

Terms and definitions

«**Base prices**» – quoting information.

«**Base Currency**» – the first currency in the currency pair, which the Customer can buy or sell the quote currency.

«**Balance**» – the total financial result of all completed transactions and non-trading operations for a trading account.

«**Bar (candle)**» – plot element, which includes opening and closing prices, as well as the maximum and minimum price for a certain period (eg, minute, 5 minutes, day, week).

«**Fast Market**» – a state of the market, characterized by rapid movements in a short span of time. Often is accompanied by price gaps. Usually occurs immediately before and / or after one or more events:

a) release of main macroeconomic indicators of the global economy which have great impact on the financial markets;

b) posting decisions on interest rates by central banks or their committees;

c) speech and press conference of the Central Bank, heads of state, finance ministers and other important applications;

d) conducting currency interventions by state structures;

e) the terrorist acts of the national (state) scale;

f) natural disasters which have caused a state of emergency (or other restrictive measures) in the affected areas;

g) war or military action;

h) Political force majeure events: resignations and appointments (including election results) of the government executives;

i) other events that have a significant impact on price movements of the instrument.

«**Currency quotes**» – the second currency in the currency pair, for which the customer can buy or sell the base currency.

«**Currency Pair**» – the object of transaction, based on the change in value of one currency against another currency.

«**The value of Trailing Stop**» – client-defined parameter «**Trailing Stop**».

«**Time of Trading Platform**» – the time zone in which records any event in the server log file.

«**Schedule**» – the flow of quotations presented in graphical form. For the period corresponding to the bar / candle:

a) the maximum (high) of any bar / candle – is the maximum Bid for the period;

b) minimum (low) – the minimum Bid;

c) the closing price (close) – Last Bid Bar / Candle;

d) the opening price (open) – the first Bid bar / candle.

«**Dealer**»

1) the company with which the Customer agreements governing the legal basis of trading on margin trading conditions;

2) an employee of the company, to process requests and orders of customers, order execution, stop out and margin call (in the text of the rules is written in small letters).

«**Long position**» – a Buy of the instrument, based on the appreciation. Being applied to currency pairs: buying the base currency for quotes.

«**Day Order**» – a pending order, which is automatically deleted at the end of the trading session.

«Query» – instruction of the Client to the Company for a quote. Request is not a commitment of the Client to make a deal.

«Instrument» – the currency pair.

«Performance on Demand» – a mechanism providing quotes to Client after prior request.

«Account History» – a list of completed transactions and non-trading operations for a trading account.

«Customer» – a legal or natural person to whom a service «Personal cabinet» is provided on the terms of this Customer Agreement.

«Customer Agreement» – the agreement between the Company and the Client, which along with other regulating documents, which includes all documents contained in the section **«Regulatory Documents»** of the Personal cabinet and the company's website, govern all the terms on which the Company is working with the client.

«Client Terminal» – a software through which customer can get information about trading on the financial markets (to the extent specified by the Company) in real time, perform technical analysis of the markets to trade, place / modify / cancel orders, and receive messages from the Company. You can download the program for free on the next page of the company's website: www.forexoptimum.com

«Short position» – selling instrument per depreciation. In respect to currency pairs: selling the base currency for quotes.

«Quotations» – the process of providing the Client quotes for the transaction.

«Quotation» – information about the current rate of the instrument in the form of Bid and Ask.

«Leverage» – the ratio between the collateral and transaction size.

«Course» – the value of the base currency in terms of the quote currency.

«Personal Cabinet» – Client's personal page on the company's website, which shows the customer identification data, keeps track of orders for non-commercial operations, as well as provides information of the background.

«The log file of the client terminal» – a file created by the client terminal, which is accurate to second and keeps records of all requests and orders sent by the Client to the Company.

«Log file of the server» – a file created by the server, which is accurate to second and keeps records of all requests and orders received from the customer for the company, as well as the result of processing.

«Locked positions» – long and short positions of the same volume, open in one and the same instrument on a trading account.

«Lot» – a designation of the goods, the base currency in the trading platform.

«The maximum deviation» – a point value parameter «Maximum deviation» / in the window of opening / closing position Client Terminal.

«Margin trading» – making transactions with leverage when the customer has the opportunity to trade in excess of the amount of his own funds.

«Initial Margin» – required the Company to make a transaction. For each instrument is indicated in the contract specification.

«Necessary margin» – required by the company money to maintain open positions. For each instrument is indicated in the contract specification.

«Spike» – quote with the following conditions:

a) a significant price gap;

b) return of the price in a short period of time rebounds with a price gap;

c) absence of rapid price before the appearance of this quotation;

d) absence at the time of the of macroeconomic events and / or corporate news that have a

significant impact on the course of the instrument. The Company has the right to remove from the database server quotes about Spike.

«Non-trading operation» – the operation of replenishment of the trading account (withdrawal of funds from the Trading Account) or operation of lending (return) loan.

«Normal market conditions» – the state of the market, satisfying the following characteristics:

- a) there are no significant breaks in the quotations in the trading platform;
- b) the absence of rapid price;
- c) the absence of significant price gaps.

«Normal Market» – see **«Normal market conditions»**

«The volume of trading» – the product of the number of lots in the lot size in the base currency.

«Order» – the Client Company to open or close a position.

«Open Position» – the result of the first part of the completed transaction. As a result of opening a position the Client shall be obliged to:

- a) make a counter transaction of the same volume;
- b) to maintain equity no lower than 30% of the margin.

«The opening of the market» – the resumption of trading after the weekend, holidays or after a break between trading sessions.

«Pending Order» – the Client' instruction to the Company to open a position when the price reaches the order level.

«Floating profit / loss» – mean profit / loss on open positions at the current prices.

«Complete transaction» – consists of two counter trades of the same size (opening and closing positions): buying followed by selling or selling followed by buying.

«Liquidity providers» – a bank or ECN (electronic system for buying and selling of commodities), which is streaming prices of the Company. Can be used by the Company to hedge client trades.

«Feed prices» – prices for each instrument in the Trading Platform.

«Real-time pricing» – a mechanism providing quotes to the client without requiring, when the Customer sees in real-time stream of quotations of the Company, for which he may at any time send an instruction to make a trade.

«Point» – a unit of junior level course.

«The size of the lot» – the number of goods, the base currency in one lot, as defined in the contract specifications.

«Developer» – the company «MetaQuotes Software Corp.», developer of the MetaQuotes trading terminal software.

«Order» – the instruction of the Client to the Company to open / close position, to place, to delete, or to modify an order level.

«Market conditions are different from normal» – **«thin market»** or **«fast market»**.

«Website» – The Company's website, located on the Internet at: www.forexoptimum.com

«Free Margin» – money in the trading account, which may be used to open new positions. Determined by the formula: equity – margin.

«Server» – a software product MetaTrader Server 4.xx, by which the processing of client orders and requests is done, to provide customers with information about financial markets in real time (in the amount determined by the Company), the account of mutual obligations between the Customer and the Company, as well as compliance with the conditions and restrictions.

«Advisor» – account management algorithm in the form of a program based on MetaQuotes Language 4, sends requests and orders to a server using the client terminal.

«Non market» – see **«Spike»**.

«Contract Specification» – the main trading conditions (spread, lot size, minimum transaction, step changes in the volume of trade transactions, initial margin, margin for locked positions, etc.) for each instrument. At the time this edition of the rules information is available at: www.forexoptimum.com

«The controversial situation»

- 1) Situation when the Client believes that the Company as a result of their actions or inaction violated one or more provisions of this Agreement;
- 2) The situation where the Company believes that the Client as a result of his actions or inaction violated one or more provisions of this Agreement;
- 3) The situation when the client made a trade on Spike, or up to the first quote at the opening of the market or quotation received as a result of manifest error or failure in the Company's software trading platform.

«Spread» – the difference in points between Ask and Bid.

«Ticket» – a unique identification number assigned in the trading platform to each open position or a pending order.

«Account type» – conditions of the trading account. The list of possible types of accounts offered by the Company, is on the company website. Account type is selected when opening an account and can not be changed.

«Thin Market» – the market in which quotations for a long period of time will continue to come to the platform less frequently than in normal market conditions. Typically, such conditions are usual for the Christmas holidays, national holidays in G7, from 20:00 GMT to 00:00 GMT, etc.

«Trading operation» – the purchase or sale of any instrument by the Client.

«Trading Platform» – a set of software and hardware, providing information about trading in the financial markets in real time, that allow making operations, account mutual obligations between the Customer and the Company, as well as compliance with the conditions and restrictions. In simplified form, for purposes of this Agreement, the trading platform is composed of **«Server»** and **«Client Terminal»**.

«Trading account» – unique personified registration of transactions on the trading platform, which shows completed transactions (orders and procedures deposit /withdrawal) open positions, nontrade transactions and orders.

«The level of order» – the price indicated in the order.

«The level of margin» – a percentage ratio of Equity to the necessary margin. Determined by the formula: $(\text{Equity} / \text{Margin Required}) * 100\%$.

«Force Majeure» – events that could not have been foreseen or prevented. Typically, this is:

- a) natural disasters;
- b) war;
- c) acts of terrorism;
- d) actions of government, the legislative and executive authorities;
- e) hacker attacks and other illegal actions against the Company.

«The price prior to Spike» – the closing price of minute bar prior to minute bar with Spike.

«Price gap» – shall mean the following:

- a) Bid of current quote is higher than Ask of the previous quote;
- b) Ask the current quote is lower than Bid of the previous quote.

«The price gap at the opening of the market» – any of the following situations:

- a) Bid quotes of the market opening is higher than the market closing quote Ask;
- b) Ask quote of the market opening is lower than the Bid quotes of the market close.

«**Emergency**» – non-compliance with the terms of conditions of the counterparty, the current market situation, the possibilities of software or hardware of the Company, and other situations that can not be foreseen.

«**Manifest Error**» – opening / closing position or execution of an order by the Company at a price significantly different from the price of the instrument in the quotes flow at the time of this action, or any other act or omission of the Company related to the clearly erroneous definition of their price level in the market at any given time.

«**Ask**» – a higher price quote. Price at which the customer can buy.

«**Bid**» – lower price quote. The price at which the Client can sell.

«**Equity**» – current account balance. Determined by the formula: balance + credit + floating profit - floating loss.

«**GTC**» («**Good Till Cancelled**») – the order, which is valid until the client sends the instruction to delete the order.

«**Limit & Stop levels**» – Minimum distance in points from the level of the placed order to the current price (pending order level)

«**Lock**» – see «**Locked position**».

«**Long**» – see «**Long position**».

«**Margin**» – see «**Necessary margin**».

«**Short**» – see «**Short position**».

«**Stop out**» – an order for forced closure of positions generated by the server (without the consent of the Client or any prior notice in case of a lack of funds to maintain the open position).

«**Storage**» – The rollover of open positions overnight. Is either positive or negative. Table with the values of «**storage**» on each instrument, refer to the Company's website.

Information is on the company's website at www.forexoptimum.com

«**Trailing Stop**»

1) value «trailing stop», set by the Client, and

2) the algorithm of management of «**Stop Loss**» order:

a) If the profit on an open position does not exceed the value of «**Trailing Stop**», no action is taken;

b) as soon as the profit on the position exceeds the value of «**Trailing Stop**», instruction available to be sent to the server to host the «**Stop Loss**» order at a distance «**Trailing Stop**» from the current price;

c) as soon as quote is received for a distance greater than the value of «**Trailing Stop**» on the set «**Stop Loss**» order, then an order is sent to the server for changes in the level of this order, so that it was at a distance of magnitude «**Trailing Stop**» from the current price .

«**Trailing Stop**» works only when the client terminal is running, connected to the Internet and successfully authorized at the server.

1.1. Words used in the singular also means plural and vice versa. Words used in any way, mean other kind.

1.2. Unless otherwise specified, a reference to the item, a party or list, is respectively, the reference to item, a party or a list of this Agreement.

1.3. The section headings are to simplify references and do not affect the interpretation of this Agreement.