RIVER PRIME
TRADE RIGHT

Margin Information

Version 1.0 – November 2025

By accepting this Margin Information document, you acknowledge and confirm that the official and legally binding language of River Prime Europe Ltd is English. In the event of any discrepancy or inconsistency between any documentation, information, or communication provided in another language, the English version shall prevail.

Margin for FX Instruments

Margin represents the portion of equity required to open and maintain a position and is calculated based on the leverage applied.

Formula: Margin = (Contract Size × Market Price) / Leverage

If your trading account has a leverage ratio of 1:100 and you wish to buy 1 Lot (fixed at 100,000) of EUR/USD, leverage gives you the ability to pay 1/100 of the invested amount (this will be the margin used for this single position).

1 Lot EUR/USD = 100,000 EUR against USD

If the EUR/USD opening price was 1.12 the Trade value will be (100,000 x 1.12) or 112,000 USD. The margin for the above-mentioned position is (112,000/100) = 1,120 USD.

For all other CFDs, such as Commodities, the Margin is calculated based on the Instrument's predetermined "Margin Percentage" which is stated on our Platform and Website and is the amount of equity needed to open and maintain a position.

Formula: Margin = (Contract Size × Market Price) × Margin Percentage

Assuming you wish to buy 1 Lot (contract size = 100) of XAU/USD, a Margin Percentage of 1% gives you the ability to pay 1/100 of the invested amount (this will be the margin used for this single position).

1 Lot XAU/USD = 100 XAU against USD

If the XAU/USD opening price was 1410.00 the Trade value will be (100 x 1410) or 141,000 USD. The margin for the above-mentioned position is (141,000x1%) = 1,410 USD.

Free Margin

Free Margin represents the difference between your trading account's equity and the margin used for open positions.

Formula:
Free Margin = Equity – Margin

Margin Level

Margin Level is a percentage value that indicates the proportion between the trading account's equity and the margin used for open positions.

If the Margin Level falls below 100%, River Prime Europe Ltd may restrict the opening of new orders.

When the Margin Level reaches or falls below the Margin Call level (100%), the trader is advised to deposit additional funds or close some positions to free up margin.

River Prime Europe Ltd may automatically close open positions and prevent further trading when the Margin Level reaches the Stop-Out threshold.

Formula: Margin Level = (Equity / Margin) × 100

A Margin Call occurs when the trader's equity, expressed as a percentage, falls below the required margin.

It should be noted that River Prime Europe Ltd is under no obligation to provide a formal Margin Call notification to any trader. Nevertheless, traders are strongly advised to maintain a Margin Level above 100% to avoid automatic position closures.

Stop-Out Level

When the Margin Level falls below or at the Stop-Out level, the system will automatically begin closing open positions starting from the least profitable, **without prior notice**.

Client Category	Stop-Out Level
Retail Clients	50%
Professional Clients	20%

Example 1

A client deposits 10,000 USD and sets the maximum leverage to 1:100. The trader may open positions of up to (10,000 x 100) 1,000,000 USD which is equal to 10 Lots.

Assume Stop-Out Level is 10%.

The client opens a BUY position of 5 LOT EUR/USD at 1.12.

Volume of the particular position will be (500,000 EUR x 1.12) = 560,000 USD.

Margin will be (560,000/100) 5600 USD.

Free Margin will be (10,000 – 5,600) 4,400 USD Margin Level will be [(10,000/5600) x100] =178.57%.

Profit-making Scenario:

If the EUR/USD rate rises to 1.135, the trader will make a gain of [(500,000 EUR x 1.135) -560,000 USD] =7,500 USD.

Free Margin will rise to (17,500 – 5,600) = 11,900 assuming the position was not closed yet.

Margin level will rise to [(17,500/5600) x100] = 312.5%.

Loss Making Scenario:

If the EUR/USD rate falls to 1.105, the trader will make a loss of [560,000 USD – (500,000 EUR x 1.105)] =-7,500 USD.

Free Margin will fall to (2,500 – 5,600) = -3100 assuming the position was not closed yet.

Margin level will fall to [(2500/5600) x100] = 44.6%.

Since the margin level is below 100%, trader could not open new positions.

If the EUR/USD continues to fall and reaches 1.101, the trader will make a loss of [560,000 USD – (500,000EUR x 1.101)] =- 9500 USD.

Margin Level will fall to [500/5600 x 100] = 8.9%.

Since the Margin Level is now below the stop out level of 10%, the trade will automatically be closed by the system.

Example 2

Client deposits 10,000 USD and sets the maximum leverage to 1:300. So, the trader could open positions of up to (10,000 x 300) 3,000,000 USD which is equal to 30 Lots. Then opens a BUY position of 20 LOT EUR/USD at 1.12.

Volume of the particular position will be (2,000,000 EUR x 1.12) = 2,240,000 USD.

Margin will be (2,240,000/300) = 7,467 USD.

Free Margin will be (10,000 – 7,467) = 2,533 USD Margin Level will be [(10,000/7,467) x100] = 133.92%.

Profit-making Scenario:

If the EUR/USD rate rises to 1.135, the trader will make a gain of [(2,000,000 EUR x 1.135) -2,240,000 USD] =30,000 USD.

Free Margin will rise to (40,000 – 7,467) =32,533 assuming the position was not closed yet.

Margin level will rise to [(40,000/7,467) x100] = 536.69%.

Loss Making Scenario:

If the EUR/USD rate falls to 1.11625, the trader will make a loss of [2,240,000 USD – (2,000,000 EUR x1.11625)] =- 7,500 USD.

Free Margin will fall to (10,000 – 7,467 – 7,500) = -967 USD assuming the position was not closed yet. Margin level will fall to [(2500/7,467) x100] = 33.48%

Since the margin level is below 100%, trader could not open new positions.

If the EUR/USD continues to fall and reach 1.1155, the trader will have a loss of [2,240,000 USD – (2,000,000 EUR x 1.11555)] = 9500 USD.

Margin Level will fall to [500/7,467 x 100] =6.69%.

Since the Margin Level is now below the stop out levelof 10% the trade will automatically be closed by the system.

ACCOUNT TYPES	MARGIN CALL LEVEL	STOP OUT LEVEL
Pro	100	20% - 50%
Prime	100	20% - 50%
Premium	100	20% - 50%