

MARGIN CALLS GUIDE

In this document “tastyfx,” “our,” “us,” and “we” refers to tastyfx LLC, a limited liability company organized under Delaware law, registered Retail Foreign Exchange Dealer (RFED) with the CFTC, and Forex Dealer Member of the National Futures Association (“NFA”) (NFA ID 0509630). You, the customer, may be referred to as “you,” “your,” “yours,” or “yourself,” as appropriate. Defined terms used within this document hold meaning as assigned in the Customer Agreement, except as otherwise defined herein.

If there isn’t enough capital in your account to keep your forex trades open, you’ll be put on margin call. This guide will walk you through what happens next.

01 WHAT IS MARGIN CALL IN FOREX TRADING?

Your account is placed on margin call when the equity on your account, the total capital you have deposited plus or minus any profits or losses, drops below your margin requirement. You can find both your margin requirement as well as total capital in your account listed at the top of the tastyfx platform.

When your account is on margin call your positions are at risk of being automatically closed to reduce the margin requirement on your account. To avoid that, you can either deposit the amount of funds required to increase your equity above the margin requirement or close positions on your account yourself to reduce your margin requirements. If you need more assistance please call our support team at (312) 981-0498.

02 OUR MARGIN REQUIREMENTS

Trading on margin can be a useful way of making your capital go further, enabling you to make profits far in excess of traditional trades without having to commit to a larger deposit. However, margin trading also comes with the risk of losses much larger than the amount of capital in your account.

Per section 11(2) of our [Customer Agreement](#), we can close your positions automatically if you don’t have the funds to keep them open.

03 WHEN WILL MY POSITIONS BE AUTOMATICALLY CLOSED?

Typically, there are four scenarios in which your positions will get automatically closed. However, tastyfx does not guarantee that we will always be able to close out your positions automatically and limit your margin requirement. Your positions will likely be automatically closed if:

1. Your equity drops beneath 50% of your margin requirement.
2. You remain on margin call constantly for 24 hours.
3. You are on margin call during periods of increased volatility, or periods when we anticipate increased volatility.
4. You are on margin call going into the weekend. Because we try to avoid having any accounts on margin call going into the weekend, if your equity is below 100% of your margin requirement your positions will be at an increased risk of being closed by us on a Friday evening.

Our margin requirements are subject to change. If they increase on one or more of your positions then your current equity may not be enough to keep positions open.

Finally, it is important to remember that we could close you out at any time when you are on margin call. It is your responsibility to have enough funds on your account to fully cover the margin requirement of your open positions.

04 WILL I GET NOTIFIED?

There are two points at which we will aim to notify you that you are on margin call, before we start automatically closing positions.

When your equity drops below:

- 99% of margin, you’ll likely receive an email notification from us.
- 75% of margin, you’ll likely receive a second email notification from us. Please note that if your equity drops below 75% multiple times on a single margin call, we won’t send you multiple notifications.
- 50% of margin, we’ll likely start automatically closing out your positions.

Please note that markets move fast, and we may not be able to contact you before your positions get closed. For example, if your equity drops below 50% of margin requirement in less than five seconds, we will likely not be able to contact you in the manner denoted above.