

Terms and conditions

# Trading terms

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# Trading terms

When you open an account on Deriv, you can trade digital options, multipliers, and contracts for difference (CFDs). Here you will find the terms and conditions that deal more specifically with trading on Deriv, including those regarding our trading rules, pricing policy, payouts, manifest errors, margin, and leverage.

## 1. General

- 1.1. We have a general duty to conduct our business with you honestly, fairly, and professionally and to act in your best interests when opening and closing trades with you.
- 1.2. We may impose certain rules and restrictions on the placing of market orders on Deriv. Such rules may change from time to time according to market conditions and other factors.
- 1.3. We might provide you with written information from time to time by publishing it on our website or in any other way. We make no warranties as to the accuracy of this information. This information shall under no circumstances constitute or contain any investment advice or recommendations from us.
- 1.4. If you use any third-party service provider for trading, it will be your sole responsibility to ensure the safety of your account and any trading that is conducted.
- 1.5. If you are employed in the banking and/or finance sector, you must not conduct trades through Deriv unless your employer is aware of your trading and the practice does not contravene your employer's policies.
- 1.6. We reserve the right to place risk limits on your account, which may affect your trading. These limits may not be restricted to instruments and trade types. We may also impose trading volume limits on your account at our sole discretion.
- 1.7. We have the right to suspend our services or terminate or reverse any trade in any circumstances where we, at our sole discretion, decide that prices may not be accurate or cannot otherwise be determined. These situations include but are not limited to the following:
  - 1.7.1. When, as a result of political, economic, military, or monetary events (including unusual market volatility or illiquidity) or any circumstances outside our control, responsibility, and power, our continued operation is not reasonably possible without significantly harming our interests
  - 1.7.2. If we determine that a price cannot be calculated for contracts

- 1.7.3. When any means of communication normally used in determining the price or value of any of the contracts we offer breaks down
- 1.7.4. When we decide that the price or value of any of the contracts we offer cannot be quickly or accurately determined
- 1.7.5. When there is an error in trading software or any other IT system
- 1.8. We reserve the right to close any account at our sole discretion if we determine that the client and/or any individuals that we identify as their associates are acting in bad faith and/or attempting to gain at Deriv's expense.
- 1.9. We reserve the right to rescind any profits from the client's account or the accounts of any individuals we determine are their associates if we believe those gains were made in bad faith and/or at Deriv's expense.
- 1.10. Corporate actions
  - 1.10.1. A corporate action can include but is not limited to assimilation, acquisition, bankruptcy, bonus issue, bonus rights, cash dividend, class action, delisting, de-merger, general announcement, initial public offering (IPO), liquidation, merger, change in par value, scheme of arrangement, stock dividend, stock split, return of capital, and reverse stock split.
  - 1.10.2. One or more of your trades may be affected by corporate action. In that case, we may take one or more of the following measures:
    - 1.10.2.1. Credit an amount to or debit an amount from your account.
    - 1.10.2.2. Restrict your account to prevent you from closing any affected trades until the corporate action is passed.
- 1.11. Manifest errors
  - 1.11.1. If we have reason to believe that you have entered into a trade at a price that does not reflect a fair market price or is acquired or sold at an abnormally low level of risk due to an undetected programming error, bug, or glitch in our website software, market data feed, or due to contract pricing latency, data feed error, stray quote, incorrect pricing parameter, manifest miscalculation of prices, or other obvious error ("Manifest errors"), we have the right to cancel or reverse transactions or change the contractual terms of that trade.
  - 1.11.2. To decide if an error is a manifest error or not, we may take into account any relevant information, including the state of the underlying market at the time of the error and any internal error or lack of clarity of any information source or pronouncement. You have a duty to report to us any such problems, errors, or suspected system inadequacies that you may experience. You will not abuse or arbitrage such system problems or errors for profit.

- 1.11.3. Any amendments to the contractual terms of any executed manifestly erroneous trades shall be reasonable and fair. These amendments may be done without your involvement and may require actions that include, but are not limited to, the following: closing or opening positions, placing or deleting orders, making changes in open positions, and/or deleting trades from trading history.

#### 1.12. Conflicts policy

- 1.12.1. We aim to establish, maintain, and operate effective organisational and administrative arrangements to ensure that we take all reasonable steps to prevent any conflicts of interest.
- 1.12.2. Due to the high degree of risk involved, which could result in the loss of your entire investment, we have adequate internal procedures in place to make sure that you are, in all cases, treated fairly and that the risk of damage to your interests is reduced.
- 1.12.3. In some of our activities, major conflicts can arise or have arisen. We try to keep a record of activities that might give rise to a conflict of interest. We also have procedures to manage actual or potential conflicts. These include procedures to keep appropriate independence among members of our staff who are involved in potentially conflicting activities. The following are some of the ways we use to uphold such independence:
  - 1.12.3.1. Employing information barriers
  - 1.12.3.2. Physical separation of staff
  - 1.12.3.3. Segregation of duties and responsibilities
  - 1.12.3.4. Maintaining a policy of independence, which requires our staff to act in your best interests and disregard any conflicts of interest when providing you with our services, or in some circumstances to decline to act for you or a potential client in order to avoid conflicts of interest

If you wish to know about the conflicts of interest policy in more detail, email your request to [compliance@deriv.com](mailto:compliance@deriv.com).

## 2. Options and multipliers

#### 2.1. Trading restrictions

- 2.1.1. Our options and multipliers trades are offered under the following limitations:
  - 2.1.1.1. Digital options and multipliers trades may not be offered in the last hour of trading in any given market.

- 2.1.1.2. Digital options and multipliers trades may not be offered during the first 10 minutes of market trading.
- 2.1.1.3. During times of high volatility, the prices of digital options and multipliers may be impacted by sudden market movements, resulting in a wider spread compared to normal market conditions.
- 2.1.1.4. We may place certain limits on the acceptable levels for barrier and strike prices of digital options trades. Barrier and strike prices may typically be at a moderate distance from the current underlying market level.
- 2.1.1.5. For accumulator options, we may place certain limits on the available Growth rate factor.
- 2.1.1.6. For vanilla options, we may place certain limits, including limits on strike prices or trading volume, depending on market conditions.
- 2.1.1.7. For multipliers trades, we may impose certain limits on the acceptable range of multipliers and the duration range of deal cancellation.
- 2.1.1.8. Market prices are updated at most once per second. If more than one tick is received in any given second, the market price on our data feed is updated to the last valid tick received.
- 2.1.1.9. Selling digital options may not be possible within 15 seconds prior to the expiration time.
- 2.1.1.10. Selling vanilla options on synthetics may not be possible within 60 seconds prior to the expiration time.
- 2.1.1.11. Selling vanilla options on forex (FX) may not be possible within 24 hours prior to the expiration time.
- 2.1.1.12. An accumulator options position will be closed automatically when it reaches its maximum payout or maximum ticks or if one of the range limits is touched or breached.
- 2.1.1.13. A vanilla options position will be closed automatically when it reaches its expiry time.
- 2.1.1.14. For accumulator options, the maximum number of ticks and the maximum payout that can be earned are determined by the Growth rate factor, which can be set within a range of 1% to 5% inclusive, with an increment of 1%.
- 2.1.1.15. For vanilla options, payout per point (for synthetic assets) and payout per pip (for FX assets) is dependent on the relation of the chosen strike price to the spot price.
- 2.1.1.16. The opening of accumulator options will be temporarily disabled once an aggregate stake limit is reached. This limit will be triggered when the combined stake of all currently open positions for the same underlying and Growth rate factor reaches a predetermined threshold. This measure is put in place to manage risk and protect your investments.

- 2.1.1.17. Different markets may close at different times during the day due to local trading hours and time zones.
- 2.1.1.18. Certain markets (such as indices) are not open throughout the day, and trading may not be available when the markets are closed.

## 2.2. Data feeds and quotes

### 2.2.1. You acknowledge that our data feeds may slightly differ from those of others for the following reasons:

- 2.2.1.1. For all instruments that are offered on an over-the-counter (OTC) basis (without the use of a central clearing house), e.g. FX, there is no 'official' price source. Different data feeds will contain quotes from different sources, so the resulting prices will also be different.
- 2.2.1.2. Market-closing time influences data feeds. The exact time of settlements for all trades on our website may be different from other websites because of the different conventions they may adopt (for example, some websites choose 4:00 pm NY time or 5:00 pm London time). As a result, the open, high, low, and closing prices displayed on our website may differ from those on other websites.
- 2.2.1.3. Bid and ask prices create differences in data feeds. When the market is illiquid, the data feed may contain many bid and ask prices, even though there are no recent traded prices available. By taking an average of the bid/ask price (i.e. bid + ask, divided by 2), a market quote is generated that reflects the current market without necessarily deriving from a recently traded price. Our system will generate prices from the bid and ask prices, whereas other websites might not. As a result, our website might display ticks that do not appear in the data feeds of other websites.

### 2.2.2. Weekend quotes are ignored for the purpose of trade settlement. During weekends, the FX markets may occasionally generate prices; however, these prices are often indicative (traders sometimes take advantage of the illiquidity of the markets during weekends to push prices up or down). To avoid settling prices based on such indicative prices, our policy is to not count weekend prices towards trade settlement values (except for synthetics and cryptocurrencies, which are open during weekends).

### 2.2.3. Depending on the quality of the data feeds received from our feed providers, our servers might apply a tick filtering algorithm. The purpose of this filtering algorithm is to strip the feed of stray ticks. Stray ticks are ticks that manifestly fall outside of the market's current trading range; such ticks often arise due to communication delays with an exchange or bank that provides quotes, human error, or database problems that may arise at any point between the originator of the quote and our servers.

### 2.2.4. We reserve the right to make corrections to trading data if they contain any mispriced or typographically incorrect data.

## 2.3. Digital options and multipliers pricing

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- 2.3.1. We use our best estimate of market price movements and the expected level of interest rates, implied volatilities, and other market conditions during the life of the financial trade to calculate the following:
  - 2.3.1.1. The price that you pay and the payout that you receive for digital options, accumulator options, and vanilla options trades
  - 2.3.1.2. Commissions and cancellation fees on multiplier trades
  - 2.3.1.3. In accumulator options trades, the Range values may depend on more than just the Growth rate and underlying.

The calculations are based on complex mathematics and include Deriv's commission.
- 2.3.2. Any slippage (the difference between the order price and execution price when orders are filled) from the shown price during the execution of the order is considered to be a change in underlying prices in the market. Slippage may increase significantly during the daily bank rollovers. We make sure that we execute options trades at a price indicated or lower. During rapid market movements, the pricing may change, and we shall either execute at zero slippage or positive slippage (more favourable to you). If a trade exhibits negative slippage beyond an acceptable threshold, the trade will be rejected.
  - 2.3.2.1. For accumulator options, profits may increase through slippage when the price falls within the specified ranges. However, if any of the barriers are touched or breached, the stake will be lost without any payment.
- 2.3.3. The charting data that we provide is solely indicative and may differ from real market values.
- 2.3.4. If corporate actions cause an underlying asset's value to change, trade prices may also change.
- 2.3.5. If there is any dispute over the calculation of a financial trade price or the market or settlement values, our decision shall be final and binding.

### 3. Contracts for difference (CFDs)

- 3.1. Margin and leverage
  - 3.1.1. Depending on the type of account that you hold, the leverage applied may vary. All instruments may have their own leverage.
  - 3.1.2. It is your responsibility to make sure that you have enough balance in your account to cover any margin needed for opening a position.
  - 3.1.3. To protect your portfolio from adverse market movements due to the market opening gap, we reserve the right to decrease leverage on all offered symbols for financial accounts before the market closes and



increase it again after the market opens. It is your responsibility to ensure having enough funds available in all of your Deriv MT5, Deriv X, Deriv EZ, and Deriv cTrader accounts to support your positions at all times.

### 3.2. Stop out level

3.2.1. A stop out level may be applied in different circumstances, which include but are not limited to the following:

3.2.1.1. The server may analyse any orders that are not under execution at the moment.

3.2.1.2. The server may delete the orders with the largest margin.

3.2.1.3. If your margin level is still under the stop out level, the next order may be deleted (orders without margin requirements are not deleted).

3.2.1.4. If your margin level is still under the stop out level, the server may close the position with the largest loss.

3.2.1.5. Open positions may be closed until your margin level becomes higher than the stop out level. Additionally, for fully hedged positions, stop out may be performed on accounts having open positions, zero margin (covered positions), and negative equity.

3.2.1.6. The default stop out level applicable to your account is published on our website. However, we may, at our absolute discretion, change the default stop out level in your real money account. Any changes to the stop out level may take effect immediately, and we will employ our best efforts to provide the latest default stop out level on our website.

### 3.3. Commissions and charges

3.3.1. We apply a cost that is realised each time you open and close a trade, which may widen significantly in some circumstances. This cost predominantly comprises the difference between the buying price and the selling price (spread). We may, at our reasonable discretion, change the spread.

3.3.2. All prices for financial instruments quoted on our platforms for CFD trading are from liquidity sources available in the market and are therefore regarded as tradable prices. Any slippage (the difference between the order price and execution price when orders are filled) from the shown price during the execution of the order is considered to be a change in underlying prices in the market. Slippage may increase significantly at the daily bank rollovers. By accepting this agreement, you acknowledge that we do not offer you any frivolous quotes.

3.3.3. If you keep any FX trading positions open overnight, an interest adjustment will be made to your trading account to compensate for the cost of keeping your position open. The interest adjustment (or swap rate) is charged daily. It is based on interbank lending rates, in addition to a fee that is calculated based

on your trade value and charged for every night that your position is held. The swap rate also depends on the amount of time and/or number of days that you hold your positions open:

- 3.3.3.1. If you keep a position open past the swap calculation time, you will be subjected to the basic swap rate.
- 3.3.3.2. Since it takes two days for FX transactions to settle, positions that are still open on Wednesday at the swap calculation time will be charged three times the swap rate to account for weekends – a standard practice for all FX brokers.
- 3.3.3.3. Our swap rate may also be adjusted to take public holidays in any jurisdiction into account.
- 3.3.4. Swap-free accounts do not incur any swap charges, whether positive or negative, for holding positions overnight.
- 3.3.5. We do not charge an admin fee for maintaining a swap-free account. However, this condition may change at anytime, and we may impose admin fees with prior notice to the clients.
- 3.3.6. We reserve the right to remove any instrument from the swap-free account offerings upon giving a two-week notice to clients to close any open positions on those instruments.
- 3.3.7. We reserve the right to switch trading to close-only for some or all of the swap-free account offerings upon giving a two-week notice to clients.

#### 3.4. Order execution

- 3.4.1. When we execute orders on your behalf, we have a duty to provide you with best execution. Best execution means that we must take reasonable steps to obtain the best possible result for you when executing your order according to your instructions. We will endeavour to follow your instructions as far as reasonably possible, acting in accordance with our duty of best execution. These specific instructions include, but are not limited to, the following:

- 3.4.1.1. The price at which your order will be executed

- 3.4.1.2. The timeframe or duration of the contract as defined by your order execution instructions

We always adhere to our best execution obligations and act in your best interest; however, sometimes, your specific instructions might prevent us from achieving the best possible result.

- 3.4.2. Trade confirmation is in real time: once you click on 'Buy' or 'Sell', your trade is confirmed.

- 3.4.3. We will act on any instructions that you give us, or appear to give us, in relation to margin trading services provided through the Deriv MT5, Deriv X, Deriv EZ, and Deriv cTrader trading platforms. However, we are not obliged to act on any instructions that you give us, and we are not obliged to give you any reasons for declining to do so. Instructions that you give us are considered final, and you cannot

revoke them. It is your responsibility to make sure that the instructions you give us are accurate and reflect your trading decisions.

- 3.4.4. Our order execution policy includes a set of procedures designed to obtain the best possible execution result for you. To do so, we consider the following factors:
  - 3.4.4.1. Price and cost: The price at which the transaction in relation to your order is executed and the cost of executing your order, which predominantly comprises spreads, are taken into consideration.
  - 3.4.4.2. Speed: Due to the online nature of our business, there is a small delay between an order being entered and the same order being executed on the server. Any significant delay can have negative impacts for you; we therefore monitor the latency between the time your order is entered and executed.
  - 3.4.4.3. Likelihood of execution: We seek to ensure that all placed orders are executed; however, this is not always possible due to material difficulties or unusual circumstances. Whenever we become aware of any material difficulty in relation to the proper execution of an order, we will inform you of the issue as soon as reasonably possible.
  - 3.4.4.4. Likelihood of settlement: When markets are volatile, our trading platform runs across a high number of concurrent online users, high volumes of client orders, and a high number of imported price ticks. As part of our best execution policy, we seek to ensure that our platform runs smoothly under such unstable conditions, and we take all reasonable steps to safeguard the continuity and regularity in our services.
- 3.4.5. Our execution policy cannot and does not guarantee that when we enter into trades with you, the price will always be better than a price that is or might have been available elsewhere.
- 3.4.6. For some trades, there may be no functioning or open market or exchange on which the reference product is traded at the time of your order. In such cases, we endeavour to determine a fair underlying price based on a number of factors, such as price movements on associated markets, other market influences, and information about your order.
- 3.4.7. Our commitment to providing you with best execution does not mean that we owe you any fiduciary responsibilities over and above the specific regulatory obligations placed on us or as may be otherwise contracted between you and us.
- 3.4.8. We shall regularly monitor the effectiveness of our order execution policy. From time to time, we shall check the venues that form the basis of our trade pricing, and if we detect that best execution is not achieved consistently, we may change our execution arrangements.

## 4. Copy trading

- 4.1. When you copy a strategy or trading signal on Deriv cTrader, you copy the trading performance of another trader (signal provider). You accept that we do not participate in any manner in the trading decisions made by the third party whose strategy or signal you choose to mirror or copy.
- 4.2. We offer comprehensive account information, trading history, risk profile, and other relevant details to help you assess, evaluate, and choose your investment strategy when participating in copy trading on Deriv cTrader. Before copying a strategy, you must carefully consider various aspects and factors, including but not limited to the risks involved and your investment objectives.
- 4.3. You authorise us to carry out all transactions and positions associated with the trader, account, portfolio, or strategy that you choose to copy. This includes actions such as copy trading, stopping copy trading, pausing copy trading, and setting limits on any position (including copy position). These actions are performed automatically once initiated by you and do not require prior consultation, consent, or approval for an ongoing activity or copied trades. You acknowledge that you can, at any time and upon your sole discretion, stop, pause, restrict, and/or limit any copy trading activity conducted by you through our websites and platforms. You are solely responsible for continuously monitoring, selecting, and assessing the following:
  - 4.3.1. The suitability of the copied accounts
  - 4.3.2. The overall performance of the copied trader, account, portfolio, and/or strategy
- 4.4. When engaging in copy trading with a strategy provider, you grant us the following authorisations:
  - 4.4.1. To copy or stop copying any trader, account, portfolio, or strategy at our sole discretion
  - 4.4.2. To open and/or close positions in any available CFD on our websites, applications, or platforms to set limits on any position (including copy position) at our sole discretion
  - 4.4.3. To modify and/or adjust the policy, objectives, structure, and/or composition of any Deriv portfolio at our sole discretion, with or without prior notice to copiers
  - 4.4.4. To close any such account, portfolio, or strategy at our sole discretion, with or without prior notice to copiers
- 4.5. We shall make reasonable efforts to monitor the performance of the copied trader, account, portfolio, or strategy based on the parameters we have established. These parameters may include risk behaviour, profitability, drawdown, and other relevant factors we consider important. We reserve the right to suspend or prevent the copying of any trader, account, portfolio, or strategy. In addition to the above-mentioned authorisations, we reserve the absolute right to pause, stop, or block any trader, account, portfolio, or strategy from being copied.
- 4.6. To the fullest extent permitted by applicable laws, neither we nor any of our partners will be held liable for any of the following:

- 4.6.1. Any loss resulting from following your written or verbal instructions
- 4.6.2. Any loss incurred due to decisions made or actions taken by an account you have chosen to copy, including Deriv portfolios
- 4.6.3. Any loss arising from investment decisions made or actions taken or omitted in good faith by any copied account, strategy, and/or portfolio, including Deriv Portfolios

These Terms do not waive or restrict any rights you may have under applicable laws that cannot be waived or restricted.

- 4.7. You acknowledge that we do not provide any guarantees or make any promises regarding the performance or any other aspects of the strategies and trading signals you choose to mirror or copy. You understand and agree that you have no grounds for making any claims against us for the actions or omissions of the signal provider or any other related matters, regardless of whether they were innocent, negligent, or fraudulent, in relation to us.
- 4.8. The trading outcomes and indications of strategies can differ, and there is no assurance that you will achieve profits or incur losses similar to those portrayed by the copy trading functionality. Historical results presented may or may not have been back-tested for accuracy. We cannot guarantee profits, nor can we guarantee the extent or limit of any losses. By choosing to mirror a particular strategy and/or trading signal on Deriv cTrader, you understand and accept that there is a possibility of incurring financial losses, including the loss of your entire invested capital.
- 4.9. You agree to all applicable copy fees when using Deriv cTrader, which may include performance fees, management fees, and volume fees, alongside the regular trading commissions and fees associated with your account. It is your sole responsibility to inform yourself about the specific copy fees that will be charged to you. By using Deriv cTrader, you authorize us to automatically deduct these copy fees from your Deriv account(s) at specific intervals. It is important to note that these copy fees are not imposed by us but rather by the strategy provider.

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