



AXOS Clearing's Margin Requirements  
York Securities, Inc.  
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Margin Requirements for Equities\*

Stock Position**	Market Price	Initial Requirement	Maintenance Requirement
Long	\$2.00 or less	50%	100%
	\$2.01 - \$5.00	50%	Greater of \$2.00 or 50%
	\$5.01 or more	50%	30%
Short	\$5.00 or less	\$2.50	Greater of \$2.50 or 100%
	\$5.01 or more	Greater of \$5.00 or 50%	Greater of \$5.00 or 40%
Short vs. Box		0%	10%

\*There is a minimum equity requirement of \$2,000 for the initial transaction.

\*\*Margin is available on Reg NMS stocks. Non-Reg NMS stocks will be held at 100% and may not be sold short.

Special Margin Requirements for Concentrated Accounts

If one long, equity position accounts for more than 50% of the total margin account's value, then the maintenance requirement for the entire account may be 50%.

Margin Requirements for Leveraged ETFs and ETNs

	Long Positions (25% x Leverage Factor)	Short Positions (30% x Leverage Factor)
Leveraged at 2x	50%	60%
Leveraged at 3x	75%	90%

Margin Requirements for Investment Grade Bonds (including Foreign Bonds)\*

Bond Type	Initial Requirement	Maintenance Requirement**
Corporates/Foreign	50%	50%
Convertible	50%	30%
Municipal	50%	30%
Treasury	10%	10%

\* Bonds must be priced daily by a third-party pricing service

\*\*Special maintenance requirements may be required on bonds selling below 40% of principal amount.

## Margin Requirements for Options

### Option Levels

There are six levels of option trading. Each subsequent level includes the prior level option strategy. You are required to give the client an OCC Options Disclosure Booklet when opening an options account.

Level	Strategy	Margin Required?
1	Covered Equity Call Writing	No
2	Purchasing Equity/Index Puts and Calls	No
3	Equity/Index Spreads	Yes
4	Uncovered Equity Puts*	Yes
5	Writing Equity/Index Combinations/Straddles & Uncovered Equity Calls	Yes
6	Uncovered Index Puts, Calls, & Straddles	Yes

\*Cash Secured Puts do not require a margin agreement. Sufficient cash must be in the account to purchase the underlying security if assigned.

### Option Margin Requirements

Option Position and/or Strategy	Minimum Requirements
Long Option	100% of Purchase Price
Spread Options	\$5,000 minimum equity
Naked Options	\$50,000 minimum equity for Naked Equity/Index Calls/Short Straddles \$5,000 minimum equity for Naked Equity/Index Puts  The initial and maintenance requirements are the greater of either: Option Premium + 30% of Underlying – Out of the Money Or Option Premium + 10% of Underlying for Calls Option Premium + 10% of Strike Price for Puts
Long Straddles	Cost of Call + Cost of Put
Short Straddles	Greater of the short call or short put requirement plus premium for the other side.
Call Bull Spreads	Cost of the Long Call – Premium of the Short Call
Put Bull Spreads	Cost of the Long Put + the lesser of: the Short Put exercise price minus the Long Put exercise price or the margin requirement for the Short Put. (The premium received from the sale can be used to cover the buy of the long option.)
Call Bear Spreads	Cost of the Long Call + the lesser of: the Long Call exercise price minus the Short Call exercise price or the margin requirement of the Short Call. (The premium received from the sale can be used to cover the buy of the long option.)
Put Bear Spreads	Cost of the Long Put – Premium of the Short Put
Butterfly Spreads	Cost of the Long Options (same expiration date on all options)
Condor Spreads	Cost of the Long Options + the greater of: the amount the Short Call exercise price is below the Long Call exercise price or the amount the Long Put exercise price is below the Short Put exercise price (same expiration date on at least 3 of the options in the condor)

## Non-Marginable Securities

AXOS Clearing does not margin the following securities:

- Real Estate Mortgage Investment Conduits (REMICs)
- Collateralized Mortgage Obligations (CMOs)
- Certificates of Deposit
- Non-Investment Grade Bonds (Bonds rated below "BBB-")
- Securities priced below \$2.00
- Control and Restricted Stock

## Changes to AXOS's Maintenance Margin Requirements

AXOS reserves the right to limit margin purchases and short sales, and to alter its margin requirements and due dates for "house" or other margin calls, in accordance with the firm's guidelines, market conditions, and regulatory margin requirements. AXOS reserves these rights without the requirement to provide notice of any sort to the client.

## Pattern Day Traders

Per FINRA rule 4210, an account is classified as a pattern day trader when the account day trades four or more times over five trading days. Accounts, which are classified as pattern day traders, are required to have a minimum equity of \$25,000. Day trade accounts are also subject to special margin requirements called "Day Trading Buying Power." Day trading buying power is calculated by taking account equity at the close of the previous day less any regulatory maintenance requirement as stated in the rule multiplied by four (4) for equity securities. Other security type requirements are determined based on their specific regulatory requirement. AXOS Clearing uses the "Time and Tick" method for calculating day trade violations.

## Margin Calls

Type of Call	Definition	When Call is Issued
Initial Call (also known as “Fed Call”)	<ul style="list-style-type: none"> <li>- Call is generated from trades.</li> <li>- It is due four days after the trade date (T+4 also called “REG T Date”).</li> <li>- An extension can be requested if there is a valid reason.</li> <li>- The call cannot be met with market appreciation.</li> <li>- If the account sells the same security as what created the call, then the account is restricted for ninety days.</li> </ul>	<p>Call is issued when the account cannot meet the initial margin requirement at the time of the trade.</p> <p>AXOS does not issue calls of less than \$100.</p>
Regulatory Maintenance Call	<ul style="list-style-type: none"> <li>- Call is generated when the margin account’s equity drops below the minimum regulatory maintenance requirement.</li> <li>- It is due within two days of being issued.</li> <li>- No extensions are available.</li> <li>- The call can be met with market appreciation using the closing prices from either the day prior to the due date or the due date.</li> </ul>	<p>Call is issued when the account’s equity drops below the regulatory maintenance requirement.</p> <p>AXOS does not issue calls of less than \$100.</p>
AXOS Clearing / IBD Maintenance Call (also known as “House Call”)	<ul style="list-style-type: none"> <li>- Call is generated when the margin account’s equity drops below the minimum house maintenance requirement.</li> <li>- It is due within four days of being issued.</li> <li>- No extensions are available.</li> <li>- The call can be met with market appreciation using the closing prices from either the day prior to the due date or the due date.</li> </ul>	<p>Call is issued when the account’s equity drops below the house maintenance requirement.</p> <p>AXOS does not issue house calls of less than \$500.</p>
Day Trade (D) Call	<ul style="list-style-type: none"> <li>- Call is generated from day trades.</li> <li>- It is due within five days of the day trade.</li> <li>- The call can only be met by bringing in cash or other collateral.</li> <li>- During the time the call is outstanding, the account’s day trade buying power is only the aggregate of 2x the regulatory excess. (No time and tick)</li> </ul>	<p>Call is issued when the account day trades greater than its day trade buying power.</p> <p>AXOS does not issue calls of less than \$100.</p>