

The Nadex products offered by IG Markets, Inc. are traded on a fully collateralized basis. This ensures that the maximum profit and the maximum loss on Nadex trades are always known in advance. The IG Markets, Inc. trading platform will reject your attempt to place a trade if you do not have sufficient capital in your Nadex Trading account to cover the maximum potential loss on the trade.

However, it is important to note that the maximum profit/loss does not include commissions and fees, and you will have a separate liability to pay these amounts to IG Markets Inc. Therefore, the possibility exists that your Nadex account may go slightly negative due to commissions and fees. If you place a trade in your account which utilizes all of the available equity, your trade will likely be accepted. Your account will then be in a deficit due to the commissions and fees charged after the trade was placed. In the event your account has a negative balance, you will be unable to place any new trades or access any open trades in your Nadex account until your account balance is no longer negative.

To bring your Nadex account out of a negative balance, you need to transfer sufficient funds from your Forex account on PureDeal to your Nadex account on PureDeal. If you have insufficient funds in your Forex account to bring your Nadex account out of the negative balance, you need to deposit funds into your Forex account and then transfer the funds to your Nadex account.

EXAMPLE: You have \$50.00 in your Nadex trading account. You enter an order to buy one Nadex binary option contract for \$50.00. Your order is accepted, the \$50 becomes the margin for your trade, and your account equity is debited \$50. You are then charged \$0.75 in commission and \$.02 in NFA Fees. Therefore, your account equity balance following your order is -\$0.77. As your account will have become slightly negative, you will be unable to close out of any current positions or place any new orders until you have brought your Nadex trading account equity balance above \$0.00. You can bring your account equity out of a negative balance by transferring funds from your Forex Trading account to your Nadex trading account. The funds transferred must be sufficient to bring your Nadex account above \$0.00.