



Margin Trading Customer Agreement

Please read this Agreement carefully as it will govern your relationship with us.

1. Introduction

(1) CFD Trader, a trading name of IG Markets Limited, ("we", "us", "our", "ours" and "ourselves" as appropriate), is authorised and regulated by the Financial Services Authority (registration number 195355) for the conduct of investment business. The FSA's registered address is 25 The North Colonnade, London, E14 5HS. Our registered address is Friars House, 157-168 Blackfriars Road, London SE1 8EZ.

(2) This Agreement will govern all Transactions entered into between us and the customer ("you", "your", "yours" and "yourself" as appropriate). You should read this Agreement carefully, including the Product Module(s), Contract Details, Summary Order Execution Policy and Summary Conflicts Policy and ancillary documents together with the Risk Disclosure Notice and any other documents that we have supplied or in the future do supply to you. Your attention is drawn, in particular, to those Terms that are highlighted in italics and to Terms 10, 14, 16, 22 and 24(2), which deal with manifest error, margin, our rights on your default, Force Majeure Events and our rights in the event of a dispute between you and us.

(3) Nothing in this Agreement will exclude or restrict any duty or liability owed by us to you under the Financial Services and Markets Act 2000 or the FSA Rules and if there is any conflict between this Agreement and the FSA Rules, the FSA Rules will prevail.

(4) This Agreement will come into effect on the date we open your account, and, for any new versions thereafter, on the date we notify you. This Agreement is supplied to you in English and we will communicate with you in English for the duration of this Agreement.

(5) In this Agreement certain words and expressions have the meanings set out in Term 29.

2. The services we will provide and dealings between you and us

(1) This Agreement sets out the basis on which we will enter into Transactions with you and governs each Transaction entered into or outstanding between you and us on or after this Agreement comes into effect. Our CFD trading service carries a high level of risk and can result in losses that exceed your initial deposit. Our trading service is not suitable for everyone. A full explanation of the risks associated with our CFD trading service is set out in the Risk Disclosure Notice and you should ensure you fully understand such risks before entering into this Agreement with us.

(2) We will act as principal (and market maker) and not as agent on your behalf. We shall treat you as a Retail Client subject to the following:

- (a) if you satisfy the definition of Professional Client or Eligible Counterparty, we may notify you that we will treat you as such; and
- (b) you may request a different client categorisation from the one we have allocated to you, but please be aware that we may decline such a request. If you do request a different categorisation and we agree to such a request, you may lose the protection afforded by certain FSA Rules. This may include, but is not limited to:
 - (i) the requirement for us to act in accordance with your best interests;
 - (ii) our obligation to provide appropriate information to you before providing our services;
 - (iii) the restriction on the payment or receipt by us of any inducements;
 - (iv) our obligation to achieve best execution in respect of your orders;
 - (v) the requirement to implement procedures and arrangements which provide for the prompt, fair and expeditious execution of your orders;
 - (vi) our obligation to ensure that all information we provide to you is fair, clear and not misleading; and
 - (vii) the requirement that you receive from us adequate reports on the services provided to you.

(3) You will open each Transaction with us as principal and not as agent for any undisclosed person. This means that unless we have otherwise agreed in writing, we will treat you as our client for all purposes and you will be directly and personally responsible for performing your obligations under each Transaction entered into by you, whether you are dealing with us directly or through an agent. If you act in connection with or on behalf of someone else, whether or not you identify that person to us, we will not accept that person as an indirect customer of ours and we will accept no obligation to them unless otherwise specifically agreed in writing.

(4) Dealings with you will be carried out by us on an execution-only basis unless agreed by us, in writing, as being on an advisory basis or a discretionary

management basis. We will not provide advice about a particular Transaction unless we reasonably believe at the time that you open or close that Transaction, or at any other relevant time, that you are expecting and wish to receive advice from us in relation to it. You agree that, unless otherwise provided in this Agreement, we are under no obligation:

- (a) to satisfy ourselves as to the suitability of any Transaction for you;
- (b) to monitor or advise you on the status of any Transaction;
- (c) to make margin calls; or
- (d) (except in the case of Limited Risk Transactions or where the FSA Rules require) to close any Transaction that you have opened,

notwithstanding that previously we may have given such advice or taken such action in relation to that Transaction or any other.

(5) Where dealings between you and us are on an execution-only basis you will not be entitled to ask us to provide you with investment advice relating to a Transaction or make any statement of opinion to encourage you to open a particular Transaction. We may, at our absolute discretion, provide information:

- (a) in relation to any Transaction about which you or your agent have enquired, particularly regarding procedures and risks attaching to that Transaction and ways of minimising risk; and
- (b) by way of factual market information

however, we will be under no obligation to disclose such information to you and in the event of us supplying such information it will not constitute investment advice. If, notwithstanding the fact that dealings between you and us are on an execution-only basis, a dealer employed by us nevertheless makes a statement of opinion (whether in response to your request or otherwise) regarding any Instrument, you agree that it will not be reasonable for you to rely on such statement and that it will not constitute investment advice.

(6) Where dealings between you and us have been agreed by us, in writing, as being on an advisory basis, any investment advice we may provide to you will be subject to the Product Module for Advisory Services.

(7) Notwithstanding Term 2(6), you agree that in respect of execution-only dealing you rely on your own judgement in opening, closing, or refraining from opening or closing a Transaction with us and that in respect of both execution only and advisory dealing we will not, in the absence of fraud, wilful default or negligence be liable for any losses (including, without limitation, indirect or consequential losses or loss of opportunity or profits arising from any failure by you to make any anticipated profits), costs, expenses or damages suffered by you arising from any inaccuracy or mistake in any information or advice, or unsuitability of any advice, given to you, including without limitation, information or advice relating to any of your Transactions with us. You acknowledge and agree that if, in any given circumstance, we do not positively offer any advice or recommend that you take any action in relation to any Transaction, that does not imply that we are advising you not to take such action (or any action at all) in relation to that Transaction. Subject to our right to void or close any Transaction in the specific circumstances set out in this Agreement, any Transaction opened by you following such inaccuracy or mistake will nonetheless remain valid and binding in all respects on both you and us.

(8) You acknowledge that information contained in the Contract Details is indicative only and may, at the time when you open or close a Transaction, have become inaccurate. The current Contract Details will be the version then displayed on our website(s), which may be updated from time to time. It is not our policy to issue a printed copy of the Contract Details to customers unless specifically requested.

(9) Without detracting from any other limitation of our liability contained elsewhere in this Agreement, the maximum amount of our liability in respect of any losses that you may suffer in connection with any advice given by us regarding a Transaction will be limited to four times the amount of Commission or Spread payable in respect of that Transaction.

(10) Before you begin to trade with us, we will take all reasonable steps to provide you with a clear explanation of all commission, spreads, fees and interest charges for which you will be liable. These charges will affect your trading net profits (if any) or increase your losses.

(11) We reserve the right to require you to pay, or reimburse, us for stamp duty in the event of a change in the basis of stamp duty rates or law. We also reserve the right to charge you for the provision by us to you of market data (be that raw or derived market data).

(12) Whether or not you and we have entered this Agreement by distance means, you are not entitled to cancel this Agreement (but you can terminate it as set out in Term 26(2)).

(13) We will take all reasonable steps to provide you with best execution in accordance with the FSA rules and our Order Execution Policy when we execute Transactions on your behalf. The arrangements we put in place to give you best execution will be detailed in our Order Execution Policy. A Summary Order Execution Policy will be provided on our website, and available in hard copy on request. Unless

you notify us to the contrary, you will be deemed to consent to our Order Execution Policy when this Agreement comes into effect. If you do not consent, we may be unable to provide our services to you.

3. Conflicts of interest

(1) You acknowledge that we and our Associated Companies provide a diverse range of financial services to a broad range of clients and counterparties and circumstances may arise in which we, our Associated Companies, or a Relevant Person may have a material interest in a Transaction with or for you or where a conflict of interest may arise between your interests and those of other clients or counterparties or of ourselves.

(2) We are required by law to take all reasonable steps to identify conflicts of interests between ourselves, our Associate Companies and Relevant Persons and our clients, or between one client and another, that arise in the course of providing our investment service. The following are examples of such material interests and conflicts of interests:

(a) We may effect or arrange for the effecting of a Transaction with you or on your behalf in connection with which we, our Associated Companies, or a Relevant Person may have other direct or indirect material interests;

(b) We may execute hedging transactions prior to (i.e. in anticipation of) or following receipt from you of a request, or information concerning a contemplated request, to open or close a Transaction in order to manage our risk in relation to Transaction(s) you are entering into or contemplating, all of which may impact on the price you pay or receive in relation to such Transaction(s) and any profits generated by such hedging may be retained by us or an Associated Company without reference to you;

(c) We may match your Transaction with that of another client by acting on its behalf as well as yours;

(d) Subject to the FSA Rules, we may pay to and accept from third parties (and not be liable to account to you) benefits, commissions or remunerations which are paid or received as a result of Transactions conducted by you;

(e) We may make a market in Transactions which you enter into under this Agreement;

(f) We may deal in the Underlying Market to which your Transactions relate as principal for own account or that of someone else;

(g) We may give investment advice or provide other services to another client about or concerning the Underlying Market in relation to which you enter a Transaction.

(3) We operate a policy of independence which requires our employees to act in your best interests and to disregard any conflicts of interests in providing our services to you. In addition, we have in place organisational and administrative controls to manage the conflicts of interests identified above such that we can be reasonably confident that risks of damage to clients as a result of any conflict will be prevented. These organisational and administrative controls are set out in our Conflicts Policy, a summary of which (our Summary Conflicts Policy) is available on our website or by post on request.

(4) Other than the general circumstances set out in Term 3(2) above, we are not under an obligation to disclose that we, our Associated Companies or Relevant Persons have a material interest in a particular Transaction with or for you, or that in a particular circumstance a conflict of interest exists, provided we have managed such conflicts in accordance with our Conflicts Policy. Where we do not consider that the arrangements under our Conflicts Policy are sufficient to manage any particular conflict, we will inform you of the nature of the conflict so that you can decide how to proceed. We are not under any obligation to account to you for any profit, commission or remuneration made or received from or by reason of Transactions or circumstances in which we, our Associated Companies or a Relevant Person has a material interest or where in particular circumstances a conflict of interest may exist.

(5) You acknowledge that you are aware of the possibility that the conflicts disclosed in this Term will arise and consent to us acting notwithstanding such conflict.

4. Providing a quote

(1) Upon your request, in accordance with Terms 4(2) and 4(3), we will quote a higher and lower figure for each Transaction ("our bid and offer prices"). These figures will be either the bid/offer prices in the Underlying Market ("Commission Transaction") or our own bid/offer prices ("Spread Transaction") and details of which basis will apply may be found in the Contract Details or may be obtained from our dealers on request. We will charge you for opening and closing a Transaction as follows:

(a) For Commission Transactions, we will charge you commission in accordance with Terms 5(5) and 7(13) ("Commission"); and

(b) For Spread Transactions, the difference between our bid and offer price will comprise the Market Spread (where there is an Underlying Market) and our Spread (being our charge to you); and, unless we notify you in writing to the

contrary, you will not be charged any additional Commission.

You acknowledge that Spreads, including Market Spreads, can and do widen significantly in some circumstances, that they may not be the same size as the examples given in the Contract Details and that there is no limit on how large they may be. You acknowledge that when you close a Transaction, the Spread may be larger or smaller than the Spread when the Transaction was opened. For Transactions transacted when the Underlying Market is closed or in respect of which there is no Underlying Market, the figures that we quote will reflect what we believe the market price in an Instrument would be at that time. You acknowledge that such figures will be set by us at our reasonable discretion. The Spread quoted by us will reflect our view of prevailing market conditions. You undertake and agree not to use our bid and offer prices for any purpose other than for your own trading purpose, and you agree not to redistribute our bid and offer prices to any other person whether such redistribution be for commercial or other purposes.

(2) Subject to Terms 4(6) and 22, you may request a quote to open a Transaction or to close all or any part of a Transaction at any time during our normal hours of trading for the Instrument in respect of which you wish to open or close the Transaction. We will be under no obligation to but may, at our absolute discretion, provide a quote and accept and act on your offer to open or close a Transaction outside our normal hours of trading for the Instrument to which the Transaction relates. We may notify you of certain Instruments in respect of which we will not quote, restrictions on the amount for which we will quote, or other conditions that may apply to our quote, but any such notification will not be binding on us.

(3) Subject to Term 4(2) we may provide a quote either orally by telephone or electronically via our Electronic Trading Services or by such other means as we may from time to time notify to you. Our quoting of a higher and lower figure for each Instrument (whether by telephone, Electronic Trading Service, or otherwise) does not constitute an offer to open or close a Transaction at those levels. A Transaction will be initiated by you offering to open or close a Transaction in respect of a specified Instrument at the level quoted by us. We may, acting reasonably, accept or reject your offer at any time until the Transaction has been executed or we have acknowledged that your offer has been withdrawn. A Transaction will be deemed to have been opened or closed only when your offer has been received and accepted by us. Our acceptance of an offer to open or close a Transaction will be evidenced by our confirmation of its terms to you. Prices displayed by us on any television or text service, in any advertisement, or via public pages of our website(s) are only indicative and are for demonstration purposes only.

(4) If, before your offer to open or close a Transaction is accepted, we become aware that any of the factors set out in Term 4(5) are not satisfied at the time you offer to open or close a Transaction, we reserve the right to reject your offer at the level quoted. If we have, nevertheless, already opened or closed a Transaction prior to becoming aware that a factor set out in Term 4(5) has not been met we may, at our absolute discretion, either treat such a Transaction as void from the outset or close it at our then prevailing price. However, we may, at our absolute discretion, allow you to open or, as the case may be, close the Transaction in which case you will be bound by the opening or closure of such Transaction, notwithstanding that the factors in Term 4(5) were not satisfied.

(5) The factors referred to in Term 4(4) include, but are not limited to, the following:

(a) the quote must be obtained from us by telephone, via our Electronic Trading Services or by such other means as we may from time to time notify to you;

(b) the quote must not be expressed as being given on an "indicative only" or similar basis;

(c) if you obtain the quote by telephone, it must be given by a person who is a dealer employed by us and your offer to open or close the Transaction must be given during the same telephone conversation in which you obtained the quote and the dealer giving the quote must not have informed you before you make the offer to open or close the Transaction and that offer has been confirmed as accepted by us that the quote is no longer valid;

(d) if you obtain the quote electronically via our Electronic Trading Services, your offer to open or close the Transaction must be given while the quote is still valid;

(e) the quote must not be Manifestly Erroneous;

(f) when you offer to open a Transaction, the number of shares, contracts or other units in respect of which the Transaction is to be opened must be neither smaller than the Minimum Size nor larger than the Normal Market Size;

(g) when you offer to close part but not all of an open Transaction both the part of the Transaction that you offer to close and the part that would remain open if we accepted your offer must not be smaller than the Minimum Size;

(h) a Force Majeure event must not have occurred;

(i) when you offer to open a Transaction an Event of Default must not have occurred in respect of you;

(j) the telephone or Electronic conversation in which you offer to open or close the Transaction must not be terminated before we have received and accepted your offer;

(k) when you offer to open or close any Transaction, the opening of the Transaction must not result in your exceeding any credit or other limit placed on your dealings; and

(l) subject to Term 4(2), your offer must be given to us during our normal trading hours for the Instrument in respect of which you offer to open or close the Transaction.

(6) If, upon accepting your offer, we open or close a Transaction that is larger than the Normal Market Size for that Instrument, it may be subject to special conditions and requirements agreed at the time that you specify the size of Transaction that you wish to open. We reserve the right to refuse any offer to open or close a Transaction larger than the Normal Market Size. Our quotation for a Transaction equal to or greater than Normal Market Size is not guaranteed to be within any specific percentage of any Underlying Market or related market quotation. We will inform you of the Normal Market Size for a particular Instrument on request.

(7) If, before your offer to open or close a Transaction is accepted by us, our quote moves to your advantage (for example, if the price goes down as you buy or the price goes up as you sell) you agree that we can (but do not have to) pass such price improvement on to you. The effect of such action being that the level at which you offer to open or close a Transaction will, upon acceptance by us, be altered to the more favourable price. You acknowledge that it is in your best interests for us to alter the level of your offer in the manner contemplated in this Term and you agree that any offer altered in accordance with this Term, once accepted by us, results in a fully binding agreement between us. It is at our complete discretion as to when we will pass on a price improvement to you, but you should note that we will generally only pass on a price improvement when the market you are trading is volatile. You should also note that we will only pass on a price improvement within allowable limits, and we reserve our right set out in Term 4(3) to reject any offer by you to open or close a Transaction. For the avoidance of doubt, this Term does not permit us to alter your offer price if to do so would result in your opening or closing (as the case may be) a Transaction at a less favourable price than your offer.

5. Opening a Transaction

(1) You will open a Transaction by "buying" or "selling". In this Agreement a Transaction that is opened by "buying" is referred to as a "Buy" and may also, in our dealings with you, be referred to as "long" or "long position"; a Transaction that is opened by "selling" is referred to as a "Sell" and may also, in our dealings with you, be referred to as "short" or "short position".

(2) When you open a Buy, the Opening Level will be the higher figure quoted by us for the Transaction and when you open a Sell, the Opening Level will be the lower figure quoted by us for the Transaction.

(3) A Transaction must always be made for a specified number of shares, contracts or other units that constitute the underlying Instrument. Upon accepting a Transaction, we will allocate to it a contract number that will be notified to you upon our confirming each Transaction under Term 13(7).

(4) **Each Transaction opened by you will be binding on you notwithstanding that by opening the Transaction you may have exceeded any credit or other limit applicable to you or in respect of your dealings with us.**

(5) When you open and when you close a Commission Transaction, you will pay us a Commission that is calculated as a percentage of the value of the opening or closing Transaction (as applicable) or as an amount per equivalent Instrument or Instruments on the Underlying Market or on any other basis agreed between ourselves in writing. Our Commission terms will be notified in writing to you, however, in the event that we do not notify you of the commission terms, we will charge the standard commission rate as published on our website or, if no rate is published, 0.2% of the value of the opening or closing Transaction (as applicable).

(6) Unless we agree otherwise, all sums payable by you pursuant to Term 5(5) upon opening are due and must be paid upon the Opening Level of your Transaction being determined by us.

6. Multiple Transactions

(1) Where you have opened a Buy in respect of a particular Instrument and you subsequently open a Sell in respect of the same Instrument, including by an Order, at a time when the Buy remains open, then unless you instruct us to the contrary (for example, by way of a Force Open, if accepted by us):

(a) if the size of the Sell order is less than the size of the Buy, we will treat the offer to sell as an offer to partly close the Buy to the extent of the size of the Sell order;

(b) if the size of the Sell order is the same as the size of the Buy, we will treat the offer to sell as an offer to close the Buy entirely;

(c) if the size of the Sell order exceeds the size of the Buy, we will treat the offer to sell as an offer to close the Buy entirely and open a Sell position equal to the amount of such excess.

(2) Where you have opened a Sell in respect of a particular Instrument and you subsequently open a Buy in respect of the same Instrument, including by an Order, at

a time when the Sell remains open, then unless you instruct us to the contrary:

(a) if the size of the Buy order is less than the size of the Sell we will treat the offer to buy as an offer to partly close the Sell to the extent of the size of the Buy order; (b) if the size of the Buy order is the same as the size of the Sell we will treat the offer to buy as an offer to close the Sell entirely;

(c) if the size of the Buy order exceeds the size of the Sell we will treat the offer to buy as an offer to close the Sell entirely and open a Buy position equal to the amount of such excess.

(3) Terms 6(1) and 6(2) do not apply to Limited Risk CFDs.

(4) The Master Netting Agreement will apply to both you and us in relation to all Transactions entered into by you pursuant to this Agreement and any Product Module.

7. Closing a Transaction

Undated Transactions

(1) Subject to this Agreement and any requirement we may specify in relation to Linked Transactions, you may close an open Undated Transaction or any part of such open Undated Transaction at any time.

(2) When you close an Undated Transaction, the Closing Level will be, if you are closing an Undated Buy Transaction, the lower figure quoted by us and, if you are closing an Undated Sell Transaction, the higher figure quoted by us.

Expiry Transactions

(3) Subject to this Agreement and any requirement we may specify in relation to Linked Transactions, you may close an open Expiry Transaction or any part of such open Expiry Transaction at any time prior to the Last Dealing Time for that Instrument.

(4) Details of the applicable Last Dealing Time for each Instrument will normally be available in the Contract Details and may be obtained from our dealers on request. It is your responsibility to make yourself aware of the Last Dealing Time or, as the case may be, the expiry time for a particular product. Information relating to the Last Dealing Time may also be provided in other information documents or brochures that we provide.

(5) When you close an Expiry Transaction prior to the Last Dealing Time for the Instrument, the Closing Level will, if the Transaction is a Buy, be the lower figure quoted by us and if the Transaction is a Sell, the higher figure quoted by us.

(6) If you do not close an Expiry Transaction in respect of an Instrument on or before the Last Dealing Time then, subject to Term 7(7), we will close your Expiry Transaction as soon as we have ascertained the Closing Level of the Expiry Transaction. The Closing Level of the Expiry Transaction will be (a) the last traded price at or prior to the close or the applicable official closing quotation or value in the relevant Underlying Market as reported by the relevant exchange, errors and omissions excluded; plus or, as the case may be, minus (b) any Spread that we apply when such an Expiry Transaction is closed. Details of the Spread that we apply when a particular Expiry Transaction is closed are set out in the Contract Details and are available on request. You acknowledge that it is your responsibility to make yourself aware of the Last Dealing Time and of any Spread or Commission that we may apply when you close an Expiry Transaction.

(7) Where an Expiry Transaction in respect of an Instrument is in excess of the Normal Market Size, or where any number of such Expiry Transactions are together in excess of the Normal Market Size then any such Expiry Transaction that has not already been closed by the close of the Underlying Market at the Last Dealing Time will be rolled over automatically to the next contract period, unless we decide, acting reasonably, to close the Expiry Transaction(s) at the Closing Level. Where we do effect a rollover for any reason, the original Expiry Transaction will be closed at the Last Dealing Time and become due for settlement and a new Expiry Transaction will be created; such closing and opening trades will be on our normal terms.

(8) We may accept instructions from you to automatically roll over your Expiry Transaction(s) to the next contract period, so that they do not automatically expire. You may ask that we accept instructions in respect of a specific Expiry Transaction or all Expiry Transactions that you open in future with us. You acknowledge that it is your responsibility to make yourself aware of the next applicable contract period for a Transaction and that effecting the rollover of a Transaction may result in you incurring losses on your account. We reserve the right to refuse to rollover a Transaction or Transactions, despite any instruction you have given us, if we determine, acting reasonably, that to effect a rollover would result in you exceeding any credit or other limit placed on your dealings with us.

(9) You acknowledge that your instructions with respect to rolling of Expiry Transactions will become effective only when they have been agreed by us in relation to each Expiry Transaction. In the absence of the acceptance of any instruction from you, we will be entitled to close out your Expiry Transactions in accordance with Term 7(6), subject to Term 7(7). For the avoidance of doubt and unless we agree otherwise, any losses resulting from the closing and re-opening of a Transaction will be due and payable immediately upon the Opening Level of the

Transaction being determined by us.

General provisions

(10) ***Our additional rights to void and/or close one or more of your Transactions in specific circumstances are set out in Terms 4(4), 9(1), 9(2), 10, 14(1), 16, 19(4), 20, 22 and 24(2).***

(11) We reserve the right to aggregate the instructions we receive from our clients to close Transactions. Aggregation means that we may combine your instruction with those of other clients of ours for execution as a single order. We may combine your instruction to close with those of other clients if we reasonably believe that this is in the overall best interests of our clients as a whole. However, on occasions, aggregation may result in you obtaining a less favourable price once your instruction to close has been executed.

(12) Upon closing a Transaction, and subject to any applicable adjustments for interest and dividends in accordance with the provisions of the relevant Product Module:

(a) you will pay us the difference between the Opening Level of the Transaction and Closing Level of the Transaction multiplied by the number of units of the Instrument that comprise the Transaction if the Transaction is:

- (i) a Sell and the Closing Level of the Transaction is higher than the Opening Level of the Transaction; or
- (ii) a Buy and the Closing Level of the Transaction is lower than the Opening Level of the Transaction; and

(b) we will pay you the difference between the Opening Level of the Transaction and the Closing Level of the Transaction multiplied by the number of units of the Instrument that comprise the Transaction if the Transaction is:

- (i) a Sell and the Closing Level of the Transaction is lower than the Opening Level of the Transaction; or
- (ii) a Buy and the Closing Level of the Transaction is higher than the Opening Level of the Transaction.

(13) When you close a Transaction you will pay us Commission as set out in Term 5(5).

(14) Unless we agree otherwise, all sums payable by you pursuant to Term 7(12)(a), Term 7(13) and (if not already paid) the provisions of the relevant Product Module are due immediately upon the Closing Level of your Transaction being determined by us and will be paid in accordance with Term 15. Sums payable by us pursuant to Term 7(12)(b) will be settled in accordance with Term 15(4).

(15) We reserve the right to alter your Closing Level in accordance with Term 4(7).

8. Electronic Transactions

(1) You represent and warrant that you are aware of all Applicable Regulations that apply to Electronic Trading Services that you use and that your use of the Electronic Trading Services will comply with all Applicable Regulations and this Agreement as amended from time to time.

(2) We have no obligation to accept, or to execute or cancel, all or any part of a Transaction that you seek to execute or cancel through an Electronic Trading Service. Without limitation of the foregoing, we have no responsibility for transmissions that are inaccurate or not received by us, and we may execute any Transaction on the terms actually received by us.

(3) You authorise us to act on any instruction given or appearing to be given by you using the Security Devices and received by us in relation to any Electronic Trading Service you use ("Instruction"). We are not obliged to act on any Instruction, or to execute or otherwise enter into any particular Transaction, and need not give any reasons for declining to do so. Unless we agree otherwise with you, you will have no right to amend or revoke an Instruction once received by us. You will be responsible for the genuineness and accuracy, both as to content and form, of any Instruction received by us. You acknowledge that in the event of manifestly erroneous prices or volumes we will have a right to cancel the Transaction and such a Transaction will not be binding on us.

(4) You acknowledge we have the right, unilaterally and with immediate effect, to suspend or terminate (at any time, with or without cause or prior notice) all or any part of any Electronic Trading Service, or your access to any Electronic Trading Service, to change the nature, composition or availability of any Electronic Trading Service, or to change the limits we set on the trading you may conduct through any Trading Service.

(5) In accordance with Term 4, all prices shown on any Electronic Trading Service are indicative and are subject to constant change.

Access

(6) Use of any high speed or automated mass data entry system with any Electronic Trading Service will only be permitted with our prior consent exercised in our sole

discretion.

(7) In respect of a direct market access system, to any Exchange in respect of which you may submit orders or receive information or data using the Electronic Trading Service, you grant us the right, at any time or times, on reasonable notice (which, in certain circumstances, may be immediate) to enter (or to instruct our or the Exchange's subcontractors or agents to enter) your premises and inspect your System to ensure that it complies with the requirements notified by us to you from time to time and that you are using the Electronic Trading Service in accordance with, and otherwise complying with, this Agreement and any requirements of any relevant Exchange or Applicable Regulations.

(8) Where we permit electronic communications between you and us to be based on a customised interface using a protocol such as FIX, those communications will be interpreted by and subject to any Rules of Engagement for such interface protocol that are provided to you.

(9) You are required to test any customised interface prior to using it in a live environment and you agree you will be responsible for any errors or failure in your implementation of the interface protocol.

(10) If for any reason, we are not able to accept your Instructions through an Electronic Trading Service, we may, without obligation, provide you with further Information advising you that your Instructions can be effected by telephone as an alternative.

Use of Electronic Trading Services

(11) Where we grant you access to an Electronic Trading Service we shall grant you, for the term of this Agreement, a personal, limited, non-exclusive, revocable, non-transferable and non-sublicensable license to use the Electronic Trading Services pursuant to the Terms of this Agreement. We may provide certain portions of the Electronic Trading Services under license from third parties, and you will comply with any additional restrictions on your usage that we may communicate to you from time to time, or that are otherwise the subject of an agreement between you and such licensors.

(12) We are providing the Electronic Trading Services to you only for your personal use and only for the purposes, and subject to the Terms, of this Agreement. You may not sell, lease, or provide, directly or indirectly, the Electronic Trading Services or any portion of the Electronic Trading Services to any third party except as permitted by this Agreement. You acknowledge that all proprietary rights in the Electronic Trading Services are owned by us or by any applicable third party service providers selected by us providing us with all or part of the Electronic Trading Services, or providing you with access to the Electronic Trading Services, or their respective licensors, and are protected under copyright, trademark and other intellectual property laws and other applicable law. You receive no copyright, intellectual property rights or other rights in or to the Electronic Trading Services, except those specifically set forth in this Agreement. You will protect and not violate those proprietary rights in the Electronic Trading Services and honour and comply with our reasonable requests to protect our and our third party service providers' contractual, statutory and common law rights in the Electronic Trading Services. If you become aware of any violation of our or our third party service providers' proprietary rights in the Electronic Trading Services, you will notify us in writing.

Software

(13) In the event that you receive any data, information or Software via an Electronic Trading Service other than that which you are entitled to receive pursuant to this Agreement, you will immediately notify us and will not use, in any way whatsoever, such data, information or software.

(14) For some Electronic Trading Services software may be downloaded by you on one or more Systems but under no circumstances are you permitted to use the Electronic Trading Service on more than one System at any one time.

(15) You will take all reasonable steps to ensure that no computer viruses, worms, software bombs or similar items are introduced into the System or Software you use to access our Electronic Trading Services.

(16) We and our licensors (as the case may be) will retain the intellectual property rights in all elements of the Software and such software and databases contained within the Electronic Trading Services and you will not in any circumstances, obtain title or interest in such elements other than as set out in this Agreement.

Market Data

(17) With respect to any market data or other information that we or any third party service provider provide to you in connection with your use of the Electronic Trading Services, (a) we and any such provider are not responsible or liable if any such data or information is inaccurate or incomplete in any respect; (b) we and any such provider are not responsible or liable for any actions that you take or do not take based on such data or information; (c) you will use such data or information solely for the purposes set forth in this Agreement; (d) such data or information is proprietary to us and any such provider and you will not retransmit, redistribute, publish, disclose or display in whole or in part such data or information to third parties except as required by Applicable Regulations; (e) you will use such data or information solely in compliance with the Applicable Regulations; and (f) you will pay such Market Data costs (if applicable, for direct market access for example) associated with your use of

a Electronic Trading Service as we inform you from time to time.

Electronic documents

(18) You consent to the delivery of confirmations, any other required or optional communication or agreement under any applicable law or regulation and any agreements or changes in the terms and conditions on the Electronic Trading Services, by e-mail, website or other electronic means, subject to compliance with any Applicable Regulations. Any such documents that are delivered to you electronically are deemed to be "in writing". If your signature or acknowledgment is required or requested with respect to any such document and any Authorized User "clicks" in the appropriate space, or takes such other action as may be indicated on the Electronic Trading Services, you will be deemed to have signed or acknowledged the document to the same extent and with the same effect as if you had signed the document manually. You acknowledge your understanding that you have the right to withdraw your consent to the electronic delivery and signature of documents at any time by providing prior written notice. However, if you revoke your consent, your access to the Electronic Trading Services may be restricted or terminated.

Records

(19) Our records, unless shown to be wrong, will be evidence of your dealings with us in connection with our services. You will not object to the admission of our records as evidence in any legal or regulatory proceedings because such records are not originals, are not in writing or are documents produced by a computer. You will not rely on us to comply with your record keeping obligations, although records may be made available to you on request at our absolute discretion.

9. Dealing procedures

(1) Without prejudice to our right to rely and act on communications from your agent under Term 13(4), we will not be under any duty to open or close any Transaction or accept and act in accordance with any communication if we reasonably believe that such agent may be acting in excess of its authority. In the event that we have opened a Transaction before coming to such a belief we may, at our absolute discretion, either close such a Transaction at our then prevailing price or treat the Transaction as having been void from the outset. Nothing in this Term 9(1) will be construed as placing us under a duty to enquire about the authority of an agent who purports to represent you.

(2) We will not be under any duty to open or close any Transaction if we reasonably believe that to do so may not be practicable or would infringe any law, rule, regulation or Term. In the event that we have opened a Transaction before coming to such a belief we may, at our absolute discretion, either close such a Transaction at the then prevailing bid price (in the case of Sell Transactions) or offer price (in the case of Buy Transactions) or treat the Transaction as having been void from the outset.

(3) In the event that a situation arises that is not covered under these Terms or the Contract Details, we will resolve the matter on the basis of good faith and fairness and, where appropriate, by taking such action as is consistent with market practice.

10. Manifest Error

(1) We reserve the right to void from the outset any Transaction containing or based on any error that we reasonably believe to be obvious or palpable (a "Manifest Error") or to amend the terms of any such Transaction to what we reasonably believe, at our discretion, would have been fair at the time it was entered into. In deciding whether an error is a Manifest Error we may take into account any relevant information including, without limitation, the state of the Underlying Market at the time of the error or any error in, or lack of clarity of, any information source or pronouncement. Any financial commitment that you have entered into or refrained from entering into in reliance on a Transaction with us will not be taken into account in deciding whether or not there has been a Manifest Error.

(2) In the absence of our fraud, wilful default or negligence, we will not be liable to you for any loss, cost, claim, demand or expense following a Manifest Error. In the event that a Manifest Error is made by any information source, commentator or official on whom we reasonably rely, we will not be liable to you, in the absence of our fraud, wilful default or negligence, for any loss, cost, claim, demand or expense.

11. Non-Guaranteed Stop Orders, Limit Orders and Buffer Limits

(1) We may, at our absolute discretion, accept an instruction (being a Stop Order, Limit Order or a Buffer Limit, each called an "Order") from you to open or close a Transaction at a specified level. You may specify that such an Order is to apply:

- (a) until the next close of business for the relevant Underlying Market or earlier (a "Day Order"), which, for the avoidance of doubt, will exclude any overnight trading sessions on the Underlying Market. Please note that a Day Order can usually only be placed if the order is placed by telephone; or
- (b) until a time specified by you (but such an Order may only be an Unattached Order and may only be placed in respect of a daily or quarterly Transaction); or

(c) for an indefinite period (a "Good Till Cancelled Order" or "GTC Order"), which, for the avoidance of doubt, will include any overnight trading sessions on the Underlying Market.

We may, at our absolute discretion, accept standing Orders that will apply for some other specified duration. You acknowledge that Orders may not be available on all of our dealing platforms and that we may act on any such order irrespective of the length of time for which the specified level in relation to that order is reached or exceeded.

(2) **Details about how each of the Orders work are set out in the Contract Details. It is your responsibility to understand how an Order operates before you place any such Order with us. By placing an Order with us you acknowledge that you understand the terms and conditions attached to such Order. For example, but without limitation, when you place a Buffer Limit with us, you acknowledge that such Buffer Limit allows us to fill you: (i) at a price worse than our quoted bid/offer price at the time you place your Buffer Limit; and/or (ii) in a size smaller than the size the subject of the Buffer Limit.**

(3) **Further details about Orders including details about how Orders may be aggregated with other customer Orders are set out in the relevant Product Module. You should be sure that you are fully aware of these details.**

General

(4) If we accept an Order then, provided you continue to satisfy the factors referred to at Terms 4(5)(g), (h), (i), (j), (k), and (l), and subject to Term 11(9), we will act on that Order by opening or closing (as the case may be) the Transaction to which the Order relates at a level determined in accordance with Terms 11(5) and 11(6) when:

(a) in the case of Orders other than Stop Orders in respect of CFDs on Order Book Shares, our bid price (in the case of an order to Sell) or our offer price (in the case of an order to Buy), reaches or goes beyond your specified Order level; and

(b) in the case of Stop Orders placed in respect of CFDs on Order Book Shares, the Order Book Share the subject of the CFD has actually traded on the underlying Market at or beyond the specified level.

(5) You acknowledge that when you place and we accept an Order you are dealing with us as principal and not dealing on the Underlying Market. You further acknowledge that the triggering of your Order is linked to our bid and offer prices, not the bid and offer prices on the Underlying Market, and that our bid and offer prices may differ from the current bid and offer prices in the Underlying Market. The effect of such is that your Order may be triggered (i.e. because our bid or offer price touches the level of your Order) even though (a) the Underlying Market never traded at the level of your Order; or (b) the Underlying Market did trade at the level of your Order but for such a short period that it would have been impractical to execute an equivalent order in the Underlying Market.

(6) When we execute an Order, we will do so within a reasonable time of the Order being triggered and, subject to Term 11(10), we will seek to execute your Order based on the first attainable price that might have been achieved had a similar order (including as to size) been placed on the Underlying Market. Notwithstanding the foregoing, you acknowledge and agree that (a) the first attainable price may differ from your specified Order level; and (b) that it may not be possible to determine what the first attainable price might have been. Accordingly, we do not guarantee that your order will be executed at your specified level and you acknowledge that the time and level at which Orders are executed will be determined by us, acting reasonably.

(7) You may, with our prior consent (and such consent will not be unreasonably withheld), cancel or amend the level of an Order at any time before our quote reaches or goes beyond the relevant level. However, once the level has been reached, you may not cancel or amend the Order unless we expressly agree to permit you to do so.

(8) If you open a Transaction and place an Attached Order in respect of that Transaction then:

(a) if, when that Order was executed, it would be capable of closing or partly closing that Transaction and you subsequently offer to close that Transaction prior to the level of the Order being reached, we will treat that as a request to cancel the related Attached Order. You acknowledge that it is your responsibility to inform us, when you close a Transaction, whether you wish a related Attached Order to remain valid, and that, unless otherwise agreed by us, the Attached Order(s) will be cancelled;

(b) if the Transaction is only partially closed by you then the Attached Order in which that Transaction relates, adjusted to the size of the Transaction that remains open, will remain in full force and effect; and

(c) if the Transaction is an Expiry Transaction and the Attached Order nominated against that Expiry Transaction is stipulated by you as being at a certain point in relation to the opening level of the Expiry Transaction, then the Order will be fixed at that specified level at the first opening time and date of that Expiry Transaction and will not be adjusted subsequently following any rollover of the Expiry Transaction.

(9) For the purposes of determining whether any of the conditions that would

require us to act on an Order have been satisfied, we will be entitled (but not obliged), at our discretion, to disregard any price quoted by us during any pre-market, post-market or intra-day auction periods in the relevant Underlying Market, during any intra-day or other period of suspension in the relevant Underlying Market, or during any other period that in our reasonable opinion may give rise to short-term price spikes or other distortions.

(10) We reserve the right both to work and to aggregate Orders. Working an Order may mean that your Order is executed in tranches at different bid prices (in the case of an Order to Sell) or offer prices (in the case of an Order to Buy), resulting in an aggregate opening or closing level for your Transaction that may differ both from your specified level and from the price that would have been attained if the Order had been executed in a single tranche. Aggregating an Order means that we may combine your Order with the Orders of other clients of ours for execution as a single Order. We may combine your Orders with those of other clients if we reasonably believe that this is in the overall best interests of our clients as a whole. However, on occasions, aggregation may result in you obtaining a less favourable price once your Order is executed.

12. Limited Risk

(1) You may request us to open a "Limited Risk" Transaction and ask for a specific stop level to apply to such Limited Risk Transaction. We may, at our absolute discretion, agree to open a Limited Risk Transaction for you and both you and we must agree the specific stop level to apply to that Transaction. The level you and we agree may differ according to conditions in the Underlying Market and/or the size of your Transaction.

(2) Unless a Limited Risk Transaction has previously been closed in accordance with this Agreement, we guarantee that, when our bid (in the case of Sell Transactions) or offer (in the case of Buy Transactions) reaches or goes beyond the level specified by you, we will close a Limited Risk Transaction at exactly the agreed stop level. Provided that, in determining whether our quote has gone beyond the agreed level, we will be entitled (but not obliged), at our absolute discretion, to disregard any prices quoted by us during any pre-market, post-market or intra-day auction periods in the relevant Underlying Market, during any intra-day or other period of suspension in the relevant Underlying Market, or during any other period that in our reasonable opinion may give rise to short-term price spikes or other distortions. In the event that a guaranteed stop on a long position is triggered as a result of a stock going ex-dividend (and any consequent price adjustment made by us pursuant to the Product Module or otherwise), where the notional dividend is credited to your account we reserve the right to deduct part or all of that notional dividend credit from your account, or, in the event that a notional dividend credit has yet to be made, to reduce the notional dividend credit made to you.

(3) Once you have opened a Limited Risk Transaction, you may only change the level at which the Transaction will be automatically closed with our consent (which we may, at our absolute discretion, withhold) and upon payment of any additional Limited Risk Premium that may be required.

(4) Where you open a Limited Risk Transaction in respect of a particular Instrument and specified period that is (i) a Buy and you subsequently offer to sell in respect of the same Instrument and period; or (ii) a Sell and you subsequently offer to buy in respect of the same Instrument and period, we may, in the absence of clear instructions from you, treat the offer to sell or, as the case may be, buy, as an offer to close all or any part of the Limited Risk Transaction or as an offer to open a new Transaction.

(5) When you open a Limited Risk Transaction, in addition to the usual opening Commission or Spread that you pay us under Terms 4(1) and 5(5), you will also pay us a Limited Risk Premium. In addition, if we, at our absolute discretion, agree to change a non Limited Risk Transaction to a Limited Risk Transaction for you, you will pay us a Limited Risk Premium. The Limited Risk Premium will be as set out in the Contract Details or as agreed between you and us or otherwise notified to you or, if no such amount is specified to you, it will be 0.3% of the underlying transaction value.

(6) **Unless we agree otherwise, all sums payable by you pursuant to Term 12(5) are due and must be paid immediately upon the Opening Level of your Transaction being determined by us.**

13. Communications

(1) An offer to open or close a Transaction (including an Order) must be made by you, or on your behalf: orally, by telephone; via our Electronic Trading Service; or in such other manner as we may specify from time to time. If your usual mode of communicating with us is unavailable for any reason, you should attempt to use one of the other modes of acceptable communication set out at the beginning of this paragraph. For example, if you usually open and close Transactions via our Electronic Trading Service, but for some reason our Electronic Trading Service is not in operation, you should contact us via the telephone to open or close Transactions. Written offers to open or close a Transaction, including offers sent by fax, email (including a secure email sent via our Electronic Trading Service) or text message, will not be accepted. Any communication that is not an offer to open or close a Transaction must be made by you, or on your behalf: orally, by telephone or in person; in writing, by email, post, fax; or in such other manner as we may specify from time to time. If sent to us by post or by fax, a communication must be sent to our head office and, if sent to us by email, it must be sent to an email address currently

designated by us for that particular purpose. Any such communication will only be deemed to have been received by us upon our actual receipt thereof.

(2) If we receive an offer to open or close a Transaction other than in accordance with Term 13(1), we will only accept and act on such offer at our absolute discretion and will not be responsible for any loss, damage or cost that you suffer or incur arising out of any error, delay or omission in acting on such offer.

(3) If at any time you are unable, for whatever reason, to communicate with us, we do not receive any communication sent by you, or you do not receive any communication sent by us under this Agreement, we will not:

(a) be responsible for any loss, damage or cost caused to you by any act, error, delay or omission resulting therefrom where such loss, damage or cost is a result of your inability to open a Transaction; and

(b) except where your inability to communicate with us results from our fraud, wilful default or negligence, be responsible for any loss, damage or cost caused to you by any act, error, omission or delay resulting therefrom including without limitation, where such loss, damage or cost is a result of your inability to close a Transaction.

(4) You acknowledge and agree that any communication transmitted by you or on your behalf is made at your risk and you authorise us to rely and act on, and treat as fully authorised and binding on you, any communication (whether or not in writing) that we reasonably believe to have been transmitted by you or on your behalf by any agent or intermediary who we reasonably believe to have been duly authorised by you. You acknowledge that we will rely on your account number and/or password to identify you and you agree that you will not disclose these details to any person not duly authorised by you. If you suspect that your account number and/or password has been learnt or may be used by any other person then you must notify us immediately.

(5) **You agree that we may record our telephone conversations with you. Such records will be our sole property and you accept that they will constitute evidence of the communications made.**

(6) You agree that in the event of a dispute over any communication (including a dispute as to whether a Transaction was ever opened), we may close the actual or alleged Transaction in accordance with Term 24(2).

(7) We will confirm each Transaction that we open for you.

(a) If you open or close a Transaction via our Electronic Trading Services, you should receive an on-screen message setting out details of the transaction. In the event that you believe any of those details to be inaccurate you should contact us as soon as possible and in any event within one hour of receiving the message. The on-screen message does not constitute our formal confirmation of the transaction, which we will send to you in writing by email, post or fax. We will also post confirmation of the transaction to the Electronic Trading Service, where we will provide an updated statement, which will only be accessible by you.

(b) If you open or close a Transaction with us orally, we will confirm the transaction in writing, by email, post, or fax. Any such confirmation will be emailed, posted, or as the case may be, faxed to you or to your order on or before the business day following the day on which the Transaction is opened or, as the case may be, closed.

(c) You will, in the absence of a Manifest Error, be bound by and deemed to have acknowledged the content of any confirmation unless you have notified us to the contrary both orally, as soon as possible, and in writing, (i) within one hour of the Transaction or purported Transaction (in the case of on-screen confirmations) or (ii) within two business days of the day on which you are deemed to have received the confirmation in accordance with Term 13(9) below. In the event that you think you have opened or closed a Transaction but we have not sent you a confirmation in respect of that Transaction, any query in relation to the purported Transaction will not be entertained unless: (i) you inform us within two business days of the day on which you ought to have received such confirmation that you have not received it; and (ii) you can provide accurate details of the time and date of the purported Transaction. In the event of any inconsistency between an on-screen message and a subsequent written confirmation of the same Transaction, we will determine the position reasonably and on the basis of the available evidence.

(d) We will provide you with a statement of your account on a regular basis.

(8) **We may communicate with you by telephone, letter, fax, email or text message and you consent to us telephoning you at any time whatsoever. Specifically we may provide you with notice of an amendment to the terms of this agreement in accordance with Term 26(1) by email, in which case no paper copy of such notice will be sent.**

(9) All correspondence, documents, written notices, confirmation and statements will be sent or transmitted to you or to your order at the address, fax number, mobile telephone number or email address specified on your account opening form or to such other address or number as you may subsequently notify to us. Any correspondence, document, written notice, confirmation or statement will be deemed to have been properly given:

- (a) if sent by post to the address last notified by you to us, on the next business day after being deposited in the post;
- (b) if delivered to the address last notified by you to us, immediately on being deposited at such address;
- (c) if sent by fax or text message, as soon as we have transmitted it to any of the fax or mobile telephone numbers last notified by you to us; and
- (d) if sent by email, one hour after we have transmitted it to the email address last notified by you to us.

(10) It is your responsibility to ensure, at all times, that we have been notified of your current and correct address and contact details. Any change to your address or contact details must be notified to us immediately in writing, unless we agree to another form of communication.

(11) We are required by law to provide you with certain information about us, our services, our Transactions, our costs and charges along with copies of our Summary Order Execution Policy and Summary Conflicts Policy. You specifically consent to us providing you with this information by means of our website. Costs and charges will be disclosed in our Contract Details. Our Summary Order Execution Policy, Summary Conflicts Policy and Risk Disclosure Notice will be provided under the "Apply for an Account" tab of our website.

(12) It is your responsibility to make sure that you read all notices posted on our website from time to time.

(13) Although email, the internet, Electronic Trading Services and other forms of electronic communication are often a reliable way to communicate, no electronic communication is entirely reliable or always available. You acknowledge and accept that a failure or delay by you to receive any communication from us sent by email, text message or otherwise whether due to mechanical, software, computer, telecommunications or other electronic systems failure, does not in any way invalidate or otherwise prejudice that communication or any transaction to which it relates. We will not be liable to you for any loss or damage, howsoever caused, arising directly or indirectly out of a failure or delay by you or us to receive an email or other electronic communication. Further, you understand and accept that emails, text messages and other electronic communications we send to you may not be encrypted and therefore may not be secure.

(14) You acknowledge the inherent risk that communications by electronic means may not reach their intended destination or may do so later than intended for reasons outside our control. You accept this risk and agree that a failure or delay by us to receive any offer or communication from you sent electronically, whether due to mechanical, software, computer, telecommunications or other electronic systems failure, does not in any way invalidate or otherwise prejudice that offer or communication or any transaction to which it relates. If, for any reason, we are unable to accept your offer electronically, we may, without obligation, provide you with further information advising you that your offer can be made by telephone as an alternative and we may endeavour to inform you of this.

(15) In the event that you are granted access to our mobile dealing platform, then all use of such service will be subject both to this Agreement and to supplemental mobile dealing terms posted on our website and amended from time to time.

14. Margin

(1) From time to time we may require you to provide margin payments, which, other than with our express prior consent, will only be provided in the form of cleared funds (in our bank account) unless, by separate written agreement, we accept other assets from you as collateral for payment of margin. If assets other than cash are accepted, we will be entitled to realise such assets, in circumstances as defined in the separate agreement. In the event that any applicable debit card authority or other paying agent declines to transfer funds to us for any reason whatsoever then we may, at our absolute discretion, treat any Transaction entered into by us in reliance on receipt of those funds as void from the outset or close it at our then prevailing price, and recover any losses arising from the voidance or closure of the Transaction from you. We may reserve the right to stipulate the method of payment to be used by you.

(2) In making any calculation of the margin payments that we require from you under this Term 14, we may, at our absolute discretion, have regard to your overall position with us including your position in other accounts held with us or with an Associated Company of ours or any part thereof including any of your net unrealised losses (i.e. losses on open positions). We will also have regard to the rules of any Underlying Market that requires payments of margin to be made in respect of any Transaction or any Instrument underlying any Transaction.

(3) If a written demand is delivered to you or sent by post, fax, email or text message, it will be deemed to have been made as soon as you are deemed to have received such notice in accordance with Term 14(9). We will also be deemed to have made a demand on you if: (a) we have left a message requesting you to contact us and you have not done so within a reasonable time after we have left such a message; or (b) if we are unable to leave such a message and have used reasonable endeavours to attempt to contact you by telephone (at the telephone number last notified to us by you) but have been unable to contact you at such number. Any message that we leave for you requesting you to contact us should be regarded by you as extremely urgent unless we specify to the contrary when we leave the message. You

acknowledge and accept that what constitutes a reasonable time in the context of Term 14 may be influenced by the state of the Underlying Market and that, according to the circumstances, that could be a matter of minutes or even immediately.

(4) It is your responsibility to notify us immediately of any change in your contact details and to provide us with alternative contact details and ensure that our calls for margin will be met if you will be uncontactable at the contact address or telephone number notified to us (for example because you are travelling or are on holiday). We will not be liable for any losses, costs, expenses or damages incurred or suffered by you as a consequence of your failure to do so.

(5) Unless otherwise agreed by us, on the business day on which you open a Transaction you will be required to pay us the required margin for that Transaction, as calculated by us. This amount is due and payable immediately upon opening the Transaction. While a Transaction is open, you will also have continuing margin obligations, details of which are set out in the Contract Details and may be obtained from our dealers on request. Details of margin amounts paid and owing by you are available by logging on to your dealing account via our Electronic Trading Services or by telephoning our dealers. You acknowledge: (a) that it is your responsibility to be aware of, and further that you agree to pay, both the initial and continuing margin required at all times for all Transactions that you open with us; (b) that your obligation to pay margin will exist whether or not we contact you regarding an outstanding margin obligation; and (c) that your failure to pay any margin required in relation to your Transactions will be regarded as an Event of Default for the purposes of Term 16.

(6) We may agree to reduce or waive all or part of the margin that we would otherwise require you to pay us in respect of a Transaction and we may agree to permit you to withdraw all or part of any margin previously paid to us by you in respect of a Transaction. If we agree to such a reduction, waiver or permission to withdraw margin, we may nevertheless require you to pay us further margin in respect of that Transaction at any time thereafter. We will be entitled, at any time, to increase the margin required from you on open Transactions. You agree that, regardless of the normal way in which you and we communicate, we will be entitled to notify you of an increase to margin levels by any of the following means: post, fax, email, text message or by posting notice of the increase on our website. Any such increase will be due and payable immediately on our demand, including our deemed demand in accordance with Term 14(3).

(7) Where, following a deposit or margin call becoming due, positive movements in your positions result in you no longer being marginable, we may, at our absolute discretion, deem that deposit or margin call to have been satisfied.

15. Payment and set-off

(1) All payments to be made under this Agreement (other than payments under Terms 12(6) and 14(5) that are due and payable in accordance with those Terms respectively) are due immediately on our oral or written demand. All payments must be paid by you, and must be received in full by us for value, by (a) where the demand is made before 12 noon on any day, not later than 12.00 midday on the business day following the day on which our demand (including our deemed demand in accordance with Term 14(3)) is made; or (b) where the demand is made after 12.00 midday on any day, not later than 4.00 pm on the business day following the day on which our demand (including our deemed demand in accordance with Term 14(3)) is made. For the avoidance of doubt, these timeframes are subject to the rules of any Underlying Market that have been advised to you by us in the event that the Underlying Market requires payment of margin to be made sooner.

(2) Subject to Term 15(2)(b) below, you may make any payment to us by debit card, direct debit, or direct bank transfer for value within 24 hours (e.g. by CHAPS or SWIFT payment). Our failure on one or more occasions to enforce or exercise our right to insist on immediate payment of margin will not amount to a waiver or bar to enforcement of that right. We may also permit you to make a payment due under this Agreement or in relation to a Transaction to us by credit card, but if we do so we reserve the right to levy an administrative charge.

(a) At our discretion, we may accept payments from you made by cheque. Cheques should be crossed and made payable to IG Markets Limited or such other payee as we may notify you of and your account number should be marked clearly on the reverse. Cheques presented in settlement of margin requirements will, unless otherwise agreed, be drawn on a United Kingdom clearing bank. Where you make a margin payment by cheque, we may decline to treat such payment of margin as having been made for the purposes of Term 16(1) until we have received cleared funds in our bank account.

(b) We reserve the right to require payments of £5,000 or more, or other currency equivalent, to be made by direct bank transfer for value within 24 hours and, at our discretion, to require payments of any amount that falls due to be made by cleared funds in our bank account on the same day or, in the event that the payment falls due after 12.00 midday and you are unable, despite using all reasonable efforts to effect payment that day, on the next business day.

(3) Margin payments and any other payments due will, unless otherwise agreed or specified by us, be required in pounds, dollars or euros. When we consider it necessary, or when requested by you, we may convert money standing to your credit or paid by you to us in one currency to another currency. Such conversions will be made at an exchange rate within +/-0.5% of the prevailing market rate at the time of the conversion. You should be aware that some Transactions will result

in profit/loss being accrued and realised in a Currency other than the designated Base Currency of your account. The Contract Details specify the Currencies in which various Transactions are denominated, or alternatively such information is available from our dealers on request. Where you enter into such a Transaction, by default, the profit/loss accruing from that Transaction will remain in the same Currency as the Transaction is denominated in, therefore exposing you to foreign currency risk. From time to time (for example in your statements), we may provide information to you which presents your multicurrency balances in the equivalent value of your Base Currency, using the rates prevailing at the time the information is produced. However you should note that the balances have not been physically converted and that the presentation of the information in your Base Currency is for information only. We will convert balances to your Base Currency upon your request and at a rate not more than +/-0.5% of the spot rate then prevailing. At our discretion we may also agree to convert balances automatically at a frequency to be agreed between you and us from time to time.

(4) Subject to Terms 15(5) and 15(6) and our right to set such sums off against payments of any margin and charges that are outstanding, money standing to the credit of your account will be remitted to you if requested by you. Where you do not make such a request, we will be under no obligation to, but may, at our absolute discretion, remit such monies to you. All bank charges howsoever arising will, unless otherwise agreed, be for your account. The manner in which we remit monies to you will be at our absolute discretion, having utmost regard to our duties under law regarding the prevention of fraud and money laundering. We will normally remit money in the same method and to the same place from which it was received. However, in exceptional circumstances we may, at our absolute discretion, consider a suitable alternative.

(5) Without prejudice to our right to require payment from you in accordance with Terms 15(1) and (2), we will at any time have the right to set off any losses incurred in respect of, or any debit balances in, any of your accounts against any sums or other assets held by us for or to your credit on any other account (including any joint account and any account held with an Associated Company of ours) in which you may have an interest. If any loss or debit balance exceeds all amounts so held, you must forthwith pay such excess to us whether demanded or not. You also authorise us to set off sums held by us for or to your credit in a joint account against losses incurred by the joint account holder. You also authorise us to set off any losses incurred in respect of, or any debit balances in, any account held by you with an Associated Company of ours against any credit on your account(s) (including a joint account) with us.

(6) We will be under no obligation to pay any money to you if that would reduce your credit balance (less running losses) to less than the margin payments required on your open Transactions. Subject thereto and to Terms 15(5) and 16, the money requested by you will, if you are entitled to it, be sent to you by first class mail not later than the next business day or in such other manner as you and we may agree.

(7) You will pay interest to us on any sums due in respect of any Transaction that you fail to pay on the due date. Interest will accrue 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 base rate from time to time and will be payable on demand.

16. Default and default remedies

(1) Each of the following constitutes an "Event of Default":

- (a) your failure to make any payment (including any payment of margin) to us or to any Associated Company of ours in accordance with Term 15;
- (b) your failure to perform any obligation due to us;
- (c) where any Transaction or combination of Transactions or any realised or unrealised losses on any Transactions or combination of Transactions opened by you results in your exceeding any credit or other limit placed on your dealings;
- (d) if you are an individual, your death;
- (e) the initiation by a third party of proceedings for your bankruptcy (if you are an individual) or for your winding-up or for the appointment of an administrator or receiver in respect of you or any of your assets (if you are a company) or (in both cases) if you make an arrangement or composition with your creditors or any other similar or analogous procedure is commenced in respect of you;
- (f) where any representation or warranty made by you in Terms 19 and 20 is or becomes untrue;
- (g) you are or become unable to pay your debts as and when they fall due; or
- (h) any other circumstance where we reasonably believe that it is necessary or desirable to take any action in accordance with Term 16(2) to protect ourselves or all or any of our other clients.

(2) If an Event of Default occurs in relation to your account(s) with us or in relation to any account(s) held by you with an Associated Company of ours, we may, at our absolute discretion, at any time and without prior notice:

- (a) close all or any of your Transactions at a Closing Level based on the then prevailing quotations or prices in the relevant markets or, if none, at such levels as

we consider fair and reasonable;

(b) exercise rights of set-off under Term 15(5), retain any funds, investments (including any interest or other payment payable thereon) or other assets due to you, and sell them without notice to you at such price and in such manner as we, acting reasonably, decide, applying the proceeds of sale and discharging the costs of sale and the sums secured under this Term;

(c) charge you interest on any money due, from close of business on the date when monies first fell due until the date of actual payment at a rate not exceeding 4% above the applicable central bank's base rate from time to time;

(d) if you have failed to make a payment when due, inform your partner, employer, any professional, regulatory or other organisation with which you are associated or any person who we believe to have an interest in knowing such facts of the amount of such overdue sum, the circumstances thereof, the fact that you have failed to make payment, and any other relevant facts or information. By entering into this Agreement you expressly consent to any disclosure of this data by us in the circumstances set out herein;

(e) close all or any of your accounts held with us of whatever nature and refuse to enter into further Transactions with you.

(3) If we take any action under Term 16(2), unless at our absolute discretion we consider it necessary or desirable to do so without prior notice by you, we will, where reasonably possible, take steps to advise you before exercising such rights. However, any failure on our part to take such steps will not invalidate the action taken by us under Term 16(2).

(4) Subject to the FSA Rules and at our absolute discretion we may, in the event of your failing to meet a demand for margin or your being in excess of any credit limit placed on your account, allow you to continue to trade with us, or allow your open Transactions to remain open, but this will depend on our assessment of your financial circumstances.

(5) You acknowledge that, if we agree to allow you to continue to trade or to allow your open Transactions to remain open under Term 16(4), this may result in your incurring further losses.

(6) You acknowledge and agree that, in closing out Transactions under this Term 16, it may be necessary for us to 'work' the order. This may have the result that your Transaction is closed out in tranches at different bid prices (in the case of Sells) or offer prices (in the case of Buys), resulting in an aggregate closing level for your Transaction that results in further losses being incurred on your account.

17. Client money

Default – client money held on a segregated basis

(1) We will treat money received from you or held by us on your behalf in accordance with the Client Money Rules.

(2) We may place money received from you in a qualifying money market fund, as defined in the Client Money Rules. As a result, any money will not be held in accordance with the Client Money Rules and the units in the relevant fund will be held in accordance with the FSA's rules on custody. Please let us know if you do not wish your money to be placed in a qualifying money market fund.

(3) Unless you have notified us in writing to the contrary, we may hold client money on your behalf with an approved bank in a client bank account located outside the EEA or pass money held on your behalf to an intermediate broker, settlement agent or OTC counterparty located outside the EEA. The legal and regulatory regime applying to any such approved bank or person will be different from that of the United Kingdom and in the event of the insolvency or any other equivalent failure of that approved bank or person, your money may be treated differently from the treatment which would apply if the money was held with an approved bank in an account in the United Kingdom. We will not be liable for the solvency, acts or omissions of any third party referred to in this sub-clause.

(4) It is not our policy to pay interest to you on any of your money that we hold and by entering into this Agreement you acknowledge that you are therefore waiving any entitlement to interest under the Client Money Rules or otherwise.

(5) You agree that, in the event that there has been no movement on your account balance for a period of at least six years (notwithstanding any payments or receipts of charges, interest or similar items) and we are unable to trace you despite having taken reasonable steps to do so, we may cease to treat your money as client money and accordingly release any client money balances from the segregated account.

Where we agree – money received from you not subject to Client Money Rules

(6) Following appropriate disclosure of the risks by us to you, you and we may agree that you do not require money which is transferred by you to us to be held in accordance with the Client Money Rules. Any such agreement must be in our agreed form and signed by you and may be provided to us by fax or by scanned copy sent to us by email. Following such an agreement, we will treat any transfer of money by you to us as a transfer of full ownership of money to us for the purpose of securing

or covering your present, future, actual, contingent or prospective obligations, and we will not hold such money in accordance with the Client Money Rules. Any money received by us from you or a third party for your account will be owed by us to you, even where we are acting as your agent. Because the Client Money Rules will not apply, you no longer have a proprietary claim over money transferred to us, and we can deal with it in our own right. We will transfer an equivalent amount of money back to you where, in our discretion, we consider that the amount of money you have transferred to us is more than is necessary to cover your present and future obligations to us. In determining the amount of collateral and the amount of our obligations to you, we may apply such methodology (including judgements as to the future movement of markets and values), as we consider appropriate, consistent with this Agreement.

18. Indemnity and liability

(1) Subject always to Term 1(3), you will indemnify us, and keep us indemnified on demand, in respect of all liabilities, losses or costs of any kind or nature whatsoever that may be incurred by us as a direct or indirect result of any failure by you to perform any of your obligations under this Agreement, in relation to any Transaction or in relation to any false information or declaration made either to us or to any third party, in particular to any Exchange.

(2) To the extent permitted by law, you will indemnify, protect and hold us harmless from and against all losses, liabilities, judgements, suits, actions, proceedings, claims, damages and/or costs resulting from or arising out of any act or omission by any person obtaining access to your account by using your designated account number and/or password, whether or not you authorised such access.

(3) Without prejudice to any other Terms of this Agreement, we will have no liability to you in relation to any loss that you suffer as a result of any delay or defect in or failure of the whole or any part of our Electronic Trading Services' software or any systems or network links or any other means of communication. We will have no liability to you, whether in contract or in tort (including negligence) in the event that any computer viruses, worms, software bombs or similar items are introduced into your computer hardware or software via our Electronic Trading Services, provided that we have taken reasonable steps to prevent any such introduction.

(4) Unless we are prohibited from excluding such liability by law (for example, for losses relating to death or personal injury or caused by our fraud), we will not be liable for any direct, indirect, special, incidental, punitive or consequential damages (including, without limitation, loss of business, loss of profits, failure to avoid a loss, loss of data, loss or corruption of data, loss of goodwill or reputation) caused by any act or omission of ours under this Agreement.

(5) If and to the extent that we are found liable for any losses or damages in relation to a Transaction then, unless we are prohibited from limiting such liability by law, the maximum amount of our liability will be limited to four times the amount of Commission or Spread paid or payable by you in respect of that Transaction.

19. Representations and warranties

(1) You represent and warrant to us, and agree that each such representation and warranty is deemed repeated each time you open or close a Transaction by reference to the circumstances prevailing at such time, that:

- (a) the information provided to us in your application form and at any time thereafter is true and accurate in all respects;
- (b) you are duly authorised to execute and deliver this Agreement, to open each Transaction and to perform your obligations hereunder and thereunder and have taken all necessary action to authorise such execution, delivery and performance;
- (c) you will enter into this Agreement and open each Transaction as principal;
- (d) any person representing you in opening or closing a Transaction will have been, and (if you are a company) the person entering into this Agreement on your behalf is, duly authorised to do so on your behalf;
- (e) you have obtained all governmental or other authorisations and consents required by you in connection with this Agreement and in connection with opening or closing Transactions and such authorisations and consents are in full force and effect and all of their conditions have been and will be complied with;
- (f) execution, delivery and performance of this Agreement and each Transaction will not violate any law, ordinance, charter, by-law or rule applicable to you, the jurisdiction in which you are resident, or any agreement by which you are bound or by which any of your assets are affected; and
- (g) other than in exceptional circumstances, you will not send funds to your account(s) with us from, or request that funds be sent from your account(s) to, a bank account other than that identified in your account opening form or as otherwise agreed by us. Whether exceptional circumstances exist will be determined by us from time to time.

(2) This Agreement contains the entire understanding between the parties in relation to the dealing services we offer.

(3) In the absence of our fraud, wilful default or negligence, we give no warranty regarding the performance of our website(s), our Electronic Trading Services or other software or their suitability for any equipment used by you for any particular purpose.

(4) Any breach by you of the warranties in Term 19(1) above renders any Transaction voidable from the outset or capable of being closed by us at our then prevailing prices, at our absolute discretion.

20. Market abuse

(1) We will frequently hedge our liability to you by opening analogous positions with other institutions or in the Underlying Market. The result of our doing this is that when you open or close a Transaction relating to a share or other Instrument with us, your Transactions can, through our hedging, exert a distorting influence on the Underlying Market for that Instrument, in addition to the impact that it may have on our own prices. This creates a possibility of market abuse and the function of this Term is to prevent such abuse.

(2) You represent and warrant to us now, and agree that each such representation and warranty is deemed repeated each time you open or close a Transaction, that:

- (a) you will not open and have not opened a Transaction or Transactions with us relating to a particular share price if to do so would result in you, or others with whom you are acting in concert together, having an exposure to the share price that is equal to or exceeds the amount of a declarable interest in the relevant company. For this purpose the level of a declarable interest will be the prevailing level at the material time, set by law or by the stock exchange(s) on which the underlying share is listed;
- (b) you will not open and have not opened a Transaction with us in connection with:
 - (i) a placing, issue, distribution or other analogous event; or
 - (ii) an offer, take-over, merger or other analogous event,

in which you are involved or otherwise interested; and

(c) you will not open and have not opened a Transaction that contravenes any primary or secondary legislation or other law against insider dealing or market manipulation. For the purposes of this clause you agree that we may proceed on the basis that when you open or close a Transaction with us on a share price, you may be treated as dealing in securities within the meaning of Part V of the Criminal Justice Act 1993.

(3) In the event that (i) you open any Transaction in breach of the representations and warranties given in Term 20(1) above, or (ii) we have reasonable grounds for suspecting that you have done so, we may, at our absolute discretion and without being under any obligation to inform you of our reason for doing so, close that Transaction and any other Transactions that you may have open at the time and also, at our absolute discretion:

- (a) enforce the Transaction or Transactions against you if it is a Transaction or Transactions under which you have incurred a loss; or
 - (b) treat all your Transactions closed under this clause as void if they are Transactions under which you have secured a profit, unless and until you produce conclusive evidence that you have not, in fact, committed the breach of warranty and/or misrepresentation the suspicion of which was the ground for closing your Transaction(s). For the avoidance of doubt, if you do not produce such evidence within the period of six months from the date on which such Transaction was opened, all such Transactions will be finally null and void as between you and us.
- (4) You acknowledge that the Transactions in which you deal with us are speculative instruments and you agree that you will not open any Transactions with us in connection with any corporate finance style activity.
- (5) You acknowledge that it would be improper for you to deal in the Underlying Market if the sole purpose of such a transaction was to impact on our bid or offer prices, and you agree not to conduct any such transactions.

21. Credit

Details of any credit arrangement that may be available to you are or will be set out in, and will be subject to, such terms, conditions and limits as may be agreed in separate correspondence. We reserve the right to alter any credit arrangements agreed with you at any time. You acknowledge that when you deal with us on credit, neither any limit set on your account nor any amount of margin you have paid puts any limit on your potential losses in respect of a Transaction. Your financial liability to us may exceed the level of any credit or other limit placed on your account.

22. Force Majeure Events

(1) We may, in our reasonable opinion, determine that an emergency or an exceptional market condition exists (a "Force Majeure Event"), in which case we

will, in due course, inform the FSA and take reasonable steps to inform you. A Force Majeure Event will include, but is not limited to, the following:

- (a) any act, event or occurrence (including without limitation any strike, riot or civil commotion, act of terrorism, war, industrial action, acts and regulations of any governmental or supra national bodies or authorities) that, in our opinion, prevents us from maintaining an orderly market in one or more of the Instruments in respect of which we ordinarily deal in Transactions;
 - (b) the suspension or closure of any market or the abandonment or failure of any event on which we base, or to which we in any way relate, our quote, or the imposition of limits or special or unusual terms on the trading in any such market or on any such event;
 - (c) the occurrence of an excessive movement in the level of any Transaction and/or the Underlying Market or our anticipation (acting reasonably) of the occurrence of such a movement;
 - (d) any breakdown or failure of transmission, communication or computer facilities, interruption of power supply, or electronic or communications equipment failure;
 - (e) failure of any relevant supplier, intermediate broker, agent or principal of ours, custodian, sub-custodian, dealer, exchange, clearing house or regulatory or self-regulatory organisation, for any reason, to perform its obligations.
- (2) If we determine that a Force Majeure Event exists, we may, at our absolute discretion, without notice and at any time, take one or more of the following steps:
- (a) increase your margin requirements;
 - (b) close all or any of your open Transactions at such Closing Level as we reasonably believe to be appropriate;
 - (c) suspend or modify the application of all or any of the Terms of this Agreement to the extent that the Force Majeure Event makes it impossible or impracticable for us to comply with the Term or Terms in question; or
 - (d) alter the Last Dealing Time for a particular Transaction.

23. Suspension and insolvency

- (1) If at any time trading on the Underlying Market is suspended in any Instrument that forms the subject of a Transaction then the value of the Transaction unless re-valued by us as set out in this Term 23, for the purposes of margining and otherwise, will be the midprice quoted by us at the time of suspension.
- (2) In the event that the suspension continues for five business days, we may at our discretion impose a closing date at any time during the suspension and a Closing Level, which will be the Closing Level of that Transaction. If we do not impose a closing date and Closing Level then the Transaction, irrespective of whether it is an Expiry Transaction and the date of contract expiry passes and irrespective of any Orders given by you, will remain open until such time as the suspension is terminated or until, where the Instrument is in respect of a company, that company goes into insolvency or is otherwise dissolved. If it is an Expiry Transaction you will be deemed to have requested that the Transaction be rolled forward into the next contract period until the first expiry date following the lifting of the suspension unless, as noted above, the Transaction is in respect of a company and that company goes into external administration or similar.
- (3) We reserve the right at all times during the term of a Transaction where the underlying Instrument is suspended to revalue such Transaction at such price and/or to change the margin rate, in both cases as we shall determine to be reasonable in the circumstances and to require payment of deposit or margin accordingly. If the Transaction remains open until such time as the suspension is terminated, which, for the avoidance of doubt, can occur without warning or notice to us, any Orders that you may have given us with respect to that Transaction will be executed as soon as is reasonable in the circumstances. We cannot guarantee that Orders will be executed at the first available Underlying Market price.
- (4) If a company, whose Instrument represents all or part of the subject-matter of a Transaction, goes into insolvency or is otherwise dissolved, the day on which the company goes into insolvency or is otherwise dissolved will be the closing date of that Transaction. The Closing Level will be the value of any distribution a holder of a security of the same type as the Instrument underlying the Transaction would receive.

24. Queries, complaints and disputes

- (1) If you have a complaint against us, you should advise our Customer Services Department of the complaint immediately. We will investigate the complaint promptly and fully in accordance with our complaints handling procedure. A copy of our complaints handling procedure may normally be found on our website(s) and is available on request. If you are dissatisfied with the result of our investigation or with any action taken by us as a result thereof, you may refer the complaint to our Compliance Department for further investigation.

(2) Without prejudice to any of our other rights to close a Transaction under this Agreement, in any case where we are in dispute with you in respect of a Transaction or alleged Transaction or any communication relating to a Transaction, we may, at our absolute discretion and without notice, close any such Transaction or alleged Transaction, where we reasonably believe such action to be desirable for the purpose of limiting the maximum amount involved in the dispute, and we will not be under any obligation to you in connection with any subsequent movement in the level of the Transaction concerned. If we close one or more of your Transactions under this Term, such action will be without prejudice to our right to contend in relation to any dispute that such Transaction had already been closed by us or was never opened by you. We will take reasonable steps to inform you that we have taken such action as soon as practicable after doing so. Where we close a Transaction or alleged Transaction in accordance with this Term, the closing will be without prejudice to your rights:

- (a) to seek redress or compensation for any loss or damage suffered in connection with the disputed or alleged Transaction or communication, prior to the closing; and
 - (b) to open a new Transaction at any time thereafter, provided that such Transaction is opened in accordance with this Agreement, which will be applied, for the purposes only of calculating any relevant limits or money required from you, on the basis that our view of the disputed events or communication is correct.
- (3) We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000, so the maximum compensation is £48,000. Further information about compensation arrangements is available from the Financial Services Compensation Scheme.

25. Miscellaneous

- (1) We reserve the right to close or suspend your account at any time.
- (2) Our rights and remedies under this Agreement will be cumulative, and our exercise or waiver of any right or remedy will not preclude or inhibit the exercise of any additional right or remedy. Our failure to enforce or exercise any right under this Agreement will not amount to a waiver or bar to enforcement of that right.
- (3) We may assign the benefit and burden of this Agreement to a third party, in whole or in part, provided that any assignee agrees to abide by the Terms of this Agreement and subject to the approval of the FSA. Such assignment will come into effect 10 business days following the day you are deemed to have received notice of the assignment in accordance with Term 13(9). You agree that you may not assign the benefit and burden of this Agreement, whether in whole or in part, to any third party without our prior written consent.
- (4) You acknowledge and agree that the copyrights, trade marks, database and other property or rights in any information distributed to or received by you from us (including, but not limited to, our prices), together with the contents of our website(s), brochures and other material connected with our dealing service and in any database that contains or constitutes such information, will remain the sole and exclusive property of ours or any third party identified as being the owner of such rights.
- (5) You agree that you will not permit or facilitate, and will take reasonable steps to prevent, any sale, dissemination, re-distribution or re-publication of the information referred to in Term 25(4) to any third party.
- (6) If any Term (or any part of any Term) is held by a court of competent jurisdiction to be unenforceable for any reason then such Term will, to that extent, be deemed severable and not form part of this Agreement, but the enforceability of the remainder of this Agreement will not be affected.
- (7) You will be responsible at all times for the payment of all taxes due and for providing any relevant tax authority with any information relating to your dealings with us. You agree that if we provide you with any information or express any opinion in relation to the tax treatment of your dealings with us it will not be reasonable for you to rely upon any such statement and it will not constitute tax advice.

26. Amendment and termination

- (1) We may amend this Agreement and any arrangements made hereunder at any time by written notice to you (and such notice may, for the avoidance of doubt, be provided to you by email). Any amendment to this Agreement will come into effect on the date specified by us which will, in most cases, be at least 10 business days after you are deemed to have received notice of the amendment in accordance with Term 13(9) (unless it is impractical in the circumstances to give 10 days' notice). Any amended agreement will supersede any previous agreement between us on the same subject matter and will govern any Transaction entered into after, or outstanding on, the date the new edition comes into effect.
- (2) This Agreement and any arrangements hereunder may be suspended or terminated by either party upon giving the other party written notice of suspension

or termination, which will take effect immediately, unless otherwise specified in the notice. Any such suspension or termination will not affect any obligation that may already have been incurred by either party in respect of any outstanding Transaction or any legal rights or obligations that may already have arisen under this Agreement or any dealings made thereunder.

27. Governing law

(1) This Agreement and each Transaction entered into with you is in all respects governed by English law and the courts of England and Wales will have non-exclusive jurisdiction to settle any disputes that may arise in relation thereto. Nothing in this Term 27 will prevent us from bringing proceedings against you in any other jurisdiction.

(2) If you are situated outside of England and Wales, process by which any proceedings in England are begun may be served on you by being delivered to the address provided by you when you opened your account or to any new address subsequently notified to us. Nothing in this Term affects our right to serve process in another manner permitted by law.

28. Privacy

(1) You acknowledge that by opening an account with us and opening or closing Transactions, you will be providing us with personal information within the meaning of the Data Protection Act 1998. You consent to us processing all such information for the purposes of performing the contract and administering the relationship between you and us. You consent to our disclosing such information: (i) where we are required to by law; (ii) to Associated Companies; (iii) to the FSA and other regulatory authorities upon their reasonable request; (iv) to introducing brokers with whom we have a mutual relationship; and (v) to such third parties as we deem reasonably necessary in order to prevent crime. You acknowledge that any of the persons listed in the previous sentence may be either within or outside the European Economic Area.

(2) You authorise us, or our agents acting on our behalf, to carry out such credit and identity checks as we may deem necessary or desirable, including requesting a reference from your bank from time to time and you agree to assist us, where necessary, in obtaining such a reference. You acknowledge and agree that this may result in your personal information being sent to our agents, who may be within or outside the European Economic Area. You agree that we will be permitted, if so required, to furnish relevant information concerning you or your account to any person who we believe to be seeking a reference or credit reference in good faith.

(3) You authorise us or our Associated Companies to telephone or otherwise contact you at any reasonable time in order to discuss any aspect of our business or of our Associated Companies' business. If you do not wish us or our Associated Companies to so contact you for any direct marketing activities, you must inform us (or the relevant Associated Company) in writing.

29. Interpretation

In this Agreement:

(1)

"Agreement" means this agreement and all schedules, Product Modules, the Contract Details, any ancillary documents referred to herein and any amendments thereto. For the avoidance of doubt this agreement supercedes and replaces any previous customer agreement in force between you and us which dealt with Transactions;

"Applicable Regulations" means: (a) Rules of a relevant regulatory authority; (b) the Rules of the relevant Exchange; and (c) all other applicable laws, rules and regulations as in force from time to time, as applicable to this Agreement and any Transaction, or Electronic Trading Service;

"Associated Company" means any holding company or subsidiary company (as defined in the Companies Act 1985), from time to time, of ours and/or any subsidiary company of any such holding company;

"Attached Order" means an Order that relates to or is referenced to an existing Transaction that you have with us;

"Buffer Limit" has the meaning given to it in Term 11(1) and 11(2) and may be an order to open or to close a Transaction;

"business day" means any day other than a Saturday, Sunday and a public holiday in the UK;

"Buy" has the meaning attributed to it in Term 5(1);

"CFD" has the same meaning given to that term in the Contracts for Differences Product Module;

"Contract Details" means the section of the public pages of our website designated as the Contract Details as amended from time to time. If you do not have access

to our website a copy of these is available upon request, however, please note that they may change without notice to you and it is your responsibility to make yourself aware of the current Contract Details, whether by telephone or otherwise, where they apply to any positions opened or closed by you;

"Client Money Rules" means the provisions of the FSA Rules that relate to money received by MiFID investment firms from clients;

"Closing Level" means the level at which a Transaction is closed;

"Commission" has the meaning attributed to it in Terms 4(1), 5(5) and 7(13);
"Commission Transaction" has the meaning attributed to it in Term 4(1);

"Conflicts Policy" means a document that identifies all potential conflicts of interests with clients and describes all of our organisational and administrative controls to manage such conflicts of interests such that we can be reasonably confident that risks of damage to clients as a result of any conflict will be prevented;

"Currency" shall be construed so as to include any unit of account;

"dollars" and "\$" denote lawful currency of the United States;

"euros" and "€" denote lawful currency of the Eurozone countries of the European Union; "Electronic conversation" means a conversation between you and us held via our Electronic Trading Services;

"Electronic Trading Services" means any electronic services (together with any related software) including without limitation trading, direct market access order routing or information services that we grant you access to or make available to you either directly or through a third party service provider, and used by you to view information and/or enter into Transactions;

"Eligible Counterparty" has the meaning given to this term in the FSA Rules; "Event of Default" has the meaning attributed to it in Term 16(1);

"Exchange" means any securities or futures exchanges, or any clearing house, self-regulatory organizations or alternative trading system as we shall grant you to have access to from time to time;

"Expiry Transaction" means a Transaction which has a set contract period, at the end of which the Expiry Transaction expires automatically;

"FIX" means Financial Information Exchange protocol;

"Force Majeure Event" has the meaning attributed to it in Term 22(1);

"Force Open" means a Transaction in respect of a particular Instrument where you already have an open Transaction in respect of the same Instrument which would ordinarily result in the netting of these two Transactions against each other and the closing or partial closing of both pursuant to Term 6 of this Agreement and/or the Master Netting Agreement which applies to you; but where we accept your offer to open the second Transaction without offsetting it against that which preceded it so that two Transactions result;

"FSA" means The Financial Services Authority or any organisation that will replace the FSA or take over the conduct of its affairs;

"FSA Rules" means the rules of the FSA as from time to time varied, amended or substituted by the FSA and, where you open an account via a Branch office of ours, "FSA Rules" includes the Conduct of Business rules of the EEA member state in which the Branch office is located;

"Instrument" means any stock, share, futures contract, forward or option contract, commodity, precious metal, Exchange Rate, interest rate, debt instrument, stock or other index, or other investment in respect of which we offer to deal in Transactions;

"Last Dealing Time" means the last day and (as the context requires) time before which a Transaction may be dealt in, as set out in the Contract Details or otherwise notified to you, or otherwise the last day and (as the context requires) time on which the underlying Instrument may be dealt in on the relevant Underlying Market;

"Limit Order" has the meaning given to it in Term 11(1) and may be an order to open or to close a Transaction;

"Limited Risk Premium" has the meaning attributed to it in Term 12(5);

"Linked Transactions" means two or more Transactions in respect of which we agree not to call for, or apply, the full amount of margin as a result of the relationship between such Transactions;

"Manifest Error" has the meaning attributed to it in Term 10(1);

"Market Spread" means the difference between the bid and offer prices for a transaction of equivalent size in a Instrument, or a related Instrument, in the Underlying Market;

"Master Netting Agreement" means the two-way netting agreement set out at

Schedule A to this Agreement regarding all Transactions entered into by you pursuant to this Agreement that will apply to you and to us and, where applicable, has the specific meaning set out in the relevant Product Modules;

“MiFID” means Directive 2004/39/EC of the European Parliament and the Council of 21 April 2004 on markets in financial instruments;

“Minimum Size” means, in respect of a Transaction in which a Minimum Size applies, the minimum number of shares, contracts or other units of an Instrument that we will deal on, which in most cases is specified in the Contract Details and, where not so specified, we will inform you of on request;

“Normal Market Size” means the maximum number of stocks, shares, contracts or other units that we reasonably believe the Underlying Market to be good in at the relevant time, having regard, if appropriate, to the normal market size set by the London Stock Exchange or any equivalent or analogous level set by the Underlying Market on which the Instrument is traded;

“Opening Level” means the level at which a Transaction is opened;

“Order” means a Stop Order, Limit Order or Buffer Limit, as the case permits; “Order Book Share” has the same meaning given to that term in the Contracts for Differences Product Module;

“Order Execution Policy” means a document that describes all of our order execution arrangements in place to ensure that, when executing order, we take all reasonable steps to obtain the best possible results for clients in accordance with the FSA Rules;

“our bid and offer prices” has the meaning attributed to it in Term 4(1);

“pounds” and “£” denote lawful currency of the United Kingdom at the date of issue of this Agreement, known as “sterling”;

“Product Module” means a product specific module which forms part of this Agreement and sets out the terms and conditions that apply to specific types of Transactions and/or Services, and any amendments thereto. If, after your agreement to these Terms, you are sent a Product Module for a particular Transaction type that you have not traded or been provided with before, then that Product Module will be effective and binding on you from the date that you first trade or open a Transaction governed by that Product Module;

“Professional Client” has the meaning given to this term in the FSA Rules;

“Relevant Person” has the meaning given to this term in the FSA Rules;

“Retail Client” has the meaning given to this term in the FSA Rules;

“Risk Disclosure Notice” means the notice provided by us to you in compliance with FSA Rules regarding the risks associated with trading Transactions under this Agreement;

“Rules” means articles, rules, regulations, procedures, policies and customs, as in force from time to time;

“Security Devices” means one or more user identification codes, digital certificates, passwords, authentication codes, or such other information or devices (electronic or otherwise) as may be provided or specified to you, to enable your access to the Electronic Trading Services;

“Sell” has the meaning attributed to it in Term 5(1);

“Spread” has the meaning attributed to it in Term 4(1) and may, as the context requires, include Market Spread;

“Spread Transaction” has the meaning attributed to it in Term 4(1);

“Stop Order” has the meaning given to it in Term 11(1) and may be an order to open or to close a Transaction;

“Summary Conflicts Policy” means a summary of the main terms of our Conflicts Policy as it applies to Retail Clients;

“Summary Order Execution Policy” means a summary of the main terms of our Order Execution Policy as it applies to Retail Clients;

“System” means all computer hardware and software, equipment, network facilities and other resources and facilities needed to enable you to use an Electronic Trading Service;

“Transaction” means a future, option, contract for differences, spot or forward contract of any kind in relation to any Instrument (including a security) or any combination of Instruments and means either or both Expiry Transactions or Undated Transactions as the context requires;

“Unattached Order” means an Order that relates to or is referenced to a proposed Transaction that will come into effect if and when the Order is executed;

“Undated Transaction” means a Transaction with an indefinite contract period that

is not capable of expiring automatically;

“Underlying Market” means the Exchange or other similar body on which a Instrument is traded or trading in that Instrument as the context requires.

(2) a reference to:

- (a) a Term is a reference to a term of this Agreement;
- (b) an Act of Parliament is a reference to such Act as from time to time amended, consolidated or re-enacted (with or without modification) and includes all instruments or orders made under such enactment;
- (c) any time or date will be to the time and date in London, England, unless expressly noted to the contrary; and (d) the singular will import the plural and the masculine will import the feminine as the context requires.

(3) Priority of documents: in the event of any conflict between the terms of the main body of this Agreement and any Product Module, Schedule, Appendix or ancillary document referred to in this Agreement, the order of precedence for the purpose of construction shall be:

- (a) Schedule A
- (b) Schedule of Supplementary Terms and Conditions (if applicable);
- (c) Product Module;
- (d) Terms and conditions;
- (e) Contract Details;
- (f) Any other ancillary documents referred to in this Agreement.

Schedule A



TWO-WAY MASTER NETTING AGREEMENT for Exchange Traded and Related Transactions including all Transactions under the Margin Trading Customer Agreement.

THIS MASTER NETTING AGREEMENT between you and us is entered into as part of and on the same date as your Agreement to the Margin Trading Customer Agreement, or, if this Schedule did not form part of the Margin Trading Customer Agreement at the time of your agreement to the same, ten business days following the date you are advised that this Schedule forms part of the Margin Trading Customer Agreement.

NOW IT IS HEREBY AGREED as follows:

1. Scope of this Agreement

1.1 Unless otherwise agreed in writing by the Parties in Schedule 1 or otherwise and subject to the next sentence, these terms and the particular terms agreed by the Parties govern each Transaction entered into or outstanding between any two Designated Offices of the Parties on or after the date of execution of these terms. In the case of Transactions within paragraph (i), (ii), (iii) or (iv) of the definition of “Transaction”, these terms govern only those Transactions where the exchange mentioned in such definition is a Specified Exchange.

1.2 These terms, the particular terms of, and applicable to, each and every Transaction governed by these terms, the Schedules to these terms and all amendments to any of such items shall together constitute a single agreement between the Parties. The Parties acknowledge that all Transactions governed by these terms which are entered into on or after the date of execution of these terms are entered into in reliance upon the fact that all such items constitute a single agreement between the Parties.

2. Settlement and Exchange or Clearing Organisation Rules

2.1 Unless a Liquidation Date has occurred or has been effectively set, a Party shall not be obliged to make any payment or delivery scheduled to be made by that Party under a Transaction governed by these terms for so long as an Event of Default or Potential Event of Default with respect to the other Party has occurred and is continuing.

2.2 Unless otherwise agreed in writing by the Parties, if the Parties enter into any Transaction governed by these terms to close out any existing Transaction between the Parties then their obligations under such Transactions shall automatically and immediately be terminated upon entering into the second Transaction, except for any settlement payment due from one Party to the other in respect of such closed-out Transactions.

2.3 These terms shall not be applicable to any Transaction to the extent that action which conflicts with or overrides the provisions of this agreement has been started in relation to that Transaction by a relevant exchange or clearing organisation under applicable rules or laws and is continuing.

3. Representations, warranties and covenants

3.1 Each Party represents and warrants to the other Party as of the date of execution of these terms and, in the case of the representation and warranty in (v) of this Clause 3.1 relating to the entering into of Transactions, as of the date of entering into each Transaction governed by these terms that: (i) it has authority to enter into this agreement; (ii) the persons entering into the agreement on its behalf have been duly authorised to do so; (iii) this agreement and the obligations created under this agreement are binding upon it and enforceable against it in accordance with their terms (subject to applicable principles of equity) and do not and will not violate the terms of any agreements to which such Party is bound; (iv) no Event of Default or Potential Event of Default has occurred and is continuing with respect to it; and (v) it acts as principal and sole beneficial owner (and not as trustee) in entering into these terms and each and every Transaction governed by these terms.

3.2 Each Party covenants to the other Party that: (i) it will at all times obtain and comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations, approvals, licences and consents required to enable it lawfully to perform its obligations under this agreement; and (ii) it will promptly notify the other Party of the occurrence of any Event of Default or Potential Event of Default with respect to itself or any Credit Support Provider in relation to it.

4. Termination and liquidation

4.1 If, at any time:

(i) a Party fails to make any payment when due under or to make or take delivery of any property when due under, or to observe or perform any other provision of, this agreement (including any Transaction governed by these terms) and such failure continues for two business days after notice of non-performance has been given by the other Party to the defaulting Party;

(ii) a Party commences a voluntary case or other procedure seeking or proposing liquidation, reorganisation, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to itself or to its debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any corporate or other law with potential application to an insolvent Party), or seeking the appointment of a trustee, receiver, liquidator, conservator, administrator, custodian, examiner or other similar official (each a "Custodian") of it or any part of its assets; or takes any corporate action to authorise any of the foregoing; and, in the case of a reorganisation, arrangement or composition, the other Party does not consent to the proposals;

(iii) an involuntary case or other procedure is commenced against a Party seeking or proposing liquidation, reorganisation, an arrangement or composition, a freeze or moratorium, or other similar relief with respect to it or its debts under any bankruptcy, insolvency, regulatory, supervisory or similar law (including any corporate or other law with potential application to an insolvent Party) or seeking the appointment of a Custodian of it or any part of its assets and such involuntary case or other procedure either (a) has not been dismissed within five days of its institution or presentation or (b) has been dismissed within such period but solely on the grounds of an insufficiency of assets to cover the costs of such case or other procedure;

(iv) a Party dies, becomes of unsound mind, is unable to pay its debts as they fall due or is bankrupt or insolvent, as defined under any bankruptcy or insolvency law applicable to such Party; or any indebtedness of a Party is not paid on the due date therefor or becomes, or becomes capable at any time of being declared, due and payable under agreements or instruments evidencing such indebtedness before it would otherwise have been due and payable, or proceedings are commenced for any execution, any attachment or garnishment, or any distress against, or an encumbrancer takes possession of, the whole or any part of the property, undertaking or assets (tangible and intangible) of a Party;

(v) a Party or any Credit Support Provider in relation to a Party (or any Custodian acting on behalf of a Party or any Credit Support Provider in relation to a Party) disaffirms, disclaims or repudiates any obligation under this agreement (including any Transaction governed by these terms) or any Credit Support Document;

(vi) any representation or warranty made or deemed made by a Party pursuant to this agreement or pursuant to any Credit Support Document proves to have been false or misleading in any material respect as at the time it was made or given; (vii) (a) any Credit Support Provider in relation to a Party or the relevant Party itself fails to comply with or perform any agreement or obligation to be complied with or performed by it in accordance with the applicable Credit Support Document; (b) any Credit Support Document relating to a Party expires or ceases to be in full force and effect prior to the satisfaction of all obligations of such Party under this agreement (including any Transaction governed by these terms), unless the other Party has agreed in writing that this shall not be an Event of Default; (c) any representation or warranty made or deemed made by any Credit Support Provider in relation to a Party pursuant to any Credit Support Document proves to have been false or misleading in any material respect as at the time it was made

or given or deemed made or given; or (d) any event referred to in (ii) to (iv) or (vii) of this Clause 4.1 occurs in respect of any Credit Support Provider in relation to a Party; (viii) a Party is dissolved, or in respect of a Party whose existence is dependent upon a formal registration, such registration is removed or ends, or any procedure is commenced seeking or proposing a Party's dissolution or the removal or ending of such a registration of a Party; or

(ix) any event of default (however described) occurs under any terms of business in place between the Parties or any other event specified for these purposes in Schedule 1 or otherwise occurs, then the other Party (the "Non-Defaulting Party") may exercise its rights under Clause 4.2, except that, if so agreed in writing by the Parties (whether by specifying as such in Schedule 1 hereto or otherwise), in the case of the occurrence of any Event of Default specified in paragraph (ii) or (iii) above the provisions of Clause 4.3 shall apply.

4.2 Subject to Clause 4.3, at any time following the occurrence of an Event of Default, the Non-Defaulting Party may, by notice to the Defaulting Party, specify a Liquidation Date for the termination and liquidation of Transactions in accordance with the provisions of Clause 4.4.

4.3 If the Parties have so agreed, the date of the occurrence of any Event of Default specified in paragraph (ii) or (iii) of Clause 4.1 shall automatically constitute a Liquidation Date, without the need for any notice by either Party and to the intent that the provisions of Clause 4.4 shall then apply.

4.4 Upon the occurrence of a Liquidation Date:

(i) neither Party shall be obliged to make any further payments or deliveries under any Transactions governed by these terms which would, but for this Clause, have fallen due for performance on or after the Liquidation Date and such obligations shall be satisfied by settlement (whether by payment, set-off or otherwise) of the Liquidation Amount;

(ii) the Non-Defaulting Party shall (on, or as soon as reasonably practicable after, the Liquidation Date) determine (discounting if appropriate), in respect of each Transaction governed by these terms, its total cost, loss or, as the case may be, gain, in each case expressed in the Non-Defaulting Party's Base Currency (and, if appropriate, including any loss of bargain, cost of funding or, without duplication, cost, loss or, as the case may be, gain as a result of the termination, liquidation, obtaining, performing or re-establishing of any hedge or related trading position), as a result of the termination, pursuant to this agreement, of each payment or delivery which would otherwise have been required to be made under such Transaction (assuming satisfaction of each applicable condition precedent and having due regard to, if appropriate, such market quotations published on, or official settlement prices set by, a relevant exchange or clearing organisation as may be available on, or immediately preceding, the date of calculation); and

(iii) the Non-Defaulting Party shall treat each cost or loss to it, determined as above, as a positive amount and each gain by it, so determined, as a negative amount and aggregate all of such amounts to produce a single, net positive or negative amount, denominated in the Non-Defaulting Party's Base Currency (the "Liquidation Amount").

4.5 If the Liquidation Amount determined pursuant to Clause 4.4 is a positive amount, the Defaulting Party shall pay it to the Non-Defaulting Party and if it is a negative amount, the Non-Defaulting Party shall pay it to the Defaulting Party. The Non-Defaulting Party shall notify the Defaulting Party of the Liquidation Amount, and by which Party it is payable, immediately after the calculation of such amount.

4.6 Unless the Parties specify otherwise in Schedule 1 or otherwise, where termination and liquidation occurs in accordance with Clause 4.4, the Non-Defaulting Party shall also be entitled, at its discretion, to apply the provisions of Clause 4.4 to any other Transactions entered into between the Parties which are then outstanding, as if each such Transaction were a Transaction governed by these terms.

4.7 The amount payable by one Party to the other Party pursuant to the provisions of Clause 4.5, or any applicable laws or regulations, shall be paid in the Non-Defaulting Party's Base Currency by the close of business on the business day following the completion of the termination and liquidation under Clause 4.4, or any laws or regulations having a similar effect, (converted as required by applicable law into any other currency, any costs of such conversion to be borne by, and (if applicable) deducted from any payment to, the Defaulting Party). Any such amount which is not paid on the due date therefor shall bear interest, at the average rate at which overnight deposits in the currency of such payment are offered by major banks in the London interbank market as of 11.00 a.m. (London time) (or, if no such rate is available, at such reasonable rate as the Non-Defaulting Party may select) plus 1% per annum, for each day for which such amount remains unpaid.

4.8 For the purposes of any calculation hereunder, the Non-Defaulting Party may convert amounts denominated in any other currency into the Non-Defaulting Party's Base Currency at such rate prevailing at the time of the calculation as it shall reasonably select.

4.9 The Non-Defaulting Party's rights under this Clause 4 shall be in addition to, and not in limitation or exclusion of, any other rights which the Non-Defaulting Party may have (whether by agreement, operation of law or otherwise).

5. Set-off

Without prejudice to any other right or remedy which it may have, either Party may, on or after the occurrence of a Liquidation Date and the determination of the Liquidation Amount, set off any amount owing by it (whether actual or contingent, present or future and including, if applicable and without limitation, the Liquidation Amount and any amount due and payable on or before the Liquidation Date but remaining unpaid) to the other Party against any amount owing by such other Party (whether actual or contingent, present or future and including, if applicable and without limitation, the Liquidation Amount and any amount due and payable before the Liquidation Date but remaining unpaid) to the first Party.

6. Currency indemnity

If a Party (the first Party) receives or recovers any amount in respect of an obligation of the other Party (the second Party) in a currency other than that in which such amount was payable, whether pursuant to a judgment of any court or otherwise, the second Party shall indemnify and hold harmless the first Party from and against any cost (including costs of conversion) and loss suffered by the first Party as a result of receiving such amount in a currency other than the currency in which it was due.

7. Assignments and transfers

Neither Party may assign, charge or otherwise transfer or purport to assign, charge or otherwise transfer its rights or obligations under this agreement (including the Transactions governed by these terms) or any interest therein without the prior written consent of the other Party, and any purported assignment, charge or transfer in violation of this Clause shall be void.

8. Notices

Unless otherwise agreed, all notices, instructions and other communications to be given to a Party under this agreement shall be given to the address, telex (if confirmed by the appropriate answerback) or facsimile (confirmed if requested) number and to the individual or department specified in Schedule 1 or by notice in writing by such Party. Unless otherwise specified, any notice, instruction or other communication given in accordance with this Clause shall be effective upon receipt.

9. Termination, waiver and partial invalidity

9.1 Either of the Parties hereto may terminate this agreement at any time by seven days' prior notice to the other Party and termination shall be effective at the end of such seventh day; provided, however, that any such termination shall not affect any then outstanding Transactions governed by these terms, and the provisions of this agreement shall continue to apply until all the obligations of each Party to the other under this agreement (including the Transactions governed by these terms) have been fully performed.

9.2 A Party may waive any right, power or privilege under this agreement only by (and to the extent of) an express statement in writing.

9.3 If, at any time, any provision of these terms is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of these terms nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

10. Time of essence

Time shall be of the essence in this agreement.

11. Payments

Every payment to be made by a Party under these terms shall be made in same day (or immediately available) and freely transferable funds to the bank account designated by the other Party for such purpose.

12. Governing law and jurisdiction

Unless the Parties specify otherwise in Schedule 1 or otherwise:

12.1 These terms shall be governed by, and construed in accordance with, the laws of England and Wales.

12.2 With respect to any Proceedings, each Party irrevocably (i) agrees that the courts of England shall have exclusive jurisdiction to determine any Proceedings and irrevocably submits to the jurisdiction of the English courts and (ii) waives any objection which it may have at any time to the bringing of any Proceedings in any such court and agrees not to claim that such Proceedings have been brought in an inconvenient forum or that such court does not have jurisdiction over such Party.

12.3 Each Party irrevocably waives to the fullest extent permitted by applicable law,

with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any courts, (iii) relief by way of injunction, order for specific performance or for recovery of property, (iv) attachment of its assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any Proceedings in the courts of any jurisdiction and irrevocably agrees to the extent permitted by applicable law that it will not claim any such immunity in any Proceedings. Each Party consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings, including, without limitation, the making, enforcement or execution against any property whatsoever of any order or judgment which may be made or given in such Proceedings.

13. Interpretation

13.1 In these terms:

"Base Currency" means, as to a Party, the currency specified as such in Schedule 1 or agreed as such in relation to it in writing between the Parties or, failing any such specification or agreement, the lawful currency of the United Kingdom;

"Credit Support Document" means, as to a Party (the first Party), a guarantee, hypothecation agreement, margin or security agreement or document, or any other document containing an obligation of a third party ("Credit Support Provider"), or of the first Party, in favour of the other Party supporting any obligations of the first Party under this agreement; "Credit Support Provider" has the meaning given to it in the definition of Credit Support Document; "Custodian" has the meaning given to it in Clause 4.1;

"Defaulting Party" means the Party in respect of which, or related to a Credit Support Provider in respect of which, an Event of Default has occurred;

"Designated Office(s)" means, as to a Party, the office identified with its name on page 1 of these terms and any other office(s) specified in Schedule 1 or otherwise agreed by the Parties to be its Designated Office(s) for the purposes of this agreement;

"Liquidation Date" means a day on which, pursuant to the provisions of Clause 4, the Non-Defaulting Party commences the termination and liquidation of Transactions or such a termination and liquidation commences automatically; "Potential Event of Default" means any event which may become (with the passage of time, the giving of notice, the making of any determination hereunder or any combination thereof) an Event of Default;

"Proceedings" means any suit, action, or other proceedings relating to this agreement;

"Specified Exchanges" means the exchanges specified in Schedule 2 and any other exchanges agreed by the Parties to be Specified Exchanges for the purposes of Clause 1.1; and "Specified Exchange" means any of them;

"Transaction" means:

- (i) a contract made on an exchange or pursuant to the rules of an exchange;
- (ii) a contract subject to the rules of an exchange; or
- (iii) a contract which would (but for its term to maturity only) be a contract made on, or subject to the rules of, an exchange and which, at the appropriate time, is to be submitted for clearing as a contract made on, or subject to the rules of, an exchange, in any of cases (i), (ii) and (iii) being a future, option, contract for differences, spot or forward contract of any kind in relation to any commodity, metal, financial instrument (including any security), currency, interest rate, index or any combination thereof;
- (iv) a transaction which is back-to-back with any transaction within paragraph (i), (ii), or (iii) of this definition; or
- (v) any other transaction which the Parties agree shall be a Transaction.

13.2 In these terms, "Event of Default" means any of the events listed in Clause 4.1; "Liquidation Amount" has the meaning ascribed to it in Clause 4.4; and "Non-Defaulting Party" has the meaning ascribed to it in Clause 4.1.

13.3 Any reference in these terms to:

a "business day" shall be construed as a reference to a day (other than a Saturday or Sunday) on which:

- (i) in relation to a date for the payment of any sum denominated in (a) any currency (other than ecu or euro), banks generally are open for business in the principal financial centre of the country of such currency; (b) ecu, the Ecu Clearing and Settlement System operated by the Ecu Banking Association (or, if such clearing system ceases to be operative, any other clearing or settlement system determined by the Parties) is open for business; or (c) euros, settlement of payments denominated in euros is generally possible in London or any other financial centre in Europe selected by the Parties; and

(ii) in relation to a date for the delivery of any property, property of such type is capable of being delivered in satisfaction of obligations incurred in the market in which the obligation to deliver such first property was incurred;

a "Clause" or "Schedule" shall be construed as a reference to, respectively, a clause or schedule of these terms, unless the context requires otherwise;

a "currency" shall be construed so as to include any unit of account;

"indebtedness" shall be construed so as to include any obligation (whether present or future, actual or contingent, as principal or surety or otherwise) for the payment or repayment of money;

"Parties" means you and us and shall be construed as a reference to the parties to this agreement and shall include their successors and permitted assigns; and "Party" shall be construed as a reference to whichever of the Parties is appropriate in the context in which such expression may be used;

a Party to which a Credit Support Provider relates shall be construed as a reference to the Party whose obligations under this agreement are supported by that Credit Support Provider; and these "terms" or this "agreement" shall be construed as this Schedule A including the Schedules 1 & 2 to the same and as a reference to these terms or this agreement as the same may be amended, varied, novated or supplemented from time to time.

Schedule 1

1. Scope of Agreement

Each of the following shall be a Transaction for the purposes of paragraph (v) of the definition of "Transaction" in Clause 13.1: All Transactions as defined in the Margin Trading Customer Agreement.

2. Designated Offices

Each of the following shall be a Designated Office: Us - CFD Trader, Friars House, 157 - 168 Blackfriars Road, London, SE1 8EZ, UK You - your physical address as notified by you to us from time to time.

3. Additional Event(s) of Default

Not applicable

4. Automatic termination

Upon the occurrence of any Event of Default specified in paragraph (ii) or (iii) of Clause 4.1, the provisions of Clause 4.3 shall apply.

5. Termination of other Transactions

The provisions of Clause 4.6 shall apply.

6. Notices

All notices from us to you will be sent as per Term 12 of the Margin Trading Customer Agreement and all notices from you to us are to be sent by post or facsimile to our registered address: CFD Trader, Friars House, 157 - 168 Blackfriars Road, London, SE1 8EZ, UK; or facsimile number +44 (0)20 7896 0010; marked for the attention of Group Legal Counsel.

7. Governing law and jurisdiction

Not applicable

8. Base Currency

Not applicable

9. Selected Financial Centres for Euro Settlements

Schedule 2

Specified Exchanges

The following exchanges are Specified Exchanges for the purposes of Clause 1.1:

Any exchange on which we agree to enter into an exchange traded Transaction, including but not limited to Futures or Options, under the Margin Trading Customer Agreement and any clearing organisation from time to time appointed as such by any such exchange.

CFD Trader, November 2007

Contracts for Differences Product Module

1. Introduction

- (1) This Product Module forms part of the Agreement between you and us and sets out the terms and conditions that are specific to all Transactions that are CFDs.
- (2) Unless specified otherwise all references to Terms in this Product Module are references to Terms of the main body of the Agreement.
- (3) All capitalised words and phrases in this Product Module have the meanings set out in the Agreement except where they are defined below.
- (4) Except as expressly amended or specified in this Product Module, all Terms of the Agreement remain in full force and effect.

2. Non-Guaranteed CFD Stop Orders, Limit Orders and Buffer Limits

The following sub-clauses will be added to Term 11 ("Non-Guaranteed Stop Orders, Limit Orders and Buffer Limits") following Term 11(1) – (10):

Cancellation and Rollover of various CFD Orders

(11) In relation to all CFDs that are Expiry Transactions on quarterly or monthly markets, an Attached Order that relates to a Transaction that falls into this category will, where you roll over that Transaction into the next contract period, also be rolled over, unless a specific instruction has been received by us prior to the roll over of the Transaction to cancel or amend the Order(s). Please note that when the Attached Order is rolled over it will also be adjusted so that it falls the same distance from the Opening Level of the CFD as the Attached Order did from the Opening Level of the CFD that related to the previous contract period. A worked example of how this works is provided at paragraph 9 below. Any Unattached Orders will be cancelled at the end of the contract period to which that Order relates.

3. CFD charges

(1) Where you have opened a Sell in respect of a particular Instrument, we reserve the right to pass on to you any stock borrowing charges incurred by us. If you do not pay any stock borrowing charges that become payable after you have opened such a CFD, or we are unable to continue to borrow that Instrument in the Underlying Market (and we give you notice to that effect), we will be entitled to close your CFD in respect of that Instrument with immediate effect. You acknowledge that this may result in you incurring a loss on the CFD. Further, you fully indemnify us against any fine, penalty, liability or other similar charge imposed on us for any reason by any Underlying Market or any other regulatory authority that relates in any way to your opening or closing a Transaction or any related transaction by us to hedge your Transaction. For the avoidance of doubt, this indemnity extends to any stock recall or buy back fees imposed by any Underlying Market in relation to a Transaction placed by you.

4. CFD Margin

- (1) The following sub-clauses will be added to Term 14 ("Margin") following Term 14(1) – (7):
- (8) Unless otherwise agreed by us, on the business day on which you open a CFD, a margin requirement will be due from you to us being the Margin Percentage multiplied by the Contract Value. This amount is due and payable immediately upon opening the CFD. On each business day during the term of the CFD:

(a) if the Contract Value is higher than the preceding business day's close of

business Contract Value, an additional margin requirement will be due from you to us being the increase multiplied by the Margin Percentage; or

(b) if the Contract Value is lower than the preceding business day's close of business Contract Value, the margin requirement due from you to us will reduce by the amount of such decrease multiplied by the Margin Percentage. (9) When you close a CFD, we will account to you for all amounts received from you in respect of such CFD with Terms 14(8)(a) and (b), or when you partially close a CFD, the appropriate proportion calculated pro rata.

5. CFD adjustments, takeovers and voting rights

(1) Adjustments for all of your positions will be made to reflect dividend, interest and other adjustments applicable to particular Transactions. Adjustments will be calculated and will be credited to and/or deducted from your account on at least a monthly basis, and on closing your positions, as follows:

(a) interest will be credited to your account if you sold, i.e. opened a short position, and debited if you bought, i.e. opened a long position;

(b) dividends will be credited to your account if you bought, i.e. opened a long position, and debited if you sold, i.e. opened a short position.

(2) If any Instrument becomes subject to possible adjustment as the result of any of the events set out in clause 5(3) below (a "Corporate Event"), we will determine the appropriate adjustment, if any, to be made to the size and/or value and/or number of the related CFD(s) (and/or to the level of any Order) to:

(a) account for the diluting or concentrating effect necessary to preserve the economic equivalent of the rights and obligations of the parties in relation to that CFD immediately prior to that Corporate Event; and/or

(b) replicate the effect of the Corporate Event on someone with an interest in the relevant underlying Instrument, to be effective from the date determined by us and which may, for the avoidance of doubt, be retrospective.

(3) The events to which clause 5(2) refers are the declaration by the issuer of an Instrument (or, if the Instrument is itself a derivative, the issuer of the security underlying that Instrument) of the terms of any of the following:

(a) a subdivision, consolidation or reclassification of shares, a share buy-back or cancellation, or a free distribution of shares to existing shareholders by way of a bonus, capitalisation or similar issue;

(b) a distribution to existing holders of the underlying shares of additional shares, other share capital or securities granting the right to payment of dividends and/or proceeds of liquidation of the issuer equally proportionately with such payments to holders of the underlying shares, or securities, rights or warrants granting the right to a distribution of shares or to purchase, subscribe or receive shares, in any case for payment (in cash or otherwise) at less than the prevailing market price per share as determined by us;

(c) any other event in respect of the shares analogous to any of the above events or otherwise having a diluting or concentrating effect on the market value of the shares, whether temporary or otherwise; or (d) any event analogous to any of the foregoing events or otherwise having a diluting or concentrating effect on the market value of any Instrument not based on shares, whether temporary or otherwise.

(4) Any adjustment to the size and/or value and/or number of any CFD(s) (and/or to the level of any Order) will be determined reasonably and will be conclusive and binding on you. If you hold a long position (a Buy) in a CFD that is affected by a Corporate Event, we will, should you give us notice of the same, give consideration to your views about the action or adjustment to be made as a result of the

Corporate Event. If you hold a short position (a Sell) then we will take whatever action is decided by us, acting reasonably. We will inform you of any adjustment or amendment under this clause as soon as reasonably practicable.

(5) If at any time a takeover offer is made in respect of a company, then at any time prior to the closing date of such offer we may give notice to you of our intention to close a CFD in respect of that company's Instruments. The date of such notice will be the closing date and the Closing Level will be such price as we notify to you. References to "offer", "takeover" and "closing date" in this clause have the meaning given to them in the City Code on Takeovers and Mergers, as amended from time to time. These expressions will, to the extent necessary, be applied by us (acting reasonably) to analogous events on any non-UK stock exchange. (6) You acknowledge that we will not transfer voting rights relating to an underlying share or other Instrument to you, or otherwise allow you to influence the exercise of voting rights held by us or by an agent on our behalf.

6. Dividends and interest

(1) We will value open CFDs on a daily basis and calculate the amount of interest, on a basis notified to you in writing (including electronically), that would apply to the sum of money necessary to take out a position in the underlying Instrument with the same value. A different rate of interest will normally apply to long and short positions. While your CFD remains open, the amount of interest will be calculated and will accrue on a daily basis.

(2) Where applicable (e.g. where an Instrument is a stock or share in respect of which a company pays dividends) a dividend adjustment will be calculated for your account in respect of open positions held on the ex-dividend day for the relevant underlying Instrument. The dividend adjustment will generally be the amount of the net dividend receivable by a UK taxpayer holding the equivalent position in an underlying UK Instrument and will reflect normal practice in respect of non-UK Instruments, unless otherwise agreed with you.

Futures CFDs and Option CFDs

(3) In the event that there is declared or paid in respect of any Instrument a special dividend or a dividend that is unusually large or payable by reference to an ex-dividend date that is unusually early or late (in each case, having regard to dividend payments in previous years in respect of that same Instrument), we may make an appropriate adjustment (including a retrospective adjustment) to the Opening Level and/or the transaction size of a Futures CFD or Option CFD related to that Instrument and/or to the strike price of an Option CFD related to that Instrument.

7. CFD Force Majeure Events

(1) The following sub-clause will be added to Term 22 ("Force Majeure Events") following Term 22(1) (e):

(f) We will consider it to be a Force Majeure Event in the event that you open a Transaction in relation to an underlying Instrument that is a share, and that underlying share becomes unborrowable so that we are unable to hedge against losses that we may incur in relation to that Transaction. A share may either be unborrowable from the outset or our brokers or agents may recall from us a stock that we have already borrowed against. In the event that these circumstances arise, irrespective of when, we reserve the right to take any of the actions set out in Term 22(2).

8. CFD Product Module definitions:

"CFD" or "Contract for Differences" is a type of Transaction that may be an Undated CFD or an Expiry CFD and means a contract the purpose of which is to secure a profit or avoid a loss by reference to fluctuations in the value or price of property of any description or in an index or other factor designated for that purpose by us but specifically excludes any Transactions which are dealt with in a separate Product Module. Types of CFD include, but are not limited to, Foreign Exchange CFDs, Futures CFDs, Option CFDs, Share CFDs and Stock Index CFDs;

"Contract Value" means the number of shares, contracts or other units of the Instrument that you are notionally buying or selling multiplied by our current quote for closing the Transaction;

"Corporate Event" has the meaning attributed to it in clause 6(2) above;

"Exchange Rate" means the rate (in relation to two currencies in respect of which you may wish to open a Foreign Exchange CFD) at which a single unit of the first currency that you state may be bought with or, as the case may be, sold in, units of the second currency that you state;

"Expiry CFD" means a CFD which has a set contract period, at the end of which the CFD expires automatically;

"Foreign Exchange CFD" or "FX CFD" is a form of CFD that gives you exposure to changes in value of an Exchange Rate, but it cannot result in the delivery of any Currency to or by you;

"Futures CFD" is a form of CFD that gives exposure to changes in the value of a futures contract. It is not a futures contract traded on any exchange and it cannot

result in the delivery of any Instrument to or by you;

"Margin Percentage" means the percentage of margin that you are required to pay on opening any CFD and maintain during the term of the CFD, as we will notify to you from time to time or otherwise as may be set out in the Contract Details;

"Market Maker Share" means all shares that are not Order Book Shares and are generally quote rather than electronic order driven;

"Order Book Share" means all non UK shares and all UK shares that are traded using a fully electronic order book and order matching system such as SETS;

"Option CFD" is a form of CFD that gives exposure to changes in option prices. It is not a traded option and it cannot be exercised by or against you or result in the acquisition or disposal of any Instrument to or by you;

"Share CFD" is a form of CFD that gives exposure to changes in share prices. It is not an agreement to buy or sell any amount of shares and it cannot result in the delivery of any shares to or by you. The share Instrument upon which the Share CFD is based may be an Order Book Share or a Market Maker Share;

"Stock Index CFD" is a form of CFD that gives exposure to changes in the value of a stock index. It is not an agreement to buy or sell any amount of shares and it cannot result in the delivery of any shares to or by you;

"Undated CFD" means a CFD with an indefinite contract period that is not capable of expiring automatically.

9. Worked example of the roll-over of a Stop and a Limit Order on an Expiry CFD based on quarterly or monthly markets

You have a long position (a Buy) in an Expiry CFD in crude oil for the month of July with the details below:

Opening level: 6500

Stop Order Level: 6300 (being a stop distance of 200 points)

Limit Order Level: 6600 (being a limit distance of 100 points)

Current bid/offer: 6410/6418

You have specified that we should roll your Stop Order and Limit Order on this CFD upon expiry into the August contract period at the same levels. The current bid/offer of the Expiry CFD for the August period is 6260/6268 which is a 150 point discount to the level of the July contract (both the bid and offer are 150 points lower). Your Expiry CFD will be rolled over from July to August to reflect this discount as set out below:

Closing Level for the Expiry CFD for the July period: 6410 (selling at the current bid price of the July contract)

Opening Level for the Expiry CFD for the August period: 6268 (buying at the offer price of the August contract. In reality, you would pay slightly less spread on the new contract, as we offer a discount for rolling over. For simplicity's sake however we have ignored the rolling over discount in this example)

Amended Stop Order level for the August period: 6068 (being the Opening Level of the August Expiry CFD less the stop distance of 200 points, the same relative stop distance from the Opening Level as your July Stop Order)

Amended Limit Order level for the August period: 6168 (being the Opening Level of the August Expiry CFD plus the limit distance of 100 points, the same relative limit distance from the Opening Level as your July Limit Order)

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