FORT FINANCIAL SERVICES LTD
Registration number 126489 (Belize), No. 1 Orchid Garden Street, P.O. Box 445, Belmopan, Belize, C.A.,
Tel. +37167660716, Email: info@fortfs.com, www.fortfs.com

GLOSSARIUM

Arbitrage - the trading strategy type based on the ability to quickly make a profit at the expense of short-term differences in exchange rates.

Arbitrage position – starts from the selection of two particular US-dollar-based pairs. For example, EUR/USD and CHF/USD which both determine the GBP/CHF rate. First of all, it's required to define the current GBP/USD and CHF/USD rate and then divide one to another. As the calculation is done you can compare the result to the current rate of common GBP/CHF pair. If the received result is higher than GBP/CHF it means that within next few seconds the price is most likely to be growing, and if the result is lower, than the price will move downwards. Using this knowledge might help you to gain profit by placing the orders in the needed direction.

Stock – registered security that belongs to any company. If purchased the owner gets the right to receive the part of the company's income as well as to take part in join-stock partnership management.

Price – monetary assets value to which one asset can be exchanged.

Ask - asking price at which the Client might buy the required trading instrument through the Company.

Bid — bidding price at which the Client might sell the required trading instrument through the Company.

Last — last order price by the trading instrument translated by the liquidity provider.

Quotation base – total information concerning the actual trading instrument quotation data.

Base currency - first currency in the currency pair the Client is able to purchase or sell for the quoted currency.

Balance - fixed result of all trading and non-trading transactions performed by the Client on the trading account.

Bar/Candle – graphic presentation of each particular movement period and price changings in the trading terminal (from minute and up to month).

Swap free account – the Client's trading account that is not charged or paid with swap (positive or negative) for opened positions overnight transferring (by the trading terminal time).

Binary option – the contract between two investors where it is stated that one allows the other to purchase or sell the active at particular time period at previously set price. There are two types of options:

- Call option – option to buy the basic assets;
- Put option – option to sell the bases assets;

Bonus funds - the additional amount to the initial deposit or the funds given by the Company to the Client as the welcoming gift (offer). Aim of such bonuses is to enhance the Client's confidence to the Company as well as to provide the opportunity to the traders to get more profit.

Fast market – the market condition that usually takes place prior to the important macroeconomics events or right after its results announcements. Such market condition is characterized by the fast trading instrument price changes and price gaps during the short time period. Fast market could occur happen under the influences of the following events:

- The group of Eight industrialized nations' (G8) economic activity data publication

interest rates decisions publication

- public appearance of Central bans management, finance ministers and the presidents/head of G8 countries;
- currency interventions;
- news concerning the terrorist attacks;
- force-majeure events and major catastrophic events;
- hostilities outbreak;
- key political events such as the resignation of the leader, new appointments and the G8 presidents' elections and etc;
- any other important events.

Quote currency – the second currency in the currency pair for which the Client is obliged to purchase or sell the base currency.

Currency pair – the trading operation object based on the valuation changes of one currency to another.

Currency trading account – internal account in the trading terminal opened by the Client when registered in the Company.

Affiliated profiles – the individuals (or legal entities) revealed by means of information duplication such as the one identifying the data uniqueness: passport or ID cards data, address, cell phone number, email (including those with the similar names in), IP addresses, CID, payment accounts, trading strategies, trading operations results and etc.

Affiliated accounts – any accounts opened on the affiliated persons.

Trailing Stop Value – the parameter used for Stop Loss managing set by the Client in pips.

Internal transfer – transfer of funds from account of the Client opened in the Company to another account of that Client.

Terminal mail – allows to send and receive letters from the Client and to the Company and vice versa by means of internal trading terminal mailing system.

Company reward – the commission for the services provided by the Company. Credited from the Client' account to the Company's favor in accordance to the Client agreement.

Terminal time - the time displayed in your terminal. It is unified and the same for all customers. Used also for the event fixation in the logs of the trading server.

Web platform – the software that allows to perform the trading operations in the world financial market via web browser.

Chart – the quotation flow changings graphical presentation.

Demo account – training account type with the virtual balance and the possibility to perform transactions in the financial market without having the risk to lose personal funds.

Dividends (IR) – yearly percent credited on monthly basis to the free margin on the Client's accounts.

Dealer – the algorithm that performs the execution, coverage and transferring of the Client's transactions to the financial markets. Sometimes the dealer is the real employee of the Company who performs the actions manually.

Limit & Stop levels – price corridor that traces its beginning from the current market price. No Stop Loss, Take Profit or pending orders can be placed inside that corridor. Counted in pips.

Available market price – the quote at which the liquidity provider executed the Client's order.

Claim – to request the quotation receiving.

Identification documents – the document that proves the identity of the Client (e.g. passport or national ID card).

Indicative instrument - informative instrument that is not available for trading.

Order execution - request to place or close the order at current market price as well as the pending order activation or its closing according to Stop Out, Stop Loss or Take Profit.

Account's History – the chronological sequence of transactions for the trading account of the Client.

Client – the individual or legal entity who entered into agreement with the Company to use its services of accessing the world financial markets. The Clients might be:

- Real account client – the owner of the trading account in the Company charged with the minimal deposit amount;
- Demo account client – the owner of the;
- training account in the Company's demo server.

Client Agreement - the agreement between the Company and the Client that along with its supplements determines and regulates the conditions of cooperation between the Client and the Company.

Clearing – the non-cash transaction procedure for the provided services between the Company and its counter-parties (banks, liquidity and quotation providers and etc.) accomplished through the incomes and expenses setoff according to the cooperation conditions.

Commission – the reward of the Company for the brokerage services providing.

Company – the legal entity registered as Fort Financial Services Ltd. That provides the services to the Clients under the conditions of the Client agreement and its supplements.

Conversion – funds conversion from one currency to another at particular rate.

Contest account - the account type especially developed to allow the Client to take part in contests launched by the Company.

Counter-parties and partners of the Company – the liquidity providers, banks, brokers and other companies the Company cooperate to and have contractual relations with.

CFD – the conditional agreement between the broker and trader under conditions of which in case the order performed at the difference between stocks and future contracts is profitable the Client receives the profit to the trading account. In case the order gets negative the trader suffers a loss.

This trading type does not imply underlying asset purchasing.

Quotation process – providing the quotation flow to the Client required to orders performing.

Quotation – the trading instrument rate at which the order might be purchased or sold.

Leverage – the conventional name for the coefficient displaying the proportion of margin to the trading position volume.

Rate – the asset value (e.g. of currency) expressed in terms of another asset.

Trader's room – personal profile area of the Client access to is done by using login and password. By means of Trader's room the Client is able to:

- create new accounts;
- receive personal information from the Company;
- to view the trading history of the account;
- to perform deposit and withdrawal requests;
- to receive bonuses, monitor its statistics and take part in the contests launched by the Company;
- to perform other type of operations when logged in to Trader's room.

Client's personal account – personal account of the Client registered in the Company.

Client terminal log file – file that is created by the Client's trading terminal for purpose of recording all transactions and requests of the Client.

Trading server log file – file that is created by the trading server for purpose of recording all Client's requests sent for execution as well as results recording.

Lot – the conventional name for standard contract volume and considered as the measure unit for the trading instrument.

Margin - the monetary asset that is charged from the trading account by way of security for the opened and pending transactions.

Hedged margin – the monetary asset required to support the hedged positions. Specified in the trading instrument contract specification.

Initial margin – the monetary asset required to order execution. Specified in the trading instrument contract specification.

Supportive margin – the monetary asset required for supporting the opened positions. Specified in the trading instrument contract specification.

Variative margin – the additional margin amount required to be charged to the trading account of the Client during the high volatility in the market.

Margin rate – the value specified in the trading instrument specification that is taken into consideration for total margin calculation.

Margin trading – the trading based on the leverage use and the particular amount fixation on the trading account as the margin. Allows the Client to perform the transactions at amounts which far exceeds the own funds amount.

Margin call – the trading account state that warns the Client of insufficient amount to hold both opened and pending positions.

Price manipulation by means of the arbitrage transactions – the creating a semblance of trading activity by CFD contracts. For example, the market participants inciting for contracts selling at unfair price that will never take place in the market otherwise.

Global financial markets – a set of centralized and decentralized trading markets and systems which includes but not limited to:

- international exchange Forex market (Forex);

- international and local stock markets;

- option forwards contracts, stocks, derivatives and any other derived types from any contract traded in any of the mentioned above markets.

Fraud – attempt of the Client to fake the financial transactions results on the trading account by use of improper and unregulated by the Client agreement software, the trading terminal technical and system failures, Trader's room, mechanisms of deposit and funds withdrawal as well as the internal transfer weak sides.

Initial margin – monetary asset that is required for orders placing in the financial market.

Non-market quote – the trading instrument price at which the Company is not able to execute the Client's order for the reasons beyond control of the Company (external trading system, liquidity provider, technical software failure and etc.) As a rule, this is the quote that appears inside the gap, or some amount of almost equal price ticks that form the gap, or the quote appearance as the result of market noise, or the quote that appears unreasonably without enough number of macroeconomics measures for that. The Company reserves the right to delete such quote from the server base in case of its occurrence.

Non-trading/Financial transaction – funds deposit or withdrawal process to/from the trading account, internal transfer or bonus funds deduction from the trading account.

Normal Market Conditions – the regular quotation flow without any rapid rate changes or price gaps. Usually is characterized by:

- the notable gaps absence in the quotation flow translated to the trading terminal;
- the rapid price dynamics absence;
- the over-the-counter quotes receiving absence (for CFD contracts).

Normal market (please refer to **"Normal market conditions**")

Trading operation volume – the lots number multiplied to the lot volume.

Option trader – the software that allows to perform the option market trading.

Market opening – the trading resumption after the weekends, celebration days or the break between the trading sessions.

Password – the symbols set generated by the Company or selected by the Client in order to access the confidential informational resources such as Trader's room, trading account and etc.

Investor password – the symbols set generated by the Company or selected by the Client in order to access the trading account in view-only mode.

Personal data – any kind of the information about the Client requested by the Company.

Floating spread – the constantly changing in its value difference between Bid and Ask price.

Floating profit/loss – the unfixed profit/loss by the opened positions using the current rates.

Suspicious activity – the activity of the Client that has no any financial or trading meaning under the conditions of Agreement made between the Company and the Client. It includes:

- meaningless internal transfers between the Client's trading accounts;
- multiple deposits and withdrawals of funds from the Client account without the sufficient trading activity;

- the meaningless trading transactions performing;
- the personal or trading account use in order to achieve the goals which are definitely not the Company's services.

Completely closed transaction – the consequential performing of sell or buy orders results of which is the execution with the further order closing.

Liquidity provider – the partner of the Company (broker, bank, stock exchange, ECN network, media outlet and etc.) that provides the quotation flow. Might be used in order to hedge the trading transactions by the Company.

Quotation flow – quotation consequence for each trading instrument translated to the trading terminal. Instant quotes – the quotation providing mechanism for the Client without request. The Client receives the quotes provided by the Company in real-time mode.

Exchange trades rules – the trading session processing rules.

Client's complaint – the request of the Client to the Company to settle the dispute case.

Slippage – the case when the Client's order opening or closing happens at prices different from the ones specified in the terminal at moment the Client sends the request to the server. Or the pending order activation, or Stop Loss or Take Profit execution at prices different from the ones specified in order.

Point, pips – the minimal price-change value.

Working hours of the Company – the time during which the Company's trading server executes the transactions. Usually, this is the period during the business week excluding the non-working and celebration days, internal order of the Company temporary changes as well as the time period within which serving the Clients is not possible for reasons beyond control of the Company.

Lot size – the underlying asset amount that forms one lot basing upon the trading instrument specification.

Payments – deposit of funds by the Client to the payment account of the Company for further crediting to the Client's trading account or to perform other financial operations between the Client's accounts.

Trading operation register – the history of all trading transactions performed by the Client.

Calculation mode – the calculation algorithm realization in accordance to which the trading terminal recalculates the data as new event happens (new tick, order, task planner and etc).

FORT FINANCIAL SERVICES LTD
Registration number 126489 (Belize), No. 1 Orchid Garden Street, P.O. Box 445, Belmopan, Belize, C.A.,
Tel. +37167660716, Email: info@fortfs.com, www.fortfs.com

Margin calculation mode – the margin requirements calculation algorithm.

Profit calculation mode – the profit/loss calculation algorithm realization:

Forex

- Volume in lots * Contract size / Leverage

CFD, Exchange Stocks

- Volume in lots * Contract size * Open market price

CFD Leverage

- Volume in lots * Contract size * Open market price / Leverage

CFD Index

- Volume in lots * Contract size * Open market price * Tick price / Tick size

Futures, Exchange Futures

- Volume in lots * Initial margin
- Volume in lots * Maintenance margin

Exchange FORTS Futures

- Buy positions: Volume * (Buy price - (SettlementPrice - (UpLimit - LowLimit))) * Tick price / Tick size * (1 + 0.01 * Currency margin rate) Sell positions: Volume * ((SettlementPrice + (UpLimit - LowLimit)) – Sell price) * Tick price / Tick size * (1 + 0.01 * Currency margin rate)

Forex

- Profit of Buy deals: (Close Price * Contract Size * Volume in Lots) — (Open Price * Contract Size * Volume in Lots)
- Profit of Sell deals: (Open Price * Contract Size * Volume in Lots) — (Close Price * Contract Size * Volume in Lots)

CFD, CFD Index, CFD Leverage and Exchange Stocks

- Profit of Buy deals: ((Close Price — Open Price) * Contract Size * Volume in Lots)
- Profit of Sell deals: ((Open Price — Close Price) * Contract Size * Volume in Lots)

Futures, Exchange Futures

- Profit of Buy deals: ((Close Price — Open Price) * Volume in Lots * Tick Price / Tick Size)
- Profit of Sell deals: ((Open Price — Close Price) * Volume in Lots * Tick Price / Tick Size)

Exchange Bonds

- With accrued interest: Price/100 * Face value * Volume in lots * Contract size + Accrued interest * Volume in lots * Contract size
- Without accrued interest: Price/100 * Face value * Volume in lots * Contract size

Swap calculation mode – the swap calculation algorithm realization:

In point

- Swap size * Point price

In money – funds are credited/deducted according to the currency specified in the trading instrument specification using the following modes:

- Using base currency – crediting/deducting

using base currency of the trading instrument by which the position is opened

- Using margin currency – crediting/deducting

using the margin currency of the trading instrument by which the position is opened

- Using profit currency – crediting/deducting

using the profit currency of the trading instrument by which the position is opened

- Using group currency – crediting/deducting using the currency of the account

In percentage – funds are credited/deducted according to the yearly percentage specified in the trading instrument specification.

Volume in lots – the trading transaction volume expressed in lots.

Contract size – the trading instrument contract size.

Leverage – the trading account leverage.

Open market price – the opening transaction market price.

Tick price – the tick price specified in the trading instrument specification.

Tick size – the tick size specified in the trading instrument specification.

Initial margin – the initial margin requirement specified in the trading instrument specification.

Supportive margin – the supportive margin specified in the trading instrument specification.

Buy price – the purchasing asset price.

Sell price – the selling asset price.

Settlement price – the settling price for the current trading session.

Up Limit – the maximum contract price for the current trading session.

Low Limit – the minimal contract price for the current trading session.

Currency margin rate – the currency rate changes radius inside which the futures contract is nominated to the account balance currency.

Close price – the order closing price.

Open price – the order opening price.

Accrued interest – the accumulated percent that is credited but not yet paid to the buyer by the seller of obligation.

Face value – the nominal value set by the eminent.

One lot position cost – the price per 1 position lot by the trading instrument.

Swap size – the swap amount specified in the trading instrument specification.

Non-normal market conditions – the conditions characterized by the quotation flow breaks, price changing overgrowth dynamics and gaps.

Company's web site – the official web site of the Company available at https://fortfs.com.

Free margin – the amount of funds on the trading account that is not used as margin and might be used for new transactions placing.

Swap (rollover, storage) – the commission paid for transferring the opened position overnight. The swap rates are specified in the trading instrument specification as well as on the Company's official website.

Position Accounting System – the trading terminal instructions set that determines the logging and displaying system of trading transactions.

Netting system – the only one position by the same trading instrument could be placed in the trading account at the same moment.

Hedging system – several positions by the same trading instrument could be placed in the trading account at the same moment, including those opened in the same direction.

Expert advisor – the software developed for trading transactions performing in automated mode using the preprogrammed algorithm.

Spike – the immense difference of the upcoming quote from the previous one. (please refer to "**Non-market quote**").

Contract specification – the general features which are common to every trading instrument, such as: spread, lot size, minimal/maximal volume of order, tick price/size, initial/supportive/hedged margin, trading/quotation session, limit & stop levels, swaps and etc.

Disputable situation – the situation when the Client and the Client has opposing opinions on any key question, clause, moment or action specified in the Agreement or taken by any of the parties.

Spread – the difference between Ask and Bid prices.

Equity – the current trading account balance of the Client. Calculated according to the

formula: Balance + Credit + Floating profit/loss.

Client funds – the funds the Client deposits to the Company's account for further crediting to the Client account.

Free funds – the part of the trading account balance of the Client that is available for new transactions placing and other operations performing in accordance to the Agreement.

Weighted average price – the arithmetical price mean value in which the volume is considered. Weighted average price is calculated according to formula:

- P c p .=(P1*V1+P2*V2+...+Pn*Vn)/(V1+V2+...+Vn),where:
- P1 – the entry level execution price;
- V1 – the volume executed at P1;

- P2 – the following level execution price;
- V2 – the volume executed at P2;
- Pn – the final level execution price;
- Vn – the final level execution volume.

Option rate – the predetermined profit/loss volume by the Client and expressed in base currency of the account.

Tick value – the price value of the minimal financial instrument price change.

Promotional campaign – the availability on the account or on the group of accounts the special trading, financial or other non standard conditions regulated under the conditions of such promotional campaign specified on the Company's web site. It includes the promo action, additional bonus funds crediting in case of deposit to the Client's balance, IR crediting and any other types of promos launched by the Company.

Stop Out – forced order closing due to the insufficient amount of funds on the trading balance of the Client's account. The automated trading server command to close the opened positions at current prices without the prior notification of the Client. Takes place in case of insufficient amount to keep the transactions opened when margin level gets equal or lower than Stop Out.

Parties – the parties' relations which are regulated by the Client Agreement.

Current price – the basic asset currency unit cost expressed in quote currency at the current moment.

Tick – the minimal price changing size. It consists of several pips and for each trading instrument has its own value.

Ticker – the symbolic or literal reference for each trading instrument in the financial markets.

Order execution – the procedure realization in accordance to which the orders are executed.

Instant execution – the market orders are executed at price offered by the Company to the Client if using this type. In case the Company accepts the prices, the order is executed. If the Company does not accept the requested price then price Requote occurs.

Requote – the Company returns the prices at which the order might be executed at the current moment.

Request execution – the market orders are executed at pre-received price from the Company.

Before the market order requested the Company is asked to provide its possible execution prices. Right after the price is received the order could be executed or canceled.

Market execution – the market orders are executed by the decision of the Company without the prior Client's notification. The market order execution request implies the prior agreement to the price at which the order is executed if using this type.

Exchange execution – the orders performed by means of the trading terminal are executed according the conditions of external trading system (e.g. stock exchange).

Account type – the trading conditions of each account type offered. Listed in “Account types” section of the Company's official website.

Thin market – the rare quotation translation to the trading terminal of the Client.

Trading commission – the amount paid by the Client to the Company for the trading transaction execution.

Trading transaction – the purchasing or selling transaction of the trading instrument performed by the Client.

Order – the order of the Client for purchasing or selling the trading instrument.

Market order – the order of the Company for purchasing or selling the trading instrument. Result of such order is the buy/sell order execution.

Pending order – the order of the Company to purchase or sell the trading instrument in future with the specified parameters.

Special order – the special types of orders such as Stop Loss, Take Profit and Stop Out.

Position – the market obligation, number of purchased or sold contracts by the trading instrument.

Long position – purchased financial instrument on expectation of price growth.

Short position – sold financial instrument on expectation of price lowering.

Opened position – the result of one or several orders execution opening the market obligation for the trading instrument contract purchasing or selling.

Closed position - the result of one or several orders execution covering the market obligation for the trading instrument contract purchasing or selling.

Locked & hedged positions – the positions opened by the same trading instrument and in the same direction (buy and sell orders).

Trading platform – the complex client-server software by means of which the cooperation between the Client and the Company concerning the trading transactions happens.

Trading server – the trading terminal server element that allows to accept and execute the trading requests of the Client.

Trading terminal – the trading terminal client element that allows to send requests to the Company, analyze both the account state and trading instruments.

Trading terminal – the trading terminal client element that allows to send requests to the Company, analyze both the account state and trading instruments.

MetaTrader terminal – the software product of MetaQuotes Software Corp. Company by means of which the Client is able to perform the trading transactions in the world financial markets, make analysis and monitor the quotes in real-time mode.

Trading session – the time frame when the financial instrument trading is allowed and the trading server processes the trading transactions.

Trading account - the client access to the world financial markets. The history of all trading and non-trading transaction is stored on the trading account. In the trading terminal the account has its unique identifier – login (account number).

Trading instrument – any currency pair, stock, metal, contract and other financial instruments available for trading to the Client via the personal trading terminal use.

Trailing Stop – the additional trading terminal function that allows to move Stop Loss level of opened position following the profit growth. If the position profitability decreases then Trailing Stop remains at the same level. This function is active in case of stable internet and trading terminal connection with trading server of the Company and only if the trading terminal is running and logged in to the trading server.

Order freeze level – the range for each direction from the specified by the Client execution order price that measured in pips (the pending order execution price, Stop Loss or Take Profit opened position price). If the current market price is inside that range then the function of modifying, canceling or closing of such order might be blocked.

Margin level – the account state indicator that characterizes the sufficient funds amount on the trading account to keep the positions opened. Calculated according to the following formula: Margin level = Equity/Margin * 100%.

Order level – the price specified in the order at which the Company executes the order as per requested by the Client.

Price prior to spike – the minute bar closing price goes before the non-market quote minute bar.

Option opening price – the market Bid price of the traded option at moment of order execution.

Expiration option price – the market Bid price of the traded option at moment of order expiration.

Gap – the quotation flow discontinuity on price chart that is more than the spread size inside which no quotes are translated. Quite often the gap might be seen during the trading session breaks, especially after the weekends as well as due to the rapid market reaction on some important event.

Trading balance fixation – the balance correctness checking procedure after the transactions performed within the trading session.

Financial instruments – the financial instrument derivatives available for trading on the relevant trading markets in accordance to the listing, exchanges, relevant regulator body conditions.

Financial request – the request to deposit or withdraw funds to the trading or personal account.

Force majeure – any kind of unexpected events leading to the market and one or several trading instruments destabilization. It includes the natural disasters, mass civil disturbances, infelicitous occasions, strikes, civil disorders, communication failures, industrial disputes, military conflicts, government actions, hacker attacks, equipment failure or software faults, any financial market suspension, additional or non standard trading conditions implement in any market and etc.

Expiration – the contract validity expiration or the trading transaction expiry date.

Apparent error – the order execution at such quote that does not comply with the real price range at the execution moment or the execution that contradicts the legal documentations of the Company or the common market practice.

CQG Trader – the client trading terminal developed by CQG Inc. Company especially for the financial market trading.

CQG WebTrader – the client trading terminal developed by CQG Inc. Company and operated via the web browser.

First Notice Day — the futures contract stock feature when the trader or investor having the opened transaction by the present contract the demand to accept the goods physical delivery on which the futures contract is based upon.