



JD Capital, Level 12 BDO Tower, 120 Albert Street,  
Auckland

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TRADER ADVISOR APPLICATION (交易经纪人申请表)

**Step 1: Complete the Application:** Please carefully read the entire application as it is a binding legal contract. Complete, date and sign the documents where indicated and provide all requested supplemental documentation, if any. Certain documents may or may not be applicable to you, depending on the nature of your account (see explanation of each document below).

• Please print in ink • Designate N/A (Not Applicable) for those areas that do not apply

**DGM Service Markets must receive the following in addition to the Trading Agreement**

- 1) One form of identification from each account holder (i.e. Driver's license, Passport, Social Security Card)
- 2) Proof of residential address that is represented on account application (i.e. Utility bill, bank statement).

**Personal Info:** 个人信息

Last Name: San First Name: Zhang  
Date of Birth: 1 / 1 / 1988 Gender: ☐ male ☒ female - Marital Status: ☐ single ☒ married  
Address 1: Zhaojia Bang Road, Xujia Hui Area, Shanghai  
Address 2: \_\_\_\_\_  
Apartment/Suite: 999 City: Shanghai  
State: \_\_\_\_\_ Zip/Postal Code: 200063  
Country: China Province: \_\_\_\_\_  
Telephone: 13788368170 Fax #: \_\_\_\_\_  
Personal Identification # \_\_\_\_\_  
Citizenship: New Zealand ☐ Yes ☒ No If no, what country? Shanghai

Primary E-mail: zhangsan@hotmail.com

Secondary E-mail: \_\_\_\_\_

(Please print clearly as your e-mail address on this application form will be the medium used to contact you)

**Company Information:** 公司信息

Business Name: Shanghai Jin Huan Information and Technology Limited Business Type: limited liability lompany  
Address 1: Room I, NO14, Huadu Building, NO828, Zhangyang Road, Shanghai Pudong, China  
Apartment/Suite: 828 City: Shanghai State: \_\_\_\_\_ Zip/Postal Code: 200000  
Country: China Province: \_\_\_\_\_  
Telephone: 400-895-8686 Ext: \_\_\_\_\_ Fax #: \_\_\_\_\_  
Tax I.D: \_\_\_\_\_ (Please include corporate documentation with this application)  
Primary E-mail: info@dgmfx.com

**The following confidential information is needed to open your Trader Advisor Account.**

1. Annual Income (U.S. Dollars): ☐ Over \$100,000 ☒ \$50,000 to \$100,000 ☐ \$25,000 to \$50,000 ☐ Less than \$25,000
2. Net Worth (excluding equity in home) (U.S. Dollars): ☐ Over \$100,000 ☒ \$50,000 to \$100,000 ☐ \$25,000 to \$50,000  
☐ Less than \$25,000
3. Liquid Net Worth (U.S. Dollars): ☐ Over \$50,000 ☐ \$30,000 to \$50,000 ☒ \$15,000 to \$30,000 ☐ Less than \$15,000
4. Have you ever declared bankruptcy? ☐ Yes ☒ No (If yes, Please provide a copy of your Order of Discharge)
5. Do you have or ever had any other accounts with DGM FX ? ☐ Yes ☒ No If yes, account number: \_\_\_\_\_
6. Are you now or were you ever a FSA, ASIC, NFA, FSP member? ☐ Yes ☒ No If yes, Reg. Status and ID#: \_\_\_\_\_

7. Investment Experience - **Must Check Yes or No**

	<u>Years</u>	<u>Firm</u>	<u>Years</u>
Stocks/Bonds	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	_____	_____
Funds	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	_____	Mutual Funds <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No _____
Foreign Currency	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	_____	Options <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No _____

8. Do you understand: 1. Foreign Currency Trading ☒ Yes ☐ No 2. Risk of Loss ☒ Yes ☐ No  
 3. The Possibility of Incurring deficit balance ☒ Yes ☐ No 4. DGMFX's Margin Policy ☒ Yes ☐ No

9. Principal Bank Reference ICBC Branch Zhangyang Road City/State Shanghai

10. Does any other person, other than the account owner(s) have the authority to trade this account? ☐ Yes ☒ No  
 If yes, Please indicate name \_\_\_\_\_

11. Have you ever been party to an investigation complaint or settlement with the FSA, NFA, ASIC, CFTC, FSP or other? ☐ Yes ☒ No

12. Do you have a pending or have ever made a complaint regarding a past FX, commodity futures or securities account?  
☐ Yes ☒ No If yes, please explain: \_\_\_\_\_

13. Are you now or were you ever a FSP member? ☐ Yes ☒ No If yes, Reg. Status and ID# \_\_\_\_\_

14. What is the highest level of education you have obtained?  
☐ No High School Degree ☒ High School Degree ☐ College ☒ Degree ☐ Graduate Degree

**Industry Experience:**

- Years in industry? 10 years.
- Have you designed a trading systems or been the primary portfolio manager in the past? ☐ Yes ☒ No
- Have you ever worked at developing risk management systems or designing risk controls? ☐ Yes ☒ No
- Have you ever worked in the research and analytical division of an investment firm? ☐ Yes ☒ No
- Do you have meaningful experience back testing trading models (could be your own)? ☒ Yes ☐ No
- Do you have experience reconciling orders and resolving order disputes? ☒ Yes ☐ No

**Asset Management:**

- Years managing other peoples' money directly under your control? (Portfolio Management) 2 years.
- Maximum number of accounts traded? 1000
- How many years of trading experience do you have? 5 years.
- Have you ever worked on a trading floor? ☒ Yes ☐ No
- Have you ever worked on an execution desk? ☒ Yes ☐ No
- Years managing and trading your own money? \_\_\_\_\_ years.
- Do you have an actual track record with your current system? ☒ Yes ☐ No
- Do you have your own money invested in your current program? ☒ Yes ☐ No

**Background:**

- Are you registered with the FSP ☐ Yes ☒ No If yes, what's is your FSP ID # \_\_\_\_\_
- Have any complaints ever been filed or are there any unresolved issues with regulatory bodies (FSP FDR)  
☐ Yes ☒ No
- Have any employees been convicted of a felony? ☐ Yes ☒ No

**Risk System/ Money Management Signals:**

- |  |  |
|--|--|
| 1. Do you calculate risk by sector? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No        | 6. Do you use stops to reduce or eliminate positions? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |
| 2. Do you calculate risk in real time? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No     | 7. Do you add to profitable positions? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                 |
| 3. Do you calculate risk by market? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No        | 8. Do you add to losing positions? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                     |
| 4. Do you calculate risk per trade? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No        | 9. Is there a maximum exposure limit to the portfolio? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. Does volatility affect position sizing? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  |

## SECTION V

### Signature Section:

BY SIGNING BELOW, THE UNDERSIGNED REPRESENTS AND COVENANTS TO HAVE READ AND UNDERSTAND THIS DGM FX CUSTOMER ACCOUNT APPLICATION (THE "APPLICATION"), WHICH INCLUDES:

General Terms  
Contracts for Difference Supplemental Terms  
Foreign Exchange Contract Supplemental Terms  
Risk Warning Notice  
Conflicts of Interest Policy  
Trader and Order Execution

FURTHER, THE UNDERSIGNED:

- ATTESTS AND AGREES THAT ALL INFORMATION REQUESTED IN THIS APPLICATION IS COMPLETE AND ACCURATE, INCLUDING, BUT NOT LIMITED TO, THE CUSTOMER APPLICATION FORM;
- REPRESENTS THAT THE INFORMATION REQUESTED FOR IN THIS APPLICATION HAS BEEN COMPLETED IN THE UNDERSIGNED'S OWN HANDWRITING;
- HEREBY AUTHORIZES FX SOLUTIONS TO VERIFY ANY OR ALL OF THE FOREGOING INFORMATION PROVIDED IN THIS APPLICATION; AND
- ACKNOWLEDGES UNDERSTANDING THE FOREGOING TERMS OF THIS APPLICATION INCLUDING RISK OF LOSS, MARGIN POLICY AND INCURRING DEFICIT BALANCES AND AGREE TO BE BOUND THEREBY.

Primary Customer Signature	Date	Joint Customer Signature	Date
<u>San Zhang</u>	<u>2014.3.31</u>		
Print Primary Name		Print Joint Name	

**Beneficiary Designation:** (if applicable)

Name:		Address:	
Relation:			

**Notes:**

## RISK NOTICE

We provide services for trading foreign currencies and derivative financial contracts. Trading is on a margin or leverage basis, a type of trading which carries a high degree of risk to your capital. The price of your positions may change quickly and your profits and losses may be many times the amount of your investment or deposit. If you do not hold sufficient funds to meet your margin requirements, then we may close your open positions immediately and without notice. Please read the Risk Warning Notice carefully to understand the risks of trading on a margin or leverage basis. You should not trade in foreign currencies or derivative financial contracts unless you understand and accept the risks of margin trading. Trading in these products may not be suitable for everyone.

## General Terms

### A. The scope of the agreement

#### 1. Introduction

- 1.1 These General Terms are part of the agreement between Decoder Global Markets ("we" or "us") and its client ("you" or "yourself") which governs our trading services and all transactions we conduct with you.
- 1.2 We are authorised and regulated in the New Zealand by the Financial Services Providers Register ("FSPR") with registration number **113942**. The FSP's registered address is 25 North Colonnade, London E14 5HS. For certain types of contract that we offer, we are regulated by other governmental or professional bodies and these arrangements are set out in the relevant Supplemental Terms. Our registered office is located at Park House, 11 Tangelo Place, Bucklands Beach, Auckland, 2012, NZ
- 1.3 The agreement between us relating to our trading services consists of the following documents:  
  
Application Form;  
  
General Terms and the Supplemental Terms for the relevant product; and  
  
Key Service Features, which provides details of fees and charges and your Customer Support contact information. Together these are referred to as the "Agreement".
- 1.4 The Agreement will be effective from the specified date or the date on which we acknowledge acceptance of your Application Form.
- 1.5 Each Product we offer is subject to its Supplemental Terms. Should there be any conflict between these General Terms and the Supplemental Terms, the Supplemental Terms will prevail.
- 1.6 Other materials which explain the basis upon which we trade with you but are not part of the Agreement include:  
  
the Website - including the Trading Platform, through which you will trade with us; and  
  
our notices and policies - the Risk Warning Notice, our Trade and Order Execution Policy and our Conflicts of Interest Policy (together "Notices and Policies"). These are located in the Annexes to the General Terms.
- 1.7 **Please read the Agreement and the Notices and Policies carefully and discuss with us anything which you do not understand. Unless you raise any specific issue or we have agreed in writing that any part of this Agreement is not to apply, we will regard this Agreement as setting out the relevant terms concerning our trading services. Contracts that we enter into with you under this Agreement are legally binding and enforceable. By signing the Application form or by electronically submitting your application on our Website you confirm that you accept the terms of the Agreement. When we open an account for you, you will be bound by the Agreement in your dealings with us.**

1.8 Words and expressions have the meanings set out in the Definitions at clause 34. References to clauses are to clauses in these General Terms unless stated otherwise.

1.9 You may communicate with us in writing (including fax), by email or other electronic means, or orally (including by telephone). The language of communication shall be English, and you will receive documents and other information from us in English.

#### 2. General Information

- 2.1 Our trading service is an on-line service and you specifically consent to the receipt of documents in electronic form via email, Website or other electronic means. Any communication sent to you may in addition be sent in a paper form on your request. We reserve the right to charge for documents in a paper form.
- 2.2 You confirm that you have regular access to the Internet and consent to us providing you with information about us and our services, our costs and charges and our Notices and Policies by email or by posting such information on the Website.
- 2.3 Unless we agree otherwise, we will classify you as a Retail Client for the purpose of FSA Rules. You have a right to request a different categorisation but if we agree to this request you will lose the protection of certain FSA Rules. In certain circumstances we may wish to re-categorise you, but if we do so we will explain clearly why we are doing this and the effect this will have on your rights.
- 2.4 We will deal with you as principal and not as agent on your behalf. This means that any Trades are agreed directly between you and us and we will be the counterparty to all of your Trades.
- 2.5 **Unless we agree otherwise in writing, you will also deal with us as principal and not as an agent or representative of another person. You will not permit any person to deal on your behalf unless we agree that such person (the "Agent") can act on your behalf. We will be entitled to rely on any instructions given to us by the Agent in relation to your Account. We may require confirmation that the Agent has authority to act on your behalf at any time we reasonably consider appropriate.**
- 2.6 We shall not give advice to you on the merits of any Trade and shall deal with you on an execution-only basis. None of our staff are authorised by us or permitted under FSA Rules to give you investment advice. Accordingly, you should not regard any transaction proposal, suggested trading strategies or other written or oral communications from us as investment recommendations or advice or as expressing our view as to whether a particular transaction is suitable for you or meets your financial objectives. You must rely on your own judgement for any investment decision you make in relation to your Account. If you require investment advice, please contact an independent investment adviser.
- 2.7 You will not have any rights of ownership or otherwise in any Underlying Instrument as a result of a Trade with us. We will not transfer any Underlying Instrument or any rights (such as voting rights) in it to you.

## B. Dealing with us

### 3. Your Account

- 3.1 After we have accepted your Application Form we will open your Account. We may open different Accounts for you, including different Accounts for different Product types. We reserve the right to refuse to open an Account for any reason.
- 3.2 We are obliged by FSA Rules to obtain information about your relevant investment knowledge and experience so that we can assess whether a service or Product is appropriate for you; and if it is not to give you a suitable warning. If you choose not to provide us with the information we request or if you provide insufficient information we will not be able to determine whether the service or Product is appropriate for you. In these circumstances we shall give you a suitable warning and we may not be able to open an Account for you. Please note that we are not obliged to assess or ensure the suitability of any Trade you place.
- 3.3 You undertake that any information you provide to us is correct. You must immediately inform us of any material change to the information provided to us on your Application Form, including any change to your contact details or financial status.
- 3.4 When we open your Account we will provide you with a unique Account number and will agree with you such other Security Information as we consider appropriate:
- 3.4.1 it is your responsibility to keep your Account number confidential; and Security Information
  - 3.4.2 you agree that you will not disclose your Account number or Security Information to any other person;
  - 3.4.3 we may agree separate Security Information with your Agent or any joint Account holders; and when you deal with us or give us
  - 3.4.4 an instruction, we will require details of your Account number and your (or your Agent's) Security Information.
- 3.5 Except where otherwise provided in this clause 3.5, you are responsible for paying any losses, fees or charges arising from Trades entered into or instructions given using your Account number and Security Information. You will not be responsible for any losses after we receive a request from you that we stop using any item of the Security Information. You will also not be responsible for any losses where we have been negligent in allowing a person you have not authorised to access your Account, or where it can be shown that a person has gained access to the Trading Platform by abuse of our systems (that is by "hacking") except where such loss results from your failure to comply with clause 3.4 or 26.5. If you fail to comply with these clauses then you will be liable for the resulting loss. Please note that we do not restrict the domain from which any person can access the Trading Platform.
- 3.6 If you open an Account in the name of yourself and others, then:
- 3.6.1 we may act on instructions from either you or any other person in whose name the Account is opened (each a "Joint Account Holder"), including instructions to trade;
  - 3.6.2 we may give any notice or communication to either you or another Joint Account Holder;

- 3.6.3 all Account holders shall be jointly and severally liable for losses, fees or charges arising on a joint Account. Among other things, this means that any monies owed on the Account shall be payable in full by you or any of the other Joint Account Holders; and
- 3.6.4 if you or any other Joint Account Holder dies, we may take instructions from and pay any balance to the survivor(s).

- 3.7 We may inform you that your Accounts will be Linked Accounts. Your Linked Accounts will be aggregated for the purpose of calculating your Equity, Used Margin, Useable Margin or otherwise as specified in this Agreement.
- 3.8 Your Account will be denominated in a Base Currency. If we do not agree a Base Currency for the Account with you, then the Base Currency will be US Dollars. Trades for certain Instruments may be conducted in other currencies however the resulting Open Positions may be valued at or converted to the Base Currency in accordance with clause 18 or the relevant Supplemental Terms.
- 3.9 Credit and debit entries, including any Premiums, deposits and withdrawals, will be made to your Account. You are responsible for monitoring your Open Positions and any activity in your Account. We are not obliged to monitor or advise you on the effect of any Trade, Order or Open Position. You may access your Account information at any time by logging into the Trading Platform or by calling Customer Support.

### 4. Instructions and Basis of Dealing

- 4.1 You may give us instructions for Trades via the Trading Platform, which forms part of our Website (but not through other components of the Website such as e-mail or 'live chat'). When you do so:
- 4.1.1 when you do so you are offering to enter into a Trade with us at the price we quote when you complete all obligatory fields and click the relevant icon; and
  - 4.1.2 when we receive your offer we will provide you with an electronic acknowledgement but you and we will be bound by a Trade only when details of the Trade are reported as executed on the Trading Platform. If you do not see details of the executed Trade on the Trading Platform, please call us immediately to confirm the status of the Trade. After we execute the Trade we will send you a contract note as described in clause 12.
- 4.2 We may in our sole discretion accept instructions for Trades by telephone. If we do so:
- 4.2.1 your oral instruction to Trade will constitute an offer to enter into a Trade at the price we quote. Trades placed by telephone will only be accepted at the current Our Price;
  - 4.2.2 you can only place an Order by telephone if it is received by an authorised dealer. We will not accept an Order left with other employees, on an answering machine or on a voice mail facility;
  - 4.2.3 you and we will be bound by a Trade only when our authorised dealer confirms that the offer has been accepted.
- 4.3 You may place an electronic Order on the Trading Platform at any time or you may place a telephone Order with an authorised dealer during our Trading Hours. However, we will execute Trades only during times which are both our Trading Hours and the relevant Trading Hours. Trading Hours are stated on the website. We will advise you of any change to our Trading Hours or Trading Hours on the website and will provide you with no less than two Business Days notice of any such change.

- 4.4 We reserve the right to refuse to enter into any Trade. Such situations include but are not limited to, when:
- 4.4.1 Trades are placed outside of the Trading Hours (clause 4.3);
  - 4.4.2 Trades are requested in sizes which are different from our standard Lot Size (clause 4.5) Unit Sizes (clause 4.6) or any minimum deposit sizes we may require for an Instrument from time-to-time; your Usable Margin is insufficient to fund the proposed Trade (clause 10); Our Price or the Trade derives from a Manifest Error (clause 14);
  - 4.4.3 Events Outside Our Control or Market Disruption Events have occurred (clause 15);
  - 4.4.4 any amount you owe us has not been paid (clause 16); and we believe the Trade would be in breach of this Agreement or any legal or regulatory requirement applicable to you or us.
  - 4.4.7
- 4.5 If we accept a Trade before becoming aware of any of the events described in clauses 4.4.1 to 4.4.7, we may in our sole discretion treat the Trade as void or close the Open Position at Our Price prevailing at the time we close the Open Position. If we choose to maintain the Open Position, you will be liable for the full value of the Trade when it is closed.
- 4.6 A default Lot setting will be applied to all Trades placed in your Account. You may change this at any time by selecting a different Lot setting in the Account Tools (Manage Trading Rules) section of the Trading Platform. If you wish to execute a Trade whose size exceeds our maximum Lot size, you may request a quote. We may be required to execute such a Trade through several transactions at varying prices and you will be charged separate fees and commission for each individual transaction. We may vary the Lot sizes that we offer from time to time and new Lot sizes will be effective at the time of publication on the Website.
- 4.7 A default Unit Size setting will be applied to all Trades placed in your Account. You may change this at any time by selecting a different Unit Size setting in the Account Tools (Manage Trading Rules) section of the Trading Platform. We may vary the standard Unit Sizes that we offer from time to time and new Unit Sizes will be effective at the time of publication on the Website.
- 4.8 Subject to our right to refuse to enter into any Trade, we will endeavour to execute a Trade within a reasonable time after we receive it or after the conditions for an Order are fulfilled.

## 5. Our Price

- 5.1 During Trading Hours for the relevant Instrument or foreign currency, we will quote two prices: a higher price ("Ask") and a lower price ("Bid"); together these prices are known as "Our Price" for an Instrument or foreign currency. Our Price is determined by reference to the price of the Underlying Instrument or foreign currency which is quoted on external securities exchanges or dealing facilities that we select at our discretion. Details of how we calculate Our Price are stated in the Supplemental Terms. Our Prices and how we calculate Our Prices are determined in our absolute discretion and any changes are effective immediately. If Our Price for any Instrument or foreign currency is not available on the Trading Platform, please call Customer Support to obtain a quote.
- 5.2 We will accept a Trade only on the basis of a current Our Price. You may not be able to enter into Trades at Our Price where Our Price is described as "indication only" or "indicative" or "invalid" (or words or messages to the same effect).

- 5.3 We provide quotes for Our Price on a best efforts basis. If a Market Disruption Event or an Event Outside of Our Control occurs we may not be able to provide a quote for Our Price or execute Trades during the relevant Trading Hours.
- 5.4 The difference between Bid and Ask is "Our Spread". For certain Products, Our Spread may contain an element of charge or commission for us. For these Products, two spreads may apply during the relevant Trading Hours: one Spread will apply when securities exchanges or dealing facilities for the Underlying Instrument or foreign currency are open and another will apply when these are closed. Our Spreads are set in our absolute discretion and any changes are effective immediately upon publication on the Website.
- 5.5 Unless otherwise stated in the relevant Supplemental Terms, we will provide you with best execution. Please read our Trade and Order Execution Policy which sets out the basis upon which we seek to provide best execution.

## 6. Closing Trades

- 6.1 You may close an Open Position by highlighting the position you would like to close and clicking the Close Button. Instructions placed for closing Trades are subject to the conditions stated in clause 4.
- 6.2 Where you have more than one Open Position in the same Instrument, you must highlight the position you would like to close and click the Close Button
- 6.3 You will usually be able to close an Open Position during the relevant Trading Hours. However, we reserve the right to reject any Trade in accordance with clause 4.3. As a consequence, you may not be able to close the Open Position and your losses may be unlimited until such time as you are able to close the Open Position.
- 6.4 Unless Open Positions are closed in accordance with this clause 6, terminated, voided or otherwise closed in accordance with this Agreement, they will remain open until their expiry (if they have an expiry date) or will remain open indefinitely if they do not. On the expiry date (or event, if such expiration is dependent upon an event) the Open Position will be closed and settled at Our Price at the time the Open Position is closed.
- 6.5 Where we exercise our rights in accordance with this Agreement to close any of your Open Positions, we will do so at a time and date determined by us in our reasonable discretion.

## 7. Rollover and Interest Policy

- 7.1 Some Instruments roll over automatically and these are identified in the relevant Supplemental Terms. Rollover involves the application of a Premium to the Open Positions in your Account at the end of the trading day. Details about how we roll positions, including the time each day when we roll over all Open Positions is stated in our Rollover Policy, published on the Website.
- 7.2 We may vary our Rollover Policy from time to time and any change will be effective on publication on the Website.

## 8. Orders

- 8.1 The range of different Order types which we accept shall be decided by us in our absolute discretion. Certain types of Orders may only be available for a limited range of Instruments or foreign currencies.

- 8.2 The types of Orders we accept and which types of Orders attach to specific Open Positions or other Orders are detailed on the Website. It is your responsibility to understand the features of an Order and how the Order will operate before you place it. **Before you place an Order for the first time, we recommend that you read the trading examples on the Website so that you fully understand the features of the Order type. You may also reference a demo trading account to learn the various order types.**
- 8.3 We endeavour to fill Orders at the first Our Price reasonably available to us after the price specified is reached or at the occurrence of the event or condition specified in the Order. However, we may not be able to execute Orders or to execute Orders at the specified price or event if there is an Event Outside of Our Control in relation to an Underlying Instrument or foreign currency. We will use best endeavours to execute your Order at Our Price nearest to your specified price in such circumstances.
- 8.4 We may, without limitation, set a minimum price range between the current Our Price and the price or level of any Stop Orders and Limit Orders and we reserve the right not to accept any Orders which are less than this minimum price range.
- 8.5 Orders will be "Good until Cancelled" ("GTC"). Unless an Order is cancelled or ceases to have effect, we will regard it as valid and execute it when Our Price reaches the price you specify or the specified event or condition occurs.
- 8.6 You can only cancel or amend an Order if we have not acted upon it. You may, with our consent (which will not be unreasonably withheld), cancel or amend an Order at any time before we act upon it. Changes to Orders may be made on the Trading Platform.
- 9. Our Charges**
- 9.1 Depending on the Instrument or foreign currency concerned, we may:
- 9.1.1 include an element of profit for us in Our Spread;
  - 9.1.2 charge commission; and
  - 9.1.3 impose a Premium on your Open Positions.
- 9.2 We will tell you the fees and charges that apply to your Account and the basis of calculation for any such fees or charges in our Key Service Features.
- 9.3 We may from time to time share a proportion of Our Spread, commissions and other Account fees with other persons including (without limitation) Introducers. We may also receive payment in connection with certain foreign exchange transactions undertaken pursuant to clause 18.
- 9.4 We do not currently receive payments from other persons in connection with any Trade under this Agreement. If this changes we will inform you.
- 9.5 We may pass on to you charges which we may from time to time incur in borrowing stock in the external market to hedge a Short Position which you have opened with us. These charges will fluctuate depending on market conditions and the scarcity of the stock concerned. We will advise you of any such charges at the time they are incurred or as soon as possible after we become aware that they have been incurred, whether in the Trading Platform or otherwise.
- 9.6 We may pass on to you any additional charge for stamp duty, transfer tax or other taxes or duties which we may incur to hedge any Trade with you where the Underlying Instrument is a non-UK security.
- 9.7 We will notify you of any change to our current fees and charges or any additional fees and charges that we may apply to your Account in accordance with clause 30.
- 10. Margin**
- 10.1 You must pay Margin when you place a Trade which creates an Open Position. If your Usable Margin is less than the Margin required for the Trade you wish to place, we may reject your Trade. Margin is due and payable when you place the Trade and must be maintained at all times until the Open Position is closed. You agree to maintain Margins and Premiums for your Account at all times. Our failure at anytime to call for a deposit of Margin shall not constitute a waiver by us to do so at any time thereafter, nor shall it create any liability by us to you.
- 10.2 Margin is calculated using the Trading Leverage set for your Account. Trading Leverage may be expressed as a ratio, percentage, number or other form applicable to the nature of the Instrument or foreign currency. Details of how we calculate Margin for different Instruments and for foreign currencies can be found in the Supplemental Terms.
- 10.3 A default Trading Leverage setting will be applied to each Trade placed in your Account. You may change this at any time by selecting a different Trading Leverage setting in the Trading Tools (Manage Account Rules) section of the Trading Platform. For Open Positions, you may only increase the Trading Leverage. Margin applicable to an Open Position will change as Our Price for the relevant Instrument changes.
- 10.4 We reserve the right to change the way in which we calculate Margin.
- 10.5 We may alter Trading Leverage settings and/or Margin at any time and any change will become effective immediately. For Open Positions, subject to our rights in clauses 15 and 16, we will provide you with at least three (3) days notice of any changes in Trading Leverage settings and/or Margin. It is your responsibility to know at all times the current Trading Leverage settings and Margin applicable to your Account and your Open Positions.
- 10.6 We will be entitled to notify you of an alteration to the Trading Leverage settings and Margin by any of the following means: post, telephone, fax, email, text message or by posting notice of the increase on the Website.
- 11. Margin Close Out**
- 11.1 **If the Equity in your Account falls below Used Margin, this will be classified as an Event of Default under clause 16. In such circumstances we may close all of your Open Positions immediately and without notice and refuse to execute new Trades until your Equity is restored to an amount above Used Margin.**
- 11.2 Our rights under clause 11.1 will apply irrespective of and will take precedence over any Orders (including Stop or Limit Orders and Entry Stop and Entry Limit Orders) placed on your Account and in the event that we close your Open Positions under clause 11.1 all pending Orders attached to that Trade will be cancelled.
- 11.3 We may but are not obliged to contact you before we take any action under clause 11.1.
- 11.4 Our rights under this clause 11 are designed to help limit the extent of your trading losses. We do not however guarantee that your losses will be limited to the amount of funds you have deposited in your Account.

## 12. Contract Notes and Statements

- 12.1 Unless we have agreed otherwise we will send you a contract note in respect of each Trade that we execute on your behalf. The absence of a contract note will not affect the validity of any Trade.
- 12.2 Contract notes will be sent to you as soon as reasonably practicable and no later than the next Business Day after a Trade is executed. Other than on your specific request, contract notes and statements will be sent to you by e-mail. We reserve the right to charge for contract notes and statements sent to you in a paper form.
- 12.3 It is your responsibility to review all contract notes and statements received to ensure that they are accurate. If you believe that a contract note or statement received by you is incorrect, because it refers to a Trade which you have not placed or for any other reason, you must tell us immediately. Contract notes and statements will be, in the absence of a Manifest Error, conclusive and binding unless we receive an objection from you in writing within 48 hours of receipt or we notify you of an error in the contract note or statement in the same period. If you do not receive a contract note for any Trade you have executed, please inform us immediately.
- 12.4 Periodic statements, including statements of your Balance, Open Positions and any charges made to your Account will ordinarily be sent to you no less than monthly. We will send you a statement of your Balance no less than annually.

## 13. Payments and Withdrawals

- 13.1 If your Account shows positive Equity, you may request that we make a payment to you of such amount. We may however elect to withhold any payment requested, in whole or in part, if:
- 13.1.1 the Net P & L is negative on your Account; and/or
  - 13.1.2 we reasonably consider that funds may be required to meet any Margin requirement; and/or
  - 13.1.3 there is any amount outstanding from you to us; and/or
  - 13.1.4 we are required to do so under any relevant legislation or regulation.
- 13.2 We may debit the Cash balance on your Account with any amount due to us under this Agreement and with any bank transfer charges we incur in transferring funds to you. In addition, you are responsible for all costs and expenses we incur as a result of you failing to pay amounts due or if you breach the Agreement including, without limitation, bank charges, court fees, legal fees and other third party costs we reasonably incur.
- 13.3 If we credit a payment to your Account but subsequently discover that the credit was made in error, we reserve the right to reverse any such credit and/or cancel any Trades which could not have been made but for that credit.
- 13.4 Unless we agree otherwise, any amounts payable to you will be paid by direct transfer to the same source (in your name) from which you have made payment to us.
- 13.5 If your Account is in debit, the full amount is due and payable immediately.
- 13.6 Payment of any amount due to us is subject to the following conditions:
- 13.6.1 if made by debit or credit card, the debit or credit card must be accepted by us and we reserve the right to charge an administration fee;

- 13.6.2 unless otherwise agreed your Account will be credited with the net cleared funds received after all deductions of bank charges or any other costs of transfer incurred in relation to the payment;
  - 13.6.3 if made by bank transfer, the transfer made must be made from an account in your name with an EU credit institution or other bank we deem satisfactory. We will regard as an acceptable EU credit institution any bank incorporated and duly licensed in a state which is a member of the European Union or any branch of a bank located and duly licensed in a state which is a member of the European Union; and
  - 13.6.4 we do not accept cash or payments from third parties unless otherwise agreed.
- 13.7 We may require immediate payment by telegraphic transfer, debit card or any other method of electronic transfer acceptable to us.
- 13.8 If you fail to pay any sum due to us on the due date in accordance with this Agreement, we will charge interest on this amount. Interest will be due on a daily basis from the due date until the date on which payment is received in full at a rate not exceeding 4% above the applicable central bank's official base rate for short-term funds (or a rate we reasonably consider serves materially the same function) from time to time and will be payable on demand.

## C. Our rights in special circumstances

### 14. Manifest Error

- 14.1 A Manifest Error is an error, omission or misquote (including any misquote by our dealer) which by fault of either of us or any third party is materially and clearly incorrect when taking into account market conditions and quotes in Instruments, Underlying Instruments or foreign currency which prevailed at that time. It may include an incorrect price, date, time or any error or lack of clarity of any information, source, commentator, official, official result or pronouncement.
- 14.2 If a Trade is based on a Manifest Error (regardless of whether you or we gain from the error) we may act reasonably and in good faith to:
- 14.2.1 void the Trade as if it had never taken place;
  - 14.2.2 close the Trade or any Open Position resulting from it; or amend the
  - 14.2.3 Trade so that its terms are the same as the Trade which would have been placed if there had been no Manifest Error.
- 14.3 We will exercise the rights in clause 14.2 as soon as reasonably practicable after we become aware of the Manifest Error. To the extent practicable we will give you prior notice of any action we take under this clause but if this is not practicable we will give you notice as soon as practicable afterwards. If you consider that a Trade is based on a Manifest Error, then you must notify us immediately. We will consider in good faith whether it is appropriate to take any action under this clause 14 taking into account all the information relating to the situation, including market conditions and your level of expertise.
- 14.4 In the absence of our fraud, wilful deceit or negligence, we will not be liable for any loss, costs, claims or demand for expenses resulting from a Manifest Error.



## 15. Events Outside Our Control and Market Disruption Events

- 15.1 We may determine that a situation or an exceptional market condition exists which constitutes an Event Outside Our Control and/or a Market Disruption Event.
- 15.2 If we determine that an Event Outside Our Control or Market Disruption Event has occurred we may take any of the steps referred to in clause 15.3 with immediate effect. We will take reasonable steps to notify you of any action we take before we take any action to the extent practicable. If it is not practicable to give you prior notice, we will notify you at the time or promptly after taking any such action.
- 15.3 If we determine that an Event outside our Control and/or a Market Disruption Event has occurred, we may take one or more of the following steps:
- 15.3.1 cease or suspend trading and/or refuse to enter into any Trades or accept any Orders;
  - 15.3.2 alter our normal trading times for all or any Instruments and foreign currencies;
  - 15.3.3 change Our Price and Our Spreads and/or Unit Sizes;
  - 15.3.4 close any Open Positions, cancel and/or fill any Orders, and/or make adjustments to the price and/or Unit Size of any Open Positions and Orders;
  - 15.3.5 change the Trading Leverage applicable to your Account in relation to both Open Positions and new Trades;
  - 15.3.6 immediately require payments of any amounts you owe us, including Margin;
  - 15.3.7 void or roll over any Open Positions; and/or
  - 15.3.8 take or omit to take all such other actions as we consider to be reasonable in the circumstances to protect ourselves and our clients as a whole.
- 15.4 In some cases we may be unable, after using reasonable efforts, to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any Underlying Instrument or foreign currency we consider necessary to hedge or protect our exposure to market and other risks arising from an Open Position. When this occurs we may close that Open Position at the prevailing Our Price.
- 15.5 We will not be liable to you for any loss or damage arising under this clause 15, provided we act reasonably.

## 16. Events of Default and Similar Circumstances

- 16.1 The following shall constitute Events of Default:
- 16.1.1 an Insolvency Event occurs in relation to you;
  - 16.1.2 you are an individual and you die, become of unsound mind or are unable to pay your debts as they fall due;
  - 16.1.3 the Equity in the account falls below Used Margin;
  - 16.1.4 you act in breach of any warranty or representation made under this Agreement or any representation or warranty made by you under this Agreement and/or any information provided to us in connection with this Agreement is or becomes untrue or misleading;
  - 16.1.5 any sum due to us is not paid in accordance with this Agreement;

16.1.6 whether or not any sums are currently due to us from you, where any cheque or other payment instrument has not been met on first presentation or is subsequently dishonoured or you have persistently failed to pay any amount owed to us on time including Margin;

16.1.7 at any time and for any periods deemed reasonable by us you are not contactable or you do not respond to any notice or correspondence from us; and

16.1.8 we reasonably believe that it is prudent for us to take any or all of the actions described in clause 16.2 in the light of any relevant legal or regulatory requirement applicable either to you or us.

16.2 If any Event of Default occurs we may take all or any of the following actions:

16.2.1 close all or any of your Open Positions and if the Base Currency of your Account is a currency other than Pounds Sterling, convert any resulting balance to Pounds Sterling in accordance with clause 18;

16.2.2 cancel any of your Orders;

16.2.3 change the Trading Leverage applicable to your Account in relation to both Open Positions and new Trades;

16.2.4 immediately require payment of any amounts you owe us, including Margin;

16.2.5 exercise our rights of set-off;

16.2.6 foreclose any collateral that we hold on your Account; and

16.2.7 suspend your Account and refuse to execute any Trades or Orders; and/or terminate this Agreement.

16.3 We may also close your Account on 14 days notice in the circumstances set out below. If we rely on our rights under this clause, your Account will be suspended during the 14 day notice period and you will not be able to place Trades other than those to close existing Open Positions. If you have not closed all Open Positions within the period of 14 days notice we shall be entitled to take any action within clause 16.2. The relevant circumstances are:

16.3.1 any litigation is commenced involving both of us in an adversarial position to each other and, in view of the subject matter of or any issues in dispute in relation to that litigation, we reasonably decide that we cannot continue to deal with you while the litigation is pending;

16.3.2 where you have persistently acted in an abusive manner toward our staff (for example by displaying what we consider to be serious discourtesy or the use of offensive or insulting language);

16.3.3 where we believe on reasonable grounds that you are unable to manage the risks that arise from your Trades.

16.4 Without limiting our right to take any action under clauses 16.2 and 16.3, we may also close or void individual Open Positions and/or cancel any Orders where:

16.4.1 we are in dispute with you in respect of an Open Position. In this case we can close all or part of the Open Position in order to minimise the amount in dispute; and/or

16.4.2 there is a material breach of the Agreement in relation to the Open Position.

- 16.5 Without limiting our right to take action under clauses 16.2, 16.3 and 16.4, we may in our discretion suspend your Account pending investigation for any reason. Whilst your account is suspended you will be able to close your Open Positions but you will not be entitled to place new Trades. Circumstances in which we may choose to exercise this right include but are not limited to the following:
- 16.5.1 when we have reasonable grounds for believing that an Event of Default has occurred or may occur but believe that it is reasonably necessary to investigate circumstances with a view to confirming this;
  - 16.5.2 when we have reasonable grounds for believing that you do not have a sufficient understanding of the Trades which you are placing or the risks involved;
  - 16.5.3 when we have not received within 10 days of a written request all information, which we believe that we require in connection with this Agreement; and/or
  - 16.5.4 we have reason to believe that there has been a breach in your Account security or that there is a threat to your Account security.
- 16.6 If we have suspended your Account pending investigation, we will use reasonable endeavours to conclude our investigation within five (5) Business Days. When we conclude our investigation we will inform you whether trading on your Account may resume or whether we will seek to take further action pursuant to this Agreement.
- 16.7 We may exercise our rights to close Open Positions under this clause 16 at any time after the relevant event has occurred and will do so on the basis of the next available Our Price for the affected Open Positions.
- 17. Netting and Set Off**
- 17.1 The Agreement and all Trades under it shall form part of a single agreement between us and you. You and we both acknowledge that we enter into the Agreement and any Trades under it in reliance upon the fact that these are part of a single agreement between us.
- 17.2 When Open Positions and/or your Account are closed, we may:
- 17.2.1 combine and consolidate your Balance and any money we hold for you in any or all the Accounts or any other accounts you may have with us; and
  - 17.2.2 set off against each other the amounts referred to in (a) and (b) below:
    - a) any amounts that are payable by us to you (regardless of how and when payable) including your Balance (if positive), Premiums (if positive), MTM P & L (if positive) and any credit held on any Account or any other accounts you have with us under any of our trading names even if any of these have been closed;
    - b) any amounts that are payable by you to us (regardless of how and when payable) including, but not limited to, Premiums (if positive), MTM P & L (if negative), interest, costs, expenses, charges and any debit balance on any Account or any other accounts you have with us under any of our trading names even if those have been closed.
- 17.3 You are also entitled to require us to exercise the above rights in relation to all your Accounts, Open Positions or accounts which have been closed.
- 17.4 If the rights under clauses 17.2 or 17.3 are exercised, all the payment obligations will be consolidated into an obligation for you to pay a net sum to us or for us to pay a net sum to you.
- 18. Currency Conversions and Valuations**
- 18.1 Where we are entitled to do so under this Agreement (including in connection with our rights under clauses 16 and 17) we may convert sums denominated in one currency to another currency. We may also perform a notional currency conversion where this is required for valuation purposes. We shall perform any currency conversion or valuation at rates reasonably available to us. We may receive remuneration from the counterparty to any foreign exchange transaction which we enter into.
- 18.2 We may in particular make currency conversions or valuations in respect of your Balance, any Realised Profits and Realised Losses or Net P & L, any money paid by you and any money due from you to us or us to you.
- 18.3 If we have exercised our rights in connection with clauses 16 and/or 17 or you have made a payment to us in a different currency from that in which you were obliged to pay us, we may pass on to you all commission or other charges which we incur in any currency conversion we carry out.
- 19. Corporate Actions and other events affecting Underlying Instruments**
- 19.1 When a Corporate Action or an Insolvency Event occurs in relation to any Underlying Instrument and/or its issuer we may, acting in a commercially reasonable manner, make adjustments to your Open Positions and/or Orders to reflect those actions and to put you in a position as close as possible to that of a direct holder of the Underlying Instrument.
- 19.2 The actions we may take pursuant to clause 19.1 include, but are not limited to:
- 19.2.1 changing Trading Leverage settings both in relation to Open Positions and new Trades;
  - 19.2.2 making a reasonable and fair retrospective adjustment to the opening price of an Open Position, to reflect the impact of the relevant action or event;
  - 19.2.3 opening and/or closing one or more Open Positions on your Account;
  - 19.2.4 cancelling any Orders;
  - 19.2.5 suspending or modifying the application of any part of this Agreement;
  - 19.2.6 crediting or debiting sums to your Account as appropriate; and/or
  - 19.2.7 taking all such other action, as we reasonably consider appropriate to reflect the effect of the relevant action or event.
- 19.3 We shall endeavour to take any such actions as soon as we are reasonably able to do so and this will normally be as soon as is reasonably practicable after the relevant event has occurred.
- 19.4 When we make adjustments to Open Positions, where possible we will adjust the Open Position as held by you to be effective from the commencement of the relevant Trading Hours on the same Business Day on which the relevant event or action is effective in relation to the Underlying Instrument.

19.5 In certain circumstances we may quote an opening Our Price for a Trade which reflects a dividend which we reasonably and in good faith believe will be paid at a particular price or level on or before the relevant expiry date of that Trade. When that dividend is either (a) paid at a level different from the anticipated level, (b) not paid on or before the relevant expiry date for that Trade or (c) we reasonably consider that it is unlikely to be so paid, we reserve the right to make an adjustment to the opening Our Price of the Trade to take into account the different level or non-payment of the dividend, provided that any such adjustment must be fair and reasonable.

19.6 Depending on the event concerned, we may take any of the actions set out in this clause 19 without prior notice. If we do so, we shall give you notice at the time we take the action or as soon as reasonably practicable thereafter.

## 20. Representations and Warranties

20.1 Representations and Warranties are personal statements, assurances or undertakings given by you to us on which we rely when we deal with you. You make the following representations and warranties at the time you enter into this Agreement and every time you place a Trade or give us any other instruction:

20.1.1 all information that you supply to us (whether in the Application Form or otherwise) is true, accurate and not misleading in any material respect;

20.1.2 if you are an individual, you are over 18 years old;

20.1.3 except where we have agreed otherwise in writing, you act as principal and not any other person's agent or other representative;

20.1.4 you have obtained all necessary consents and have the authority to enter into this Agreement and/or to place any Trades and instructions;

20.1.5 if you are a company or body corporate you are properly empowered and have obtained all necessary corporate or other authority under your memorandum and articles of association or other constitutional or organisational documents; and

20.1.6 you are not accessing the Website or dealing with us from the USA, except for the exclusive purpose of Trading in foreign currencies.

20.2 You agree that for the duration of this Agreement you will promptly notify us of any change to the details supplied by you on your Application Form, including in particular moving to another country or territory or any change or anticipated change in your financial circumstances or employment status (including redundancy and/or unemployment) which may affect the basis on which we do business with you.

## 21. Market Abuse

21.1 When we execute a Trade on your behalf, we may buy or sell on securities exchanges or directly from or to other financial institutions shares or units in the relevant Underlying Instrument or financial instruments related to that Underlying Instrument. The result is that when you place Trades with us your Trades can have an impact on the external market for that Underlying Instrument in addition to the impact it might have on Our Price. This creates a possibility of market abuse and the purpose of this clause is to prevent such abuse.

21.2 You represent and warrant to us at the time you enter into the Agreement and every time you enter into a Trade or give us any other instruction that:

21.2.1 you will not place and have not placed a Trade with us if to do so would result in you, or others with whom you are acting in concert having an interest in the price of the Underlying Instrument which is equal to or exceeds the amount of a Declarable Interest in the Underlying Instrument;

21.2.2 you will not place, and have not placed a Trade in connection with:

a) a placing, issue, distribution or other similar event;

b) an offer, takeover, merger or other similar event; or

c) any corporate finance activity.

21.2.3 you will not place and have not placed a Trade that contravenes any law or regulation prohibiting insider dealing, market manipulation or any other form of market abuse or market misconduct.

21.2.4 you will act in accordance with all applicable laws and regulations.

21.3 In the event that you place any Trade or otherwise act in breach of the representations and warranties given in this clause 21 or any other clause of this Agreement or we have reasonable grounds for believing that you have done so, in addition to any rights we may have under clause 16, we may:

21.3.1 enforce the Trade or Trade(s) against you if it is a Trade or Trades which results in you owing money to us;

21.3.2 treat all your Trades as void if they are Trades which result in us owing money to you, unless and until you produce conclusive evidence within 30 days of our request that you have not in fact committed any breach of warranty, misrepresentation or undertaking under this Agreement.

21.4 You acknowledge that it would be improper for you to deal in the Underlying Instrument if the sole purpose of such a transaction was to manipulate Our Price, and you agree not to conduct any such transactions.

21.5 We are entitled (and in some cases required) to report to any relevant regulatory authority details of any Trade or Order. You may also be required to make appropriate disclosures and you undertake that you will do so where so required.

21.6 The exercise of any of our rights under this clause 21 shall not affect any of our other rights we may have under this Agreement or under the general law.

## 22. Your Right to Cancel

22.1 You are entitled to cancel this Agreement by giving us notice in writing within a 14 day cancellation period. You need not give any reason for the cancellation and the right to cancel applies even if you have already received services from us before the cancellation period expires.

22.2 The period for cancellation begins on the date the Agreement starts to apply to you.

22.3 You may only give us notice of cancellation in writing. The notice will be considered received by us in accordance with clause 32.

22.4 As the price of our contracts depend on fluctuations in the Underlying Instrument or foreign currency which are outside our control and which may occur during the cancellation period, you have no rights to cancel this Agreement if any Trade placed by you has been executed before we receive notice of cancellation.

22.5 Following a valid cancellation, we will return any amounts you have deposited with us prior to receipt of your cancellation notice.

22.6 If you do not exercise the right of cancellation, the Agreement will continue in effect until either you or we terminate the Agreement by either of us giving notice under clause 30, or by our exercising any of our other rights to terminate under this Agreement. There is no minimum or fixed duration of the Agreement.

## 23. Complaints and Disputes

23.1 If you wish to raise any complaint or dispute you should contact us as soon as practicable.

23.2 Please keep your own record of dates or times of Trades and other issues as that will help us to investigate any complaints or disputes. It may be difficult or not reasonably possible for us to locate records/tapes in relation to Trades and other issues in the absence of information about the dates and times of any Trades or other issues in dispute.

23.3 We operate a Complaints Handling Procedure to enable us to deal promptly and fairly with complaints. Details of this procedure are available on request from Customer Support.

23.4 Any complaint or dispute should in the first instance be referred to Customer Support (details of which are given in the Key Service Features). If the complaint or dispute is not resolved to your satisfaction you may refer the matter to the Complaints Manager at the same address.

23.5 If you remain dissatisfied with our investigation or handling of your complaint or dispute you may in certain circumstances refer the matter to the Financial Ombudsman Service ("FOS"), South Quay Plaza, 183 Marsh Wall, London E14 9SR. In particular, you have a right to refer your complaint or dispute to FOS if you are classified as a Retail Client and were classified as such at the time of the event giving rise to the complaint or dispute.

23.6 As an FSP regulated firm, we participate in the Financial Services Compensation Scheme ("the Scheme"). If you are an eligible claimant under the Scheme you may be entitled to compensation from it if we cannot meet our obligations. For most kinds of investment, you would receive the first £30,000 of any claim in full and 90% of the next £20,000 so the maximum compensation under the Scheme would be £48,000. Further information about the Scheme can be obtained from Financial Services Compensation Scheme, 7<sup>th</sup> Floor, Lloyd's Chambers, Portoken Street, London E1 8BN.

## D. Miscellaneous and legal issues

### 24. Privacy and Data Protection

24.1 We will obtain and hold personal information about you in accordance with data protection and anti-money laundering legislation. You agree that we can rely on, hold and process your personal information for the purpose of performing our obligations under this Agreement, including administering the relationship with you, managing your Account, recovering amounts payable, considering any of your applications, carrying out risk assessment, complying with regulatory obligations, and undertaking product development and analysis.

24.2 You agree to our disclosing any such information referred to in this clause 24:

24.2.1 in accordance with this clause 24;

24.2.2 where we are required to by law or regulatory obligation;

24.2.3 to regulatory authorities where appropriate or on reasonable request, and to such third parties as we reasonably consider necessary in order to prevent crime, e.g. the police; and

24.2.4 where reasonably necessary, to any third party which provides a service to us in connection with this Agreement, but only for the purpose of providing that service.

24.3 In order to provide services to you, you acknowledge that it may be necessary for your information to be transferred to someone who provides a service to us in other countries, including in the United States of America and other countries outside of the European Economic Area, and you consent to such transfer.

24.4 You consent to us, or our agents acting on our behalf, carrying out such credit and identity checks, including money laundering checks, compliance regulatory reporting and fraud prevention checks, as we may reasonably consider necessary or desirable, including requesting a reference from your bank or any credit reference agency. You understand and agree that any third party referred to in this clause may share any information concerning you with us and other organisations involved in credit reference, the prevention of fraud and/or crime and/or money laundering or for similar purposes or to recover debts involved.

24.5 You authorise us to contact you by email, telephone or post to give you information about carefully selected products or services offered by us, that are similar or related to products or services provided or previously provided to you. You consent to us using your data for this purpose for the period you have an Account with us and after you close the Account. If you do not wish to receive such information then please tick the appropriate box on the Application Form or please contact us in writing or by telephone. Our Address and contact details are stated in the Key Service Features.

24.6 By ticking the appropriate box on the Application Form you authorise us to pass your personal data to selected Associated Companies or third parties (including Introducers) for the purpose of contacting you by email, telephone or post to give you information about carefully selected products or services offered by that party that are similar or related to the Products or services provided or previously provided to you by us. You consent to us using your data for this purpose for the period you have an Account with us and after you have closed it. If you no longer wish to receive such information then please write to us at Our Address or write directly to the third party.

24.7 Where you have been introduced to us by an Introducer, you consent to us exchanging information with that Introducer in order to perform our obligations under this Agreement and as required by us to maintain our relationship with the Introducer. This may, without limitation, result in us disclosing financial and personal information about you, your application, details of trading activity in the Account and/or your conduct of the Account and/or your use of our facilities (including information gained when you use our learning tools and trading simulators). If you no longer wish us to pass on such information then please write to us at Our Address.

24.8 We will use reasonable endeavours to contact you and notify you of any change to how we hold, process or disclose information, by posting a notice on our website or sending you an email to your last known email address. If you do not tell us you object to this change in writing within 60 days of the notice and you continue to maintain the Account after the expiry of this period of notice then we will regard you as having agreed to it.

24.9 If you wish to access information that we hold about you, or to have inaccurate information corrected please contact us by sending an email to our email address in the Key Service Features. Please note we may require you to pay a fee for this information. Please note that certain information may be exempt from being disclosed and that in certain circumstances we may not be able to disclose certain information.

24.10 You agree that we may record all conversations with you and monitor (and maintain a record of) all e-mails sent by or to us. All such records are our property and can be used by us, amongst other things, in the case of a dispute between us or for training purposes.

## 25. Intellectual Property

25.1 The Website, including the Trading Platform, and any and all information or materials on it which we may supply or make available to you (including any software which forms part of those items) are and will remain our property or that of our service providers. Such service providers may include providers of real-time price data to us. In addition:

- 25.1.1 all copyrights, trademarks, design rights and other intellectual property rights in those items are and will remain our property (or those of third parties whose intellectual property we use in relation to Products and services we provide for your Account);
- 25.1.2 we supply or make them available to you on the basis that (a) we can also supply and make them available to other persons and (b) we can cease providing them, but we will only do that if your Account has been closed or if our service providers require us to;
- 25.1.3 you must not supply all or part of them to anyone else and you must not copy all or part of them;
- 25.1.4 you must not delete, obscure or tamper with copyright or other proprietary notices we may have put on any of those items;
- 25.1.5 you must only use these items for the operation of your Account in accordance with this Agreement; and/or
- 25.1.6 if we have provided any materials to you in connection with the Website you must return those to us on closure of your Account.

## 26. Website and System Use

26.1 We will use reasonable endeavours to ensure that the Website and our telephone systems can normally be accessed for use in accordance with this Agreement. However all or any of these may fail to work properly or at all or our premises may suffer from power failure. On this basis:

- 26.1.1 we do not warrant that they will always be accessible or usable;
- 26.1.2 we do not warrant that access will be uninterrupted or error free.

26.2 We may suspend use of the Website to carry out maintenance, repairs, upgrades or any development related issues. We shall use reasonable endeavours to give you notice of this and to provide alternative ways for you to deal or obtain information as to your Account but this may not be possible in an emergency.

26.3 We warrant that we have the right to permit you to use the Website in accordance with this Agreement.

26.4 We will use reasonable endeavours to ensure that the Website is free from any virus, but we do not warrant that it will be virus free at all times. You should use your own virus protection software that is up to date and of good industry standard.

26.5 You are responsible for ensuring that your information technology is compatible with ours and meets our minimum system requirements. The minimum system requirements are set out on our Website.

26.6 We or other third party service providers may provide you with market data or other information in connection with the provision of our services.

26.6.1 we and any such provider are not responsible or liable if any such data or information is inaccurate or incomplete in any respect or for any actions you take or do not take based on such data or information;

26.6.2 you will use such data or information solely for the purposes set out in the Agreement;

26.6.3 such data or information is proprietary to us or the provider and you will not retransmit, redistribute, publish, disclose, or display in whole or in part such data or information to third parties;

26.6.4 you will pay any market data costs associated with your use as we may inform you from time to time.

## 27. Limitation of Liability

27.1 Nothing in this Agreement shall exclude or limit our liability for death or personal injury caused by our negligence or for fraud or fraudulent misrepresentation or for liability that cannot be excluded under any laws or the requirements of any regulator.

27.2 Subject to clause 27.1, we shall not be liable for:

27.2.1 any action we may take under:

- i. clauses 14 ("Manifest Error");
- ii. clause 15 (Events Outside our Control or Market Disruption Events"); and/or
- iii. clause 16 ("Events of Default and Similar Circumstances") provided that we act within the terms of those clauses and in particular act reasonably where required to do so;

27.2.2 any failure of communication (for reason) within clause 26 ("Website and Systems Use") including (without limitation) the unavailability of the Website (including the Trading Platform) or our telephone systems provided always we act within the terms of clause 26;

27.2.3 any claim loss, expense, cost or liability suffered or incurred by you (together "Claims") except to the extent that such loss, expense is suffered or incurred as a result of our breach of the Agreement, negligence or wilful default.

27.3 Other than as described in clause 27.4 and subject to the limits on our liability in this clause 27, we are each only responsible for losses that are reasonably foreseeable consequences of breaches of this Agreement at the time the Agreement is entered into.

27.4 We are not responsible for indirect losses which happen as a side effect of the main loss or damage and which are not foreseeable by you and us. We are not liable to you for losses which you incur which are foreseeable by us because you have communicated the possibility of such losses or any special circumstances to us.

27.5 We shall not be liable to you for any loss of profit or opportunity.

27.6 The limitations of liability in clause 27 apply whether or not we or any of our employees or agents knew of the possibility of the claim being incurred.

27.7 We carry on the business to which this Agreement relates in reliance on the limitations and/or exclusions in this clause being enforceable. We do not insure against any of the potential liabilities described in this clause. If the exclusions and restrictions are not acceptable to you, then you should not deal with us.

## 28. Client Money and Assets

28.1 Any money you transfer to us, or which is transferred to us on your behalf, which is Client Money within the meaning of the Client Money Rules will usually be held with a bank in the United Kingdom. Your money will be segregated from our own money in accordance with the requirements of the Client Money Rules and in the event of our insolvency, it will be excluded from our assets.

28.2 We may hold Client Money on your behalf in an account with a bank or third party located outside the European Economic Area ("EEA"). This account will be segregated from our money or assets which may be held with the bank or third party. The legal and regulatory regime applying to any such bank or third party will be different from that of the United Kingdom and in the event of the insolvency or any other equivalent failure of that bank or third party, your money may not be as effectively protected as if your money is held with an equivalent bank or third party in the United Kingdom.

28.3 We will not be liable for the failure or insolvency of any bank or third party holding money under clauses 28.1 or 28.2. However, if your money is held within an EEA country, a proportion of your Balance and investments may qualify for compensation arrangements in that jurisdiction.

28.4 We do not pay interest on Client Money unless we have expressly agreed to do so in writing.

28.5 Where you open and maintain a position with us, we will be entitled to require you to pay to us money as consideration for opening and maintaining an Open Position and such money will be due and payable to us for our own account. Accordingly, where you pay such money to us, we will thereby acquire full ownership of it and we will not hold such money in accordance with the Client Money Rules. You will not have any interest in or proprietary claim over money transferred to us pursuant to this clause and we can deal with it as our own. In the event of our insolvency you will have no rights or claim in relation to this money. We will transfer an equivalent amount of money back to you where, in our reasonable discretion, we consider that it is no longer necessary for us to retain the money you have paid to us. In determining the amount of money you will be required to pay to us pursuant to this clause and whether it is necessary to retain such money, we may apply such methodology (including judgements as to the future movement of markets and value) as we consider appropriate, consistent with this Agreement and applicable law and regulations.

28.6 In this clause 28 "Client Money Rules" means the provisions of the FSA's Client Assets Sourcebook relating to client money for firms carrying out activities regulated under the Markets in Financial Instruments Directive.

## 29. Tax

29.1 You are responsible for the payment of all taxes that may arise in relation to your Trades, except for UK transactional taxes applicable to certain types of Products which may be payable by us where specified in the Supplemental Terms.

29.2 We shall not be responsible for any taxes that may arise as a result of a change in law or practice or by reason of your paying tax in a jurisdiction other than the United Kingdom.

29.3 We shall not be responsible for advising you on any change in tax law or practice. You shall in all circumstances be responsible for your own tax advice in relation to your Trades.

## 30. Amendments and Termination

30.1 We may amend or replace any clause or part of the Agreement in whole or in part by giving you written notification of the changes. We will only make changes for good reason, including but not limited to:

- 30.1.1 making them clearer or more favourable to you;
- 30.1.2 reflecting legitimate changes in the cost of providing the service to you;
- 30.1.3 reflecting a change of applicable law, regulation or codes of practice or decisions by a court, ombudsman, regulator or similar body; reflecting changes in market conditions;
- 30.1.4 reflecting changes in the way we
- 30.1.5 do business.

30.2 If you object to any change you must tell us within 14 days of the date the notice is deemed received by you under clause 32 ("Notices"). If you do not do so you will be deemed to have accepted the change(s). If you give us notice that you object, then the changes will not be binding on you, but we may require you to close your Account as soon as reasonably practicable and/or restrict you to placing Trades and/or Orders to close your Open Positions.

30.3 Subject to clause 30.2 the amendments or new terms made pursuant to this clause 30 will apply (including to all Open Positions and unexecuted Orders) from the effective date (which we will state) of the change specified in the notice.

30.4 We may end this Agreement and close your Account at any time giving you 30 days written notice. This is in addition to any other rights to end this Agreement and/or close your Account which we may have.

30.5 You may also end the Agreement and/or close your Account at any time, in whole or in part, by giving us written notice. Your Account will be closed as soon as reasonably practicable after we receive notice, all Open Positions are closed, all Orders cancelled and all of your obligations discharged.

30.6 Where either you or we close your Account and/or end this Agreement under this clause 30, we reserve the right to refuse to allow you to enter into any further Trades or Orders which may lead to you holding further Open Positions.

30.7 If, after a period of 6 years, there has been no movement or trading on your Account, you have a positive Account balance and we have been unable to trace you after reasonable enquiry, we may decide to close your account and the money will be retained by us. If however you contact us at a later date we will repay the balance to you upon the provision of evidence as to the validity of your claim.

## 31. General Provisions Relating to the Agreement

31.1 A court or regulatory authority may decide that a part or clause of this Agreement is not enforceable. If this happens then the relevant part of the Agreement will be given no effect and will not be considered part of the Agreement. This will not invalidate any other clause or part of the Agreement.

- 31.2 You may not assign or transfer any of your rights or obligations under this Agreement without our prior written consent. We may assign or transfer all or any of our rights or obligations under this Agreement to any person authorised in any EEA member state (including any of our Associates) on 30 days written notice. We will comply with FSA Rules or any other applicable rule which may apply to this transfer, including obtaining your or any other party's consent where necessary.
- 31.3 Either you or we may elect not to require the other party to comply with this Agreement, or may delay requiring the other party to do so. This will not amount to a waiver by the party making such election of its rights under this Agreement unless that party clearly states that this is its intention. This means that the relevant party can still require compliance with the Agreement in future.
- 31.4 Except as provided by clause 31.5, no clause of this Agreement is intended to confer any benefit on any person who is not a party to it or to be enforceable under the Contracts (Rights of Third Parties) Act 1999.
- 31.5 The Agreement may, however, be enforced by any of our Associated Companies. We do not require the consent of our Associated Companies to vary, amend, modify, suspend, cancel or terminate any provision of the Agreement.

## 32. Notices

- 32.1 This clause 32 does not apply when:
- 32.1.1 you place Orders and execute Trades pursuant to this Agreement; or
- 32.1.2 we provide notice of changes to Margin and/or Trading Leverage settings.
- 32.2 When a notice may be given in writing, it may be provided by letter, fax, e-mail or (to the extent permitted by FSA Rules), the Website including publication on the Website.
- 32.3 We may send notices to you at your last known home or e-mail address, place of work, fax, telephone, pager number or other contact details.
- 32.4 You must send notices by letter to Customer Support at Our Address.
- 32.5 Unless specifically agreed otherwise in these General Terms, any notice given by us to you or by you to us will be deemed given and received if:
- 32.5.1 delivered by hand to Our Address in these General Terms or to your last known home or work address: at the time of delivery;
- 32.5.2 sent by first class post on a Business Day: the next Business Day or second Business Day after posting if not sent on a Business Day;
- 32.5.3 sent by air mail from outside the United Kingdom: the second Business Day after posting (or the fourth Business day after posting if not sent on a Business Day); sent by fax before 4pm on a Business Day;
- 32.5.4 one hour after a "transmission complete" report is received. If sent by fax at any other time: at 9 am on the next Business Day (provided a "transmission complete report" is received); and/or
- 32.5.5 sent by e-mail before 4pm on a Business Day: one hour after sending. If sent by email at any other time: 9:00 am on the next Business Day, (but an e-mail will not be deemed to have been delivered if the sender receives a "not sent" "not received" or similar message from the e-mail service provider).
- 32.6 Additionally:

- 32.6.1 we may give you a notice by SMS text in which case you will be deemed to have received such a message one hour after we have sent it, provided we do not receive a "not sent" message.
- 32.6.2 we may leave you a message on the Website and this will be deemed delivered one hour after we have posted it.

## 33. Governing Law, Jurisdiction and Language

- 33.1 The Agreement and our relations before we entered into this Agreement shall be governed by and construed in accordance with English Law.
- 33.2 Unless you are an EU Consumer (other than one resident in England or Wales) and subject to clause 33.3 the Courts of England and Wales will have exclusive jurisdiction over any claim or matter arising under or in connection with the Agreement and the legal relationships established by the Agreement.
- 33.3 Unless you are an EU Consumer, we shall be entitled to take proceedings against you in any other competent jurisdiction, and the taking of proceedings in any one or more jurisdictions will not preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

## 34. Definitions

In this Agreement the following words and expressions shall have the following meanings:

**"Account"** means any account that we maintain for you for dealing in the Products made available under this Agreement and in which your Balance, Used Margin and Margin payments are held and to which Realised Profits and/or Losses are credited or debited

**"Agent"** means an agent or representative who we agree may act for you and/or give instructions on your behalf in respect of this Agreement

**"Agreement"** means the General Terms, together with the Supplemental Terms, the Application Form and the Key Service Features

**"Application Form"** means the form(s) (in paper or electronic form) which you complete to open an Account and to trade with us under this Agreement

**"Ask"** means the higher of the two prices we quote for each Instrument

**"Associated Companies"** means an associated body corporate within the meaning of section 256 of the Companies Act 2006

**"Balance"** means a figure stated on the Trading Platform which represents the amount of cleared funds on deposit in your Account

**"Base Currency"** is the currency in which your Account is denominated and in which we will debit and credit your Account

**"Bid"** means the lower of two prices we quote for each Instrument

**"Business Day"** means Monday through Friday, excluding any public holiday

**"Conflicts of Interest Policy"** means our policy on potential conflicts of interest that may arise in providing our services and how we manage them

**"Corporate Action"** means the occurrence of any of the following in relation to the issuer of any relevant Underlying Instrument:

- a) any rights, scrip, bonus, capitalisation or other issue or offer of shares/equities of whatsoever nature or the issue of any warrants, options or the like giving the rights to subscribe for shares/equity;

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- b) any acquisition or cancellation of own shares/equities by the issuer;
- c) any reduction, subdivision, consolidation or reclassification of share/equity capital;
- d) any distribution of cash or shares, including any payment of dividend;
- e) a take-over or merger offer;
- f) any amalgamation or reconstruction affecting the shares/equities concerned; and/or
- g) any other event which has a diluting or concentrating effect on the Instrument value of the share/equity which is an Underlying Instrument

**"Customer Support"** means our customer services team

**"Declarable Interest"** means the prevailing level or percentage at the material time, set by law or by the stock exchange(s) or other facility upon which the Underlying Instrument is traded, at which financial or other interests in an Underlying Instrument must be publicly disclosed

**"Equity"** means a figure stated on the Trading Platform which represents the Balance in your Account, plus or minus any MTM P & L

**"Events of Default"** has the meaning given in clause 16.1

**"Events Outside Our Control"** means any event preventing us from performing any or all of our obligations under the Agreement and which arises from or is attributable to acts, events, omissions or accidents beyond our reasonable control including (but not limited to):

- a) an emergency or exceptional market condition;
- b) compliance with any law governmental order or regulatory requirement;
- c) any act, event, omission or accident which prevents us from maintaining orderly trading or hedging activities in any market in one or more of the Underlying Instruments in relation to which we ordinarily accept Trades;
- d) any strike, lock-out or other industrial dispute, riot, terrorism, war, civil commotion, nuclear, chemical or biological contamination, act of God, malicious damage, accident, breakdown of equipment, fire, flood, storm, interruption of power supply, failure of a utility service or breakdown of or interruption in any electronic, communication or information system; and/or
- e) the suspension or closure of any index/market/exchange or the abandonment or failure of any factor upon which we base, or to which we may relate, Our Prices, or the imposition of limits or special or unusual terms on any such factor

**"FSA"** means the Financial Services Authority of the United Kingdom

**"FSA Rules"** means the Handbook of Rules and Guidance of the Financial Services Authority

**"General Terms"** means these terms and conditions

**"GTC"** or **"Good until Cancelled"** refers to Orders which have effect until cancelled in accordance with this Agreement. If not executed, GTC Orders will cease to have effect when you cancel them in accordance with this Agreement, on expiry of the relevant Instrument, or if we cease to trade in the relevant Instrument

**"Insolvency Event"** means, in respect of any person:

- a) a resolution is passed or an order is made for the winding up, dissolution or administration of such person,
- b) any bankruptcy order is made against such person,
- c) the appointment of a receiver, administrator, manager, administrative receiver or similar officer, or if any encumbrancer takes possession of or sells, all or any part of the business or assets of such person,
- d) the making of an arrangement or composition with creditors generally or the making of an application to court for protection from creditors generally, or
- e) if the relevant person becomes insolvent or is otherwise unable to pay its debts as they become due, or any act of insolvency or event that is analogous to those set out in paragraph (a), (b), (c), or (d) of this definition applies to the person concerned.

- f) If the person concerned is a partnership, the occurrence of any of the events listed in this paragraph in relation to any partner shall be an Insolvency Event in relation to such person.

**"Instrument"** means a contract we make available which is comprised of a unique set of price information and other commercial features determined by reference to an Underlying Instrument

**"Introducer"** means a person or firm we appoint to effect introductions of potential clients to us

**"Key Service Features"** means a document we provide to you as part of the Agreement, which includes information specific to your Account including the Base Currency, our charges and contact details

**"Limit Order"** means an Order which will be executed when the price of an Instrument reaches a price which is more favourable to you than Our Price at the time you place the Order

**"Long Position"** means an Open Position resulting from a Trade or Trades placed to buy units of an Instrument at Ask

**"Lot"** means a multiple of Unit Size that you wish to place for each Trade

**"Manifest Error"** has the meaning given by clause 14.1

**"Margin"** means the amount of money required as

consideration for entering into a Trade and to maintain the resulting Open Position

**"Market Disruption Event"** means any of the following events:

- a) trading in respect of the Underlying Instrument or foreign currency is suspended or limited for any reason whatsoever, including by reason of movements in the price of the Underlying Instrument exceeding limits permitted by the relevant exchange or limits or special or unusual terms are imposed on the trading of the Underlying Instrument by the relevant exchange;
- b) trades which we have entered into in relation to any relevant Underlying Instrument or other relevant financial instrument are cancelled by the relevant exchange;
- c) an unusual movement in the level of, or the unusual loss of liquidity in respect of, the Underlying Instrument or our reasonable anticipation of the occurrence of the same; and/or
- d) the occurrence of any other event which causes a material market disruption in respect of the Underlying Instrument

**"MTM P & L"** means profits or losses (as appropriate) valued on a marked-to-market basis and which are not yet realised on Open Positions before expiry or closure

**"Net P & L"** means MTM P & L, plus or minus Premiums

**"Notices and Policies"** means information we are required by law or regulation to disclose to our clients, including: the Risk Warning Notice, our Trade and Order Execution Policy, our Conflicts of Interest Policy

**"Open Position"** means a Trade which has not been closed in whole or in part under this Agreement

**"Order"** means an instruction you give us to execute a Trade when the price of an Instrument reaches a specified price or an event or condition occurs

**"Our Address"** means Park House, 16 Finsbury Circus, London EC2M 7EB

**"Our Price"** means the Ask and Bid for each Instrument or foreign currency.

**"Our Spread"** means the difference between the Bid and Ask

**"Product"** means each type of financial instrument, investment contract or contract for foreign currency we make available under this Agreement, subject to additional terms set out in the relevant Product Supplement



**"Premium"** means the charge, also known as "cost of carry" or a "daily financing fee", which we apply daily to the portion of an Open Position which is not secured by Margin.

**"Realised Profits"** and **"Realised Losses"** means your profits or losses (as appropriate) which result on expiry or closure of an Open Position

**"Retail Client"** has the meaning given to it by FSA Rules

**"Risk Warning Notice"** means the notice provided to clients in the Annex to these General Terms detailing the risks associated with undertaking trading in our Products

**"Security Information"** means account numbers, passwords and other information required to identify you for the purposes of you trading with us under this Agreement

**"Short Position"** means an Open Position resulting from a Trade or Trades to sell units in an Instrument at Bid

**"Stop Order"** means an instruction to create a Short Position when Our Price reaches a specified price

**"Stop Loss Order"** means an instruction to execute a Trade to close an Open Position when Our Price reaches a specified price

**"Supplemental Terms"** means the supplemental terms to the General Terms for each Product type

**"Trade"** means a transaction entered into by you pursuant to this Agreement

**"Trade and Order Execution Policy"** means the policy which describes our obligations to provide best execution and the processes we follow to provide best execution

**"Trading Hours"** means the hours during which we are prepared to provide quotes for Our Price and execute Trades and Orders in an Instrument or foreign currency

**"Trading Leverage"** means a figure by which Margin is multiplied to create the notional amount of a Trade, or, in the case of a Rolling Spot Forex Contract, means the size of the contract divided by the Margin required to maintain the contract

**"Trading Platform"** means the password protected trading system through which you can deal with us under this Agreement and view your Account information

**"Underlying Instrument"** means the instrument, index, commodity, or other instrument, asset or factor whose price or value provides the basis for us to determine Our Price for an Instrument

**"Unit"** means a share, contract or other individual tradable amount in an Underlying Instrument

**"Unit Size"** means the number of Units you select to be aggregated as one more Lots

**"Usable Margin"** means a figure stated on the Trading Platform which represents your Equity less your Used Margin.

**"Used Margin"** means a figure stated on the Trading Platform which represents the aggregate of the Margin applicable to the Open Positions your Account

**"Website"** means our internet address as stated in the Key Service Features and which comprises (among other things) the Trading Platform

## Rolling Index Contracts for Differences Supplemental Terms

### 1. Contracts for Differences

1.1 A rolling index contract for differences ("Rolling Index CFD") is an investment contract for which the profit or loss is the difference between the opening and closing price of the contract. The price of a Rolling Index CFD is determined by reference to the price of stock exchanges or other investment indices. Features of our Rolling Index CFDs are described below.

1.2 Rolling Index CFDs are classified in the UK as investments and firms offering to deal in them are required to be authorised and regulated by the FSA.

### 2. General Information

2.1 This Contracts for Differences Supplemental Terms sets out the terms and conditions under which we offer a range of Rolling Index CFDs (our "Rolling Index CFD Instruments") and it forms part of the Agreement.

2.2 Unless separately defined in these Supplemental Terms, words and expressions shall have the meanings given to them in the General Terms.

2.3 Trades in Rolling Index CFD Instruments may be placed through the Trading Platform.

2.4 We will quote, execute and settle Trades for Rolling Index CFD Instruments in the currency in which the Underlying Instrument is denominated. However, we may convert the value of any Open Position for Account valuation and other purposes under clause 18 of the General Terms ("Currency Conversions and Valuations").

2.5 For Rolling Index CFD Instruments that do not specify an expiry date, your Open Positions will remain open until you close the position in accordance with clause 6 of the General Terms ("Closing Trades").

### 3. Our Price

3.1 **Definitions** The following definitions apply to this section Fv :

means a fair value price adjustment: the difference between Our Price and the price of the Underlying Instrument and it may include interest rate differentials, cost of carry and/or declared or anticipated dividends or distributions

"S" means our spread rate: the amount we add to the spread of an Underlying Instrument to form Our Spread

"Um" means the mid price between the bid and offer price of an Underlying Instrument

3.2 We calculate Our Price for a Rolling Index CFD as follows:

Our Mid Price =  $Um \pm Fv$

Our Bid Price =  $(Um \pm Fv) - S/2$

Our Offer Price =  $(Um \pm Fv) + S/2$

3.3 If we quote a price for a Rolling Index CFD Instrument during Instrument Trading Hours which are outside of the usual dealing hours for the relevant Underlying Instrument, we will determine Our Price by reference to one or

more exchanges and the Open Positions of other clients in the relevant Instrument or related Instruments.

### 4. Margin Requirement

4.1 To place a Trade which creates an Open Position in a Rolling Index CFD Instrument the Margin Requirement is calculated as follows:

$(\text{Quantity} \times \text{Our Price}) \times \text{Trading Leverage (expressed as a percentage)}$

4.2 When we execute a Trade which results in a Long Position, we will use Our Bid Price to calculate the Margin Requirement.

4.3 When we execute a Trade which results in a Short Position, we will use Our Offer Price to calculate the Margin Requirement.

4.4 If other conditions apply to the Margin Requirement we will advise you at the time you place the Trade.

4.5 **We reserve the right to refuse to execute a Trade if your Equity is insufficient to fund the Margin, any MTM P & L created by Our Spread and any costs associated with the Trade.**

4.6 You are responsible for monitoring your Equity and ensuring that it is sufficient to maintain your Open Positions. Your Equity must be sufficient to fund the amount of:

- Used Margin;
- fees and charges, including the Premium (if applicable), required to maintain and close your Open Positions;
- Net P & L; and
- any new Open Positions you wish to create.

### 5. Commission, Premiums and Dividends

5.1 For Open Positions in all Rolling Index CFD Instruments other than Expiry Rolling Index CFD Instruments, a Premium will apply to the portion of an Open Position which is not secured by Margin. Under normal market conditions we will charge you Premiums each day on a Long Position and we will pay you Premiums each day for a Short Position. However, in certain circumstances we may require you to pay a Premium where you would ordinarily have received a Premium. The basis of calculation of Premiums is set out in the Key Service Features. We may vary the method of calculating Premiums. When we do so we will give you notice in accordance with clause 30 of the General Terms ("Amendments and Termination").

5.2 The cost of Premiums will be debited from or credited to your Balance.

5.3 In accordance with clause 19 of the General Terms ("Corporate Actions and other events affecting Underlying Instruments"), we may make dividend adjustments to the price of the Rolling Index CFD Instrument if a dividend has been paid to the holders of the Underlying Instrument. In the case of Long Positions, these will be credited to your Account and in the case of Short Positions, debited to your Account. We will normally make such adjustments at the commencement of Instrument Trading Hours on the day that the dividend is scheduled to be paid to the holders of the Underlying Instrument.

### 6. Profit and Loss

6.1 Profits and losses for an Open Position will be

## Product Supplements

credited or debited to your MTM P & L. Unrealised Profits will allow you to place additional Trades but cannot be withdrawn until you close the Open Position. Unrealised Losses will reduce the amount you have available to place Trades and may result in your positions being closed under clause 11 of the General Terms ("Margin Close Out").

6.2 When an Open Position is closed Realised Profit or Realised Loss is calculated as: the difference between the opening value of the Open Position (Quantity x Our Price at opening) and its closing value (Quantity x Our Price at closing).

6.3 Realised Profits or Realised Losses will be credited to or debited from your Balance.

### 7. Taxes

7.1 We do not withhold any sums for tax purposes the Realised Profits or on any Premiums that you receive as a result of holding Short Positions in Rolling Index CFD Instruments.

7.2 You are responsible for the payment of all taxes that may arise in relation to your Trades.

## Rolling Spot Forex Contract Supplemental Terms

### 1. Rolling Spot Forex

1.1 A rolling spot foreign exchange contract ("Rolling Spot Forex Contract") is an over the counter contract to purchase or sell foreign currency entered into between you and us. The base currency of the currency pair is the first currency stated in the currency pair and remains constant when determining the currency pair's price. Features of our Rolling Spot Forex Contracts are described below.

1.2 Rolling Spot Forex Contracts are classified in the UK as investments and firms offering to deal in them are required to be authorised and regulated by the FSA.

### 2. General Information

2.1 These Rolling Spot Forex Contract Supplemental Terms set out the terms and conditions of our Rolling Spot Forex Contracts and it forms part of the Agreement.

2.2 Unless separately defined in these Supplemental Terms, words and expressions shall have the meanings given to them in the General Terms.

2.3 You may enter into a Rolling Spot Forex Contract through the Trading Platform.

2.4 We may convert the value of any Open Position denominated in one currency to another currency for Account valuation and other purposes under clause 18 of the General Terms ("Currency Conversions and Valuations").

2.5 In the absence of instructions from you we are authorized, at our absolute discretion, to deliver, rollover or offset all or any portion of your Rolling Spot Forex Contracts, for your account and at your risk. Your account may be charged commissions upon the rollover or offset of a Rolling Spot Forex Contract. You acknowledge that the purchase or sale of a currency always anticipates the accepting or making of delivery.

### 3. Our Price

3.1 Our Price for a foreign currency is the price we quote to sell ("Ask") or to buy ("Bid") the currency.

### 4. Margin Requirement

4.1 For a Rolling Spot Forex Contract, the Margin requirement is calculated by dividing the size of the Rolling Spot Forex Contract by Trading Leverage.

4.2 If other conditions apply to the Margin we will advise you at the time you place the Trade.

**4.3 We reserve the right to refuse to execute a Trade if your Equity is insufficient to fund the Margin, Net P & L, Our Spread and any costs associated with the Trade.**

4.4 You are responsible for monitoring your Equity and ensuring that it is sufficient to maintain your Open Positions. Your Equity must be sufficient to fund the amount of:

- Used Margin;
- fees and charges, including the Premium (if applicable),

required to maintain and close your Open Positions;

- Net P & L; and
- any new Open Positions you wish to create.

### 5. Commission, Premiums and Dividends

5.1 For all Rolling Spot Forex Contracts, a Premium will apply to the portion of an Open Position which is not secured by Margin. The basis of calculation of Premiums is set out in the Key Service Features. We may vary the method of calculating the Premiums. When we do so we will give you notice in accordance with clause 30 of the General Terms ("Amendments and Termination").

5.2 The cost of Premiums will be debited from or credited to your Balance.

### 6. Profit and Loss

6.1 Profits and losses for an Open Position will be credited or debited to your MTM P & L. Unrealised Profits will allow you to place additional Trades but cannot be withdrawn until you close the Open Position. Unrealised Losses will reduce the amount you have available to place Trades and may result in your positions being closed under clause 11 of the General Terms ("Margin Close Out").

6.2 When an Open Position is closed Realised Profit or Realised Loss is calculated as: the difference between the opening value of the Open Position (Quantity x Our Price at opening) and its closing value (Quantity x Our Price at closing).

6.3 Realised Profits or Realised Losses will be credited to or debited from your Balance.

### 7. Taxes

7.1 We do not withhold any sums for tax purposes for Rolling Spot Forex Contracts. You are responsible for the payment of all taxes that may arise in relation to your Trades.

## Annex 1: Risk Warning Notice

### 1. Introduction

You are considering dealing with us in financial instruments and investment contracts relating to various financial markets.

Unless separately defined in this notice, words and expressions shall have the meanings given to them in the General Terms. This notice is designed to explain in general terms the nature of and some of the risks particular to our Products. We provide this warning to help you to take investment decisions on an informed basis. However, please note that each Trade will carry its own unique risks which cannot be explained in a general note of this nature.

Our Products carry a higher risk of loss than trading many traditional instruments, such as shares in many large companies or fixed income securities such as bonds issued by governments or large companies. For many members of the public trading in our Products is not suitable. It is very important that you should not engage in trading in our Products unless you know, understand and are able to manage the features and risks associated with such trading and are also satisfied that trading in our Products is suitable for you in light of your circumstances and financial resources.

In considering whether to engage in trading our Products, you should be aware of the following risks.

### 2. Leverage

A high degree of "gearing" or "leverage" is associated with trading our Products. This stems from the margining system applicable to our Products which generally involves a comparatively modest deposit of the overall contract value to open a Trade. This can work for you and against you. A small price movement in your favour can result in a high return on the money placed on deposit; however, a small price movement against you may result in substantial losses, possibly more than the money placed on deposit. Prices can move quickly particularly at times of high market volatility (see below) and, if these price movements are unfavourable to your Trade(s), you could quickly build up significant losses. If you do not maintain enough funds in your Account to satisfy Margin, we may close any or all of your Open Positions (in some circumstances without warning). If we do this, your Open Positions may be closed at a loss for which you will be liable.

### 3. Nature of Margined Trades

Our client agreement explains in detail how our Products operate; see our General Terms, Supplemental Terms, Key Service Features, as well as your Application Form. Also you should review examples and explanations found on our Website - although these are not part of the Agreement, they provide useful guidance on trading in our Products (and the risks associated with them).

A Trade in one of our Instruments is a Trade based on movements in Our Price. Our Price for an Instrument is set by us but relates to the price of the relevant Underlying Instrument. Whether you make a profit or loss will depend on the prices we set and fluctuations in the Underlying Instrument to which your Trade relates.

Trades in our Products can only be settled in cash.

Trades in our Products are legally enforceable.

In certain circumstances your losses on a Trade may be unlimited. For instance, if you open a position with us by selling the contract in question (a practice known as "shorting a market") and the price rises, you will make a loss on that Trade and it is impossible to know the limit of your potential losses until you close the Trade or your Open Positions are closed when the Equity in your Account falls below the Used Margin.

You must ensure that you understand the potential consequences of a particular Product or Trade and be prepared to accept that degree of risk.

You will not acquire the Underlying Instrument nor any rights or delivery obligations in relation to the Underlying Instrument.

Certain Instruments are quoted and settled in currencies other than your Base Currency. Trading in these Instruments carries the additional risk of currency risk; the exchange rate at the time your Open Positions are closed and converted into your Base Currency may be less advantageous to you than at the time you created the Open Position.

### 4. Volatility

As mentioned above, whether you make a profit or a loss will depend on the prices we set and fluctuations in the price of the Underlying Instrument to which your Trade relates. Neither you nor we will have any control over price movements in the Underlying Instrument. Price movements in the Underlying Instrument can be volatile and unpredictable.

A feature of volatile markets is "Gapping", the situation where there is a significant change to Our Price between consecutive quotes. Gapping may occur in fast and falling markets or if price sensitive information is released prior to market opening.

The price at which we execute your Orders may be adversely affected if Gapping occurs in the relevant Instrument.

### 5. Liquidity

A decrease in liquidity (a term which describes the availability of buyers and sellers who are prepared to deal in an Underlying Instrument) may adversely impact Our Price and our ability to quote and trade in a Instrument. If there is a significant reduction or a temporary or permanent cessation in liquidity in an Underlying Instrument, such events may be deemed an Event Outside of Our Control or Market Disruption Event (as applicable) under the General Terms and we may increase Our Price, suspend trading or take any other action we consider reasonable in the circumstances. As a result you may not be able to place Trades or to close Open Positions in any affected Instrument.

### 6. Dealing Off-exchange

Dealing in our Products is conducted exclusively off-exchange, a type of trading which is also called dealing "over-the-counter" or "OTC". In dealing with us off-exchange you deal directly with us and we are the counterparty to all of your Trades. There is no exchange or central clearing house to guarantee the settlement of Trades.

### 7. General

We maintain our financial stability by hedging against large

Trades. In the event that we are to face liquidation, if you are deemed at the time of the liquidation to be an eligible claimant under the rules of the FSA, you will be compensated by the Financial Services Compensation Scheme to a maximum of £48,000 (claimants would receive the first £30,000.00 in full and 90% of the balance - a total of £48,000.00).

If there is anything you do not understand, or if you require clarification on any matter, please contact Customer Support.

## Annex 2: Conflicts of Interest Policy

### 1. Introduction

We aim to identify and prevent conflicts of interest which may arise between us and our clients, and between one client and another, in order to avoid any adverse effect on our clients. This Conflicts of Interest Policy (the "Policy") sets out procedures, practices and controls in place to achieve this.

This Policy applies to all officers, directors (whether Executive or Non-Executive), employees and any persons directly or indirectly linked to us (together "Personnel") and refers to interactions with all of our clients.

Unless separately defined in this Policy, words and expressions shall have the meanings given to them in the General Terms.

### 2. Regulatory Requirements Relating to Conflicts of Interest

The FSA has detailed requirements relating to the management of conflicts of interest, which are found primarily in the FSA Senior Management Arrangements, Systems and Controls ("SYSC") sourcebook, section 10. Among other things, SYSC section 10 requires us to:

- take all reasonable steps to identify conflicts of interest between us and our client, or one client of ours and another;
- keep and regularly update a record of the kinds of service or activity we carry on (or which is carried on our behalf) in which a conflict of interest entailing a material risk of damage to the interests of one or more of our clients has arisen or may arise;
- maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of our clients; and
- establish, implement and maintain an effective, written conflicts of interest policy.

As with all laws and regulations applicable to our business, we take our regulatory requirements relating to conflicts of interest very seriously.

### 3. Scope

We have identified the types of conflicts which may occur in our business and which carry a material risk of damage to the interests of a client. These include, but are not limited to, when we or any person directly or indirectly linked to us:

- a) are likely to make a financial gain or avoid a financial loss at the expense of our client;
- b) have an interest in the outcome of a service or product provided to, or of a transaction carried out on behalf of, our client which is distinct from our client's interest in that outcome;
- c) have a financial or other incentive to favour the interests of another client or group of clients over the interests of our client;
- d) carry on the same business as our client;
- e) receive, or will receive, from a person other than our client an inducement in relation to the service provided to our client in the form of monies, goods or services, other than the standard commission or fee for that service; or
- f) design, market or recommend a product or service without properly considering all of our other products and services and the interests of our clients.

### 4. Guarding Against Conflicts of Interest

We have put in place the systems and procedures described below to: minimise the potential for conflicts of interest, to ensure that we have adequate arrangements to manage all conflicts of interest, and where possible to avoid material conflicts of interest.

4.1 **Personal account dealing.** All Personnel are bound by the requirements of our Personal Account Dealing Notice. All transactions undertaken by Personnel are actively monitored by our Compliance Department.

4.2 **Production of investment research/research recommendation.** We do not produce investment research or provide investment research recommendations.

4.3 **"Need to Know" policy.** Where Personnel are in possession of confidential or inside information such as information relating to a client's Trade, Personnel may not disclose such information to another party without ensuring that:

- there is a clear need-to-know on the part of the recipient; the procedures set out in this Policy are adhered to;
- where the information relates to a client, the information transfer is in accordance with the best interests of the client; and
- the recipient is made aware of the requirement to treat the information as confidential.

Only information required for the intended use may be disclosed and the receiving individual is then bound by the same restrictions.

Personnel are required to take care when handling confidential information, such as information relating to a client's trades or personal details. In particular, Personnel are required to ensure that they do not leave documents containing confidential information on their desks and that they refrain from discussing confidential information in circumstances where it could be overheard by other Personnel who have no need to know such information.

#### **Restriction on access to information/electronic data.**

4.4 The access to computer drives and to files located within drives is restricted by the use of passwords and user IDs. Computers are automatically locked if unattended for a short period. In addition, Personnel are reminded of the importance of data protection.

4.5 **Gifts and inducements.** Personnel may not solicit or accept any gift or inducement which may influence their independence or business judgement or which could create a conflict with any duty owed to us or our clients.

This restriction does not include special promotions on products and services which have been agreed by our senior management, nor does it cover corporate gifts and hospitality which are considered to be incidental to our ordinary business. Examples of gifts and inducements which may not be offered or accepted include cash, gifts readily convertible into cash or any other object of significant value.

Personnel are required to register with the Compliance Department details of hospitality or gifts, whether given or received, with an estimated value in excess of £250 (or the equivalent in other currencies) and to seek guidance from that department if in doubt about the suitability of any gift.

4.6 Such items are recorded in our 'Register of Gifts and Inducements' which is subject to regulatory inspection.

#### **External business interests.**

Personnel undertake that they will not (unless granted prior written consent from our senior management or permitted under the terms of their employment) be engaged in or have an interest, either directly or indirectly, in any trade, business or occupation, which is or may be in competition with us and/or which would involve use of our time, property, facilities or resources.

**4.7 Segregation of duties.** Job roles are designed to limit the potential for conflicts of interest. Where appropriate and proportionate, systems and controls exist to prevent Personnel from undertaking roles where such a conflict may exist. However, due to the nature, scale and complexity of our business, there can be occasions when a member of staff is required to undertake duties that could give rise to a conflict. In this event, every effort is made to ensure that such circumstances exist only for a limited period or that additional controls are in place to identify inappropriate behaviour.

All Personnel are regularly assessed for competency for their roles and Personnel are required to follow the internal procedures detailed in our Compliance Manual. Where a potential conflict may exist within a role, additional monitoring, control and sign-off procedures are in place to mitigate any such conflict. Audit records, reconciliation procedures and Compliance monitoring arrangements are also in place to ensure all processes are adequately controlled and reviewed.

As part of our segregation of duties policy, no one individual (other than a director) is authorised to carry out the following four functions simultaneously:

- to initiate a transaction;
- to bind the firm;
- to make the payment; and
- to account for the above.

In so far as a conflict of interest may arise from the performance of two or more of the above functions by a director, that director will be subject to a policy of independence (see below).

As part of the Compliance Department's regular review of each department's operations, the roles undertaken by individuals within that department and the segregation of duties are reviewed as appropriate.

All departments are accountable to a specified Director and receive individual supervision from that Director. Inside information passed between departments is on a 'need-to-know' basis in accordance with the need-to-know policy described above.

**4.8 Independence policy.** In some circumstances, it may be appropriate to manage conflicts of interest by requiring Personnel to adhere to and observe a policy of independence. In such circumstances, Personnel subject to such a policy will be required to sign an undertaking to disregard relevant conflicts of interest in discharging their functions.

In such cases it is our policy that Personnel must act independently and in the interests of our clients. No employee may be swayed in any service provided to a client by the interests of any of our other departments, by us generally, or by another client. Therefore in performing any service on behalf of a client, only the client's interest is to be considered. Any interest or potential interests of ours or of any part of it, or of any other client, must be disregarded.

If any employee is aware of any circumstances which he thinks may give rise to a conflict, he must refer the matter immediately to the Compliance Officer.

**4.9 Public interest disclosure policy.** We are committed to ensuring that malpractice is prevented and, should it arise, to deal with it immediately. Employees are informed as to whom they can and should report public interest issues. The United Kingdom Public Interest Disclosure Act 1998 ("PIDA") allows employees to disclose certain issues to particular external parties where there is good reason to believe that internal disclosure will not be taken seriously or will cause the employee to be penalised in some way. We encourage employees to raise their concerns about any malpractice internally at the earliest possible stage. This procedure sets out the method for raising such concerns and the general principles of how we deal with such matters. It does not, however, confer any contractual rights.

For the protection of all employees, we maintain a formal set of procedures. These procedures apply equally to all employees who have reasonable grounds to believe that malpractice has occurred, is occurring or is likely to

occur. Employees are responsible for taking appropriate, reasonable and timely action wherever and whenever they become aware of any situation or matter that could expose us to loss, liability or embarrassment.

For the purposes of this procedure and PIDA, the following constitute malpractice:

- a) the commission of a criminal offence;
- b) failure to comply with a legal obligation;
- c) the occurrence of a miscarriage of justice;
- d) the endangerment of an individual's health and safety;
- e) the endangerment of the environment; and
- f) the concealment of any information relating to any of the above.

Employees are encouraged to follow the steps laid out in this procedure, ensuring they are able to raise genuine concerns about malpractice without fear of harassment or victimisation.

**4.10 Training.** We provide regular training to our Personnel on conflicts of interest and the procedures for managing conflicts of interest.

**4.11 Disclosure policy.** We believe that our internal policies and procedures, systems and controls, generally mitigate the risk of any conflict of interest arising, either between us and our client or between two or more of our clients.

Where, however, the potential for conflict arises and that conflict cannot be avoided we would either make a full disclosure or, if it is considered that the disclosure is an inappropriate method of managing the conflict, we would not proceed with the matter or transaction giving rise to the conflict.

If any Personnel are aware of any circumstances which may give rise to a conflict of interest, they must immediately refer the matter to the Compliance Department.

## 5. Policy Review

We regularly review our Conflicts of Interest Policy to ensure that it covers conflicts that can be reasonably expected to arise within the course of our business. Any significant amendments to this Policy must be approved by our senior management.

## Annex 3: Trade and Order Execution Policy

### 1. Introduction

Under the rules of the Financial Services Authority ("FSA Rules") we have a duty to conduct our business with you honestly fairly and professionally and to act in your best interests in dealing with you. More specifically, we are required to provide you with best execution when we deal with you. Providing best execution means that when we deal with you we should take reasonable steps to obtain the best result for you in accordance with our Trade and Order Execution Policy (the "Policy").

This document sets out the terms of our Policy. For convenience we annex this Policy to our General Terms documentation. Unless separately defined in this Policy, words and expressions shall have the meanings given to them in the General Terms. However this Policy is not part of our Agreement and it does not form part of the contract between us.

### 2. Our trading services

We provide services for trading in various types of Products and for each type of Product we offer a range of Instruments. Our Instruments are based on Underlying Instruments and we construct Our Price for each Instrument by reference to the price of the relevant Underlying Instrument. We deal with you as principal and not as agent. We are therefore your only "execution venue". In dealing with us, you transact directly with us and not on any exchange or other external market or venue. Any Trades with us are non-transferable. If you create an Open Position with us you must close it with us.

### 3. Execution policy

In providing best execution we are obliged to take into account certain execution factors. We must tell you what these are and the relative importance we give to each. If you are a Retail Client, we must determine whether we have provided you with best execution by reference to the total consideration you pay (that is price and costs of execution) though we will also use our judgment and take into account other relevant factors (such as any instructions regarding price) with the aim of providing you with the best result.

Subject to section 5 of this Policy, the execution factors that we consider and their relative importance are as follows:

#### Price. The relative importance we attach is high. Our

Price for a given Instrument is calculated by reference to the price of the relevant Underlying Instrument. We obtain this price from third party external reference sources. For some kinds of instruments, e.g. equities, there will be a third party securities exchange from which we will obtain this price. For other kinds of instruments, e.g. foreign exchange, we will collect price data from nominated wholesale market participants.

Our Price will often differ from the price of the Underlying Instrument. For some Instruments we add Our Spread to the price of the Underlying Instrument. We may also adjust Our Price for any Instrument to take into account factors such as liquidity in external markets for the Underlying Instrument, dividend amounts, financing charges in an external market or other relevant factors. You must pay a Premium, commission and other charges in addition to Our Price for some Products and Instruments - see under "Costs" below.

When trading in the Underlying Instrument is very active and the price of the Underlying Instrument changes quickly, there is no guarantee that every price movement in the Underlying Instrument will result in a change to Our Price. We aim to update Our Price as frequently as we reasonably can but our ability to do so may be limited by technological factors including current hardware, software and data and communications links.

For some Instruments we will quote Our Price outside of trading hours for the Underlying Instrument. In such circumstances Our Price are set by our dealers by reference to one or more related alternative Underlying Instruments that are then trading, and may be adjusted in response to supply and demand from our clients. This means that outside normal Exchange Hours we exercise a greater degree of discretion in the setting of Our Price. In addition, Our Spread is generally wider and our maximum Quantity is generally smaller than during normal trading hours for the Underlying Instrument. We execute all Trades at Our Price and in accordance with the General Terms.

#### Costs. The relative importance we attach is high.

For many Instruments, Our Price includes Our Spread and no additional charges or commissions are payable by you. For other Instruments you will be required to pay a separate commission charge for each Trade to open or close an Open Position.

We may pass on some charges to you arising from the Underlying Instrument traded. These include borrowing charges where an Underlying Instrument becomes expensive to borrow or stamp duty in some circumstances. Additionally for many Instruments you will be required to pay a Premium on the amount of an Open Position Generally

- if you hold a Short Position (i.e. you have executed a sell Trade), we pay you a Premium and;
- if you hold a Long Position (i.e. you have executed a buy Trade), you pay us a Premium.

Details of Premiums are set out in the Key Service Features.

#### Speed and Likelihood of Execution.

The relative importance we attach is high. You may execute Trades either using our Trading Platform or, in our discretion, by phoning one of our dealers.

When you execute through the Trading Platform you will receive immediate execution capability: if you see an Our Price on the screen, then the Trade will, under almost all circumstances, be executed at the Our Price quoted on the deal ticket. We will execute all Trades in accordance with clause 4 of the General Terms.

When executing by phone you will be quoted the same Our Price you will receive if you use the Trading Platform. In such circumstances, the dealer will generally confirm execution of your Trade immediately after you indicate that you wish to trade at the quoted Our Price.

Trades will be executed as soon as reasonably possible and in most circumstances almost instantaneously. However, there may be circumstances where Trades cannot be executed almost instantaneously, for example, due to illiquidity in the Underlying Instrument or if there is something unusual about the nature of the Order.

**Unit Size and Lot size. The relative importance we attach is high.** Default Lot settings and Unit Size are applied to all Trades in your Account. You may change Lot and Unit Size settings by accessing the Trading Platform.

### 4. Dealing with your Orders

In most cases when the condition or event specified in your Order occurs it will be executed at or very close to the specified Order price. However, please note that for all Orders the price you receive at execution is not guaranteed. Our Price may move from a price which is less than your specified Order price to a price which is greater than your specified Order price without a quote at any intermediate price. This will be due to rapid price changes in the Underlying Instrument (called 'gapping'), for example following a profits warning or the release of financial statistics different from those expected. In such a case, Our Price at the time of execution may be markedly different to the specified Order price.

If, when an Order is executed the Order will be executed at or near the specified Order price. However, the price at which the Order is executed will depend on the liquidity in the external market for the Underlying Instrument and may therefore be executed at a different price.



The execution prices will depend on the liquidity in the external market for the Underlying Instrument and the execution of the first Trade may affect the liquidity available for the execution of the second and any subsequent Trades.

We will execute all Orders in accordance with clause 8 of the General Terms.

#### **5. Specific instructions**

You may give us a specific instruction for the execution of a Trade or an Order.

Following your specific instructions may prevent us from taking the steps set out in this Policy to obtain the best possible result for the element of the Trade or Order included in your instructions.

#### **6. Our obligations**

We will comply with our Trade and Order Execution Policy when we are required to exercise our judgement in obtaining the best outcome for the execution of clients' Trades and Orders.

#### **7. Monitoring and review of Policy**

We will monitor compliance with the Policy and maintain records of the data which is used to set Our Price.

We will review the Policy at appropriate intervals. As part of that process, we will review:

- the sources of external pricing in Underlying Instruments;
- Our Price in relation to the external pricing of an Underlying Instrument; and
- any fees or charges.

If we make any changes to this Policy, we will give you at least 14 days written notice before the change takes effect. The current version of our Policy is located on the Website.