



Terms and definitions

Abnormal market conditions mean Fast market.

Account history means a list of completed transactions and non-trading operations on the Client's account.

Account type means the terms of the trading account. The types of accounts offered by broker are listed on the Trading Terms web page. The Client cannot change the type of account once it has been created.

Affiliated accounts are the trading accounts opened by affiliated persons noticed by the use (but not limited to) of the same identification details, payment or network details (accounts managed from one IP address, or/and with the same cid are deemed as a single trading account).

Affiliated persons are the individuals, whose relationships can impact on the terms or financial results of the Company's activity. Affiliated persons can be deemed as such if their passport details, address, phone number, email address, IP address, cid, payment details etc are the same.

Ask means the higher price in the quotation; the price the Client can buy.

Balance means the total financial result of all completed transactions and depositing/withdrawal operations (except for credit operations) on the trading account.

Bar/Candle means a feature of a price chart that shows the opening and closing prices, as well as the lowest and highest prices for a definite period of time (for example, 1 minute, 5 minutes, a day, a week).

Base currency means the first currency in a currency pair or the currency in which the asset, underlying the Contract for Difference (CFD), is nominated.

Bid means the lower price in the quotation; the price the Client can sell at.

CFD (Contract for Difference) means a contract, which is a contract for difference by reference to fluctuation in the price of the underlying asset (shares, futures, metals, indices etc.)

Clearing means non-cash settlement between Company and its contractors, banks and liquidity providers implemented through mutual settlement based on the terms of cooperation. When clearing is conducted, no quotations are present on trading server, (non)-trading operations are prohibited.

Client agreement means the agreement between the Company and the Client, which together with the Regulations on Trading Operations, Regulations on Non-Trading Operations, Risk Disclosure statement govern the terms by which the Company works with the Client.

Client means a legal entity or individual who works with the Company through agreements that involve margin transactions.

Client's e-mail - e-mail address specified in the Client's Personal account (<https://fibermarkets.com>).

Requests sent from other email addresses will not be considered by the Company.

Client terminal log-file means the file created by the client terminal which records all Client requests and instructions to the Dealer with accuracy to the second.

Client terminal means the software product which is used by the Client to get information on trading in financial markets (in the volume determined by Company) in a real-time mode, conduct technical analysis of markets, implement transactions, send/edit/cancel orders as well as to receive information messages from Company. Price

charts in the terminal are built on the basis of Bid prices. The program can be downloaded on the Company's website.

Closed position means a result of covering an opened position by the opposite position. As a result of closing of a position the Company has an obligation to fix floating profit/loss on balance of the Client.

Company is Fiber Markets LLC, which provides services in accordance with the Client Agreement and its annexes.

Company's website is the website of the Company located online at <https://fibermarkets.com>.

Contract specifications mean the primary trading conditions (spread, lot size, the minimum volume of a transaction, swaps, initial margin, etc.) for every financial instrument. For more information about trading conditions go to the Client terminal.

Contractors and partners of the Company are liquidity providers, banks, brokers and other organizations the Company cooperates with.

Conversion arbitrage operations mean transactions between the Company and the Client concerning buying or selling currency contracts or CFD.

Currency of account means funds or underlying asset in which the sum amount of all trading and non-trading operations are nominated and calculated including floating profit and loss, commission payments, marginal requirements. Currency of account can be USA Dollars (USD), Euro (EUR) and other currencies specified in the website of the company. Currency of account is selected when trading account is opened and can not be changed in the future. Currency means the object of transaction based on the change in the value of one currency against the other.

Demo account - a training trading account with virtual funds provided by the Company, designed for trading without using real money. This account will not be taken into account in the Personal account, withdrawal and transfer to other accounts cannot be made.

Dispute means 1) a conflict arising when the Client believes that the Company, as a result of any action or failure to act has breached one or more of the Terms of Business; 2) the Company believes that the Client as a result of any action or failure to act has breached one or more of the Terms of Business; 3) when the Client makes a trade on an error quote (spike), or before the first quote comes to the Trading Platform at market opening, or on a quote received by the Client due to manifest error on the part of the Company or software failure on the Trading Platform.

Dynamic password means a code intended for withdrawal of funds from the Client's trading account. The dynamic password is sent as SMS to the Client's mobile phone number specified by the account registration. All withdrawal requests from trading account that are not confirmed by a dynamic password shall be automatically rejected.

Equity means a provided part of the Client's account with regard to open positions; equity is calculated as follows: Balance + Floating Profit/Loss + Swap. These are assets on the Client's account reduced by the current loss with regard to the open positions and enlarged by the current profit with regard to the open positions.

Expert advisor, Mechanical Trading System means an algorithm for managing the trading account in the form of program written in a specialized Meta Quotes language which automatically directs requests and orders to the server, using the Client's terminal. Client bears the full responsibility for actions done by the Expert Advisor.

Explicit error means either the execution (processing) of an order on the quote which does not correspond with an actual average price level at the time of the implementation of such an operation, or the execution in contradiction to the Company's regulation documents and/or common business practice.

Fast market means a market characterized by rapid price fluctuations over a short period of time often causing price gaps. A fast market may occur immediately before or after important events such as:

- a) release of influential macroeconomic indicators for the global economy;
- b) decisions by central banks on interest rates;
- c) press conferences and statements by central banks officials, heads of state, financial ministers or other significant announcements
- d) government intervention in the currency market

- e) terrorist attacks of great impact
- f) natural disasters leading to the declaration of a state of emergency (or comparable measures) in the affected regions
- g) war or other significant military actions
- h) political force majeure: dismissal or appointment (including election results) of top government officials
- i) other events which cause significant price movements.

Feed means quotes on each instrument entering the trading platform.

Financial instruments means currency pairs and CFD contracts available for trading.

Financial result is a profit or loss, formed based on Client's trading operations together with all swaps and commissions. When opening a transaction, it will be considered in the Equity, when closing a transaction it will be considered in Balance.

Fixed spread implies permanent difference between Bid and Ask of financial instrument. The majority of assets have fixed spread on Classic accounts.

Floating profit/loss means floating (unrealized) profit (loss) with regard to open positions at the current quotes.

Floating spread implies dynamic (changes over the time) difference between Bid and Ask of financial asset. The majority of assets have floating spread on Market Pro and ECN accounts.

Force majeure means unforeseen and unpreventable events such as: a) nature disaster; b) war; c) terrorist attack; d) acts of government; e) hackers' attacks and other illegal actions against the Company.

Free margin means equity not employed in the opening of a position and can be used for new positions. Free margin is calculated as follows: $\text{Free Margin} = \text{Equity} - \text{Margin}$.

Calculation of free margin for new positions is based on the formula:

1. Volume of client position and new margin are defined: for locked positions it is based on the margin required to cover trades, for other positions it is based on the initial margin which is defined by weighted average price (regarding volume) of all positions with the exception of covered;
2. entire current Floating profit/loss on all open positions is defined based on current prices;
3. Free Margin formula: $\text{Free Margin} = \text{Balance} - \text{New Margin} + \text{Floating Profit/Floating Loss}$.

Freeze level means the range of points in each side of the price declared by customer at which the order must be executed (opening prices of the pending order, stop-loss or take profit prices of the open position). If the current market price is in the established range, then order may be banned, changed deleted or closed. During the main time trading is usually performed without order freeze levels, but when sharp price changes of financial instruments are happen (after the issuance of fundamental data, interventions in illiquid market etc.), the company has right to set freeze levels up to 3 standard spreads.

Gap (price range) means a situation when the current quote differs from the previous one in more than a spread size. It may occur both within a trading session on publication of relevant macroeconomic data, economical and political news or in case of force majeure events and at the market opening after weekends and holidays

Hedged margin means the margin required by the Company to maintain locked positions. The details for each instrument are specified in the contract specifications on the Company's website and in its trading server.

The margin is taken for each covered lot based on the value specified in "Hedging" field in properties of the instruments. If initial margin is set for the contract, hedged margin has the money expression.

Instrument means currency pair or Contract for Difference.

Internal exchange rates of the Company — quotes (prices), at which the Company converts funds or assets of Clients during the execution of non-trading operations. Internal exchange rates are set at the discretion of the Company and may be changed at any time without notifying the Clients, depending on the market situation, market volatility and other external and internal factors. Up-to-date rates are published in the Client area and include:

Internal exchange rate on depositing (crediting) is used for conversion funds or assets sent from the Client's payment details, when crediting funds to the Client's account in the Company.

Internal exchange rate on withdrawal is used for conversion funds or assets sent from the Client's account in the Company to the Client's payment details.

Internal exchange rate on transfers is used for conversion funds or assets when transferring funds between accounts in the Company denominated in different currencies.

Interdependent accounts (Interdependent Personal Areas) - trading accounts (Personal Areas) opened by the interdependent individuals, including but not limited to the intersection of identity, payment and network data of the Partner and the Client (accounts trading from the same IP address and/or with the same CID are regarded as one active account), opening of oppositely directed trades on the same or correlated instruments.

Interdependent individuals - individuals whose inner relationships can impact on the financial condition or financial results of the Partner and the Company.

Labor hours of the Company means a time interval within a working week, when the trading terminal of the Company provides transacting with standard currency contracts as well as with standard CFD contracts, except weekends and holidays, temporary changes of the internal service of the Company and a period of time when services cannot be provided to the Clients for some technical reasons. In such cases, the Company is obliged to take measures to inform the Client on the changes concerning the routine of work and give the chance to the Client to eliminate the currency risks appearing as a result of the foresaid.

Leverage means ratio between the transaction volume (in terms of currency) and the margin. The leverage 1:100 means that the Client needs a sum in 100 times less than it is needed to open a position.

Liquidity provider – partner of the company: broker, bank or ECN providing streaming quotes and used by the company to hedge clients trades.

Limit&Stop Levels are the minimal distance in points from the Open level to current prices, works for all types of orders: Stop Loss, Take Profit, Buy Limit, Sell Limit, Buy Stop, Sell Stop, Buy Stop Limit, Sell Stop Limit.

Locked (covered) positions mean long and short positions of the same size opened on the same trading account with regard to the same instrument.

Long position (Buy) means market liability, the number of bought contracts on financial instrument expecting rise in quotation. With regard to currency pairs: buying the base currency for the quoted one with regard to CFD: buying base asset CFD for quoted currency.

Lot, Lot Size means a conditional indication of the number of base currency, shares or basis asset as defined for financial instrument. **Lot size (contract size)** means a measure unit of the trade volume (for example, 1.00 lot = 100,000 base currencies), it's specified on the Company's Trading Server and in the Contracts specification on the Company's website.

Margin means the money security required to open and maintain trading positions.

In general case, margin for Client account is the sum of margin requirements on all open positions with the exception of covered (hedged or locked) positions. Covered positions are the positions opened for one contract in opposite directions.

For every Financial Instrument, there is a method to calculate the Margin and Margin percentage in Trading Server, these parameters are additionally reflected in the specification in the Client's Terminal.

Margin requirements are calculating according to the following formulas:

1. «Forex»: $\text{Volume in lots} * \text{Lot Size} / \text{Leverage} * \text{Margin per cent}$;
2. «CFD»: $\text{Volume in lots} * \text{Lot Size} * \text{Open market price} * \text{Margin per cent}$;
3. «CFD Leverage»: $\text{Volume in lots} * \text{Lot Size} * \text{Open market price} / \text{Leverage} * \text{Margin per cent}$;
4. «CFD Index»: $\text{Volume in lots} * \text{Lot Size} * \text{Open market price} * \text{Price of tick} / \text{Size of tick} * \text{Margin per cent}$;
5. Futures – there are 2 types of margin requirements for the Futures:
 - 5.1. Initial margin is the amount which must be on account when you enter the market. Further this formula may be not required. The formula is: $\text{Volume in lots} * \text{Initial margin} * \text{Margin in per cent}$;
 - 5.2. Maintaining margin is the minimum amount essential for the account to maintain open position. The formula is: $\text{Volume in lots} * \text{Maintaining margin} * \text{Margin in per cent}$;
6. Fixed margin. If in properties of the contract "Initial margin" field contains any value differing from 0 , it means that all the above formulas do not work (except for Futures). In this case:
 - 6.1. For all types of calculations, except for Forex and CFD Leverage, the margin is: $\text{Volume in lots} * \text{Initial margin} * \text{Margin in per cent}$;
 - 6.2. For Forex and CFD Leverage calculations, Leverage is accounted: $\text{Volume in lots} * \text{Initial margin} / \text{Leverage} * \text{Margin in per cent}$.

Margin is different for various financial instruments and its level is specified in trading server of the Company. Client does not show it in properties of contracts. Margin for each contract (instrument) is specified on the Company's website.

Margin call means a warning that informs a trader on insufficient funds required for maintaining open positions which, in some cases, can lead to closing positions without notification to the Client. Occurs when Margin level is equal or less than Margin call, which is specified in the section "Trading conditions" on the company's website.

Margin level is the key level of account characterizing if the funds on trading account are enough to maintain open traders. It is calculated based on the formula: $\text{Margin level} = \text{Equity} / \text{Margin} * 100\%$. If Margin level falls below allowed level set by the Trading Procedures, Stop Out Occurs.

Market order is the trading instruction of Client to Company to Open/Close of financial instrument based on current price.

Market price available means a quote at which a liquidity provider executes the Client's order. The Company cannot guarantee the execution of the order at a price better than the price offered by a liquidity provider. The accuracy of quotations is determined by the Company, at it's sole discretion.

Margin trading means leverage trading when the Customer may make transactions having far less funds on his trading account.

Market opening means the time when the market opens after weekends, holidays or trading session time gaps.

Non-trading operation means deposit/withdrawal of funds or providing/return of a bonus or a credit.

Normal market conditions mean: a) no considerable breaks in the flow of quotes; b) low volatility; c) no large price gaps.

Open position means market liability, number of bought and sold contracts on financial instrument not covered by the opposite buy (sell) of the contract. In this case the Client shall be obliged to maintain equity not lower than pointed in Regulations on Trading Operations.

Order level means the price specified in the order.

Order means the Client's instruction to the Company to buy or sell a financial instrument. There are two types of orders: market order and pending order.

Pending order means a request from the Client to the Dealer to carry out an order (open or close position, place an order) once the price reaches the level of the pending order. The Client may place pending orders of the following types: Stop Loss, Take Profit, Buy Stop, Sell Stop, Buy Limit, Sell Limit, Buy Stop Limit, Sell Stop Limit.

Personal area means the Client's personal web-page where the Client's contact details are specified as well as deposit/withdrawal requests and feedback to the Company are carried out.

PhotoID means high quality photo of the Client holding his/her identification document. Face of the Client and his/her identification document should be clear and well visible. Graphical editor usage for adjustment of the photo is prohibited.

Point (Pip) means a minimal change of the instrument rate (e.g. for EURUSD one point equals 0.0001 USA dollar on Classic accounts and 0.00001 on Market Pro, ECN accounts).

Position means market liability, number of bought and sold contracts on financial instrument.

Promotion account (account that is a part of promo) - a special trading account where trading is done with money given by the Company. The Company's money and money received as a result of trading operations on the promotion account shall be used in accordance with the terms of promo activated.

Quote currency means the second currency in the currency pair which can be bought or sold by the Customer for the base currency.

Quote means the price of one currency quoted in terms of another (Bid/Ask).

Quotes base means information about the stream of quotes.

Quoting means the process of providing the Client with quotes.

Rate means 1) for the currency pair: the value of the base currency in the terms of the quote currency; 2) for CFD: the value of the unit of the underlying asset in terms of money.

Request means Client's order to the Company given to obtain a quote. Client is not obliged to implement a transaction on making such a request.

Server log means a file where the server protocols all requests and orders received from the Client as well as the result of their processing with a pinpoint accuracy.

Short position (Sell) means market liability, number of sold contracts on financial instrument held with the expectation of the asset falling in value. In currency trading it means buying the quote currency and selling the base currency. As applied to the Contracts for Difference: selling the base asset CFD for quoted currency.

Specification of contracts – are the main trading terms (trading schedule, lot volume, minimum volume, margin, spread, minimum levels, swap etc.) for each financial instrument. A full specification of contracts is represented on the website of Company.

Spike means an error quote with the following characteristics: a significant price gap; in a short period of time the price rebounds with a price gap; before it appears there is no rapid price movements. Company has a right to remove non-market quote from the quote base of the trading server.

Spread means the difference between the buying rate and the selling rate of a currency pair or a CFD contract at the present moment.

Stop out means an automatic trade server's command to close one or more open positions without any prior notification to the Client. Occurs due to insufficient funds required for maintaining open positions in trader's account when Margin level is equal or less than Stop out level, which is specified in the section "Trading conditions" on the company's website.

Swap (Rollover) means the amounts charged off or credited to the Client's account for the position prolongation (transfer) to the next day. Calculation and fixing of swaps occur at the last moment trading days on server time (from 23:59 till). Swap sizes are determined in the contract specifications on the web-site of the Company.

Telephone password (Codeword) means an additional password of the Client, which is used without fail when executing transactions by telephone.

Ticket means the unique identity number assigned to each trading and non-trading operation.

Trade means buying or selling a financial instrument. Buy operation is carried out at Ask price, and Sell operation is carried out at Bid price. A trade may be executed as a result of market order or pending order.

Trading account means the special personal account opened by the Client with the Company where the obligations between the Company and the Client are conducted which arise from the trading and non trading operations made within the scope of the Agreement.

Trading commission is the fee incurred by the Company from Client for conducting a Trading operation.

Trading instruction means Client's order to the Company to open or close a position or to place, modify, delete an order.

Trading operation means buying or selling of any financial instrument with the intention of the opposite transaction (selling or buying, respectively) of the same instrument and amount.

Trading platform time zone means Eastern European Time, EET is equal to GMT+2 in winter and GMT+3 in summer. Graphics in terminal as well as recording of any event in the log file of a trading server are reflected according to EET.

Trading server of the Company means software of Meta Trader Server by means of which Client's instructions and requests are processed, the information on trading in financial markets (in the volume determined by the Company) is provided in real time mode, the mutual obligations between the Company and the Client as well as adherence to contract specifications and restrictions are registered.

Transaction means a conversion of funds from the base currency (asset) to the quote currency and vice versa as a result of trading operations.

Transaction size means lot size multiplied by the number of lots.

Type of account – the terms of working on trading account. The list of types of accounts offered by the Company is based in Trading Terms section on its website. Type of account is set when Client registers an account and cannot be amended later.

Volume of trading operation — product of a number of lots by volume of lot.

Weighted average is the weighted average execution price in pad of prices taking into account weight of orders.

This price is calculated as below:

$P_{cp} = (P1*V1+P2*V2+...+Pn*Vn)/(V1+V2+...+Vn)$, where

P1 — the price of initial level of execution;

V1 — the volume executed at the price P1;

P2 — the price of further execution;

V2 — the volume executed at the price P2;

Pn — the price of final execution;

Vn — the volume of final execution.