markets, gaps, or illiquidity. The Company is not liable for any losses that arise from automatic stop out closures.

5.3 Negative Balance Protection

The Company provides negative balance protection for retail clients. This means that retail clients cannot lose more than the funds deposited in their trading account. If a Client's account balance becomes negative as a result of adverse market movements, including stop out closures, the Company will reset the account balance to zero at no additional cost to the Client. Negative balance protection does not apply to professional clients.

6. Leverage for Professional Clients

Professional clients, as defined in the Company's Client Categorisation Policy, are not subject to the ESMA product intervention leverage limits that apply to retail clients. Leverage arrangements for professional clients are agreed individually between the Company and the client, subject to applicable CySEC guidelines and the Company's own risk management policies.

Clients wishing to request professional client status should refer to the Company's Client Categorisation Policy and the 'Application for Change of Client Status' form available on the Company's website.

7. Changes to Leverage

The Company reserves the right to modify the leverage limits applicable to specific instruments, account types, or individual clients at any time, subject to:

- Applicable regulatory requirements and any changes to ESMA or CySEC product intervention measures.
- The Company's own risk management policies and assessments.
- Market conditions, including periods of heightened volatility (for example, around major economic data releases or geopolitical events).

Where the Company changes leverage limits, it will endeavour to provide advance notice to affected clients where practicable. However, in exceptional market conditions, the Company may change leverage limits without prior notice in order to manage risk. Updated leverage information will be published on the Company's website and within the MT5 trading platform.

8. Contact Information

If you have any questions about this Policy or the leverage applicable to your account, please contact the Company at:

Email: support@abftrade.com

Phone: +357 25 262002

Website: www.abftrade.com/eu

This Policy is reviewed at least annually and whenever there is a change in applicable regulatory requirements or the Company's business model.