

CMC MARKETS UK PLC  
CFD Terms of Business  
Non US Residents

July 2015

Registered in England. Company No. 02448409

Authorised and regulated by the Financial Conduct Authority. Registration No. 173730



# CMC Markets UK Plc – CFD Terms of Business

(July 2015)

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## CMC Markets UK Plc – CFD Terms of Business

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A CFD is a contract for difference. Investing in CFDs or other financial derivatives products carries a high level of risk to your capital. The prices of CFDs may change to your disadvantage very quickly. It is possible to lose more than any investment and you may be required to make further payments. These products may not be appropriate for all investors. Therefore you should ensure you understand the risks involved and seek independent advice if necessary.

### 1. INTRODUCTION

This clause explains how this document is just one part of the agreement that governs your Account.

#### 1.1 Our agreement with you.

1.1.1 This document (referred to as the “Terms”) is part of a wider agreement between you (also referred to as “our client”, “your” and “yourself”) and CMC Markets UK Plc (also referred to as “CMC Markets”, “we”, “us” and “our”) in relation to your activities carried on with us.

1.1.2 Unless otherwise stated, references in these Terms to clauses, paragraphs or schedules are to clauses, paragraphs and schedules in these Terms.

1.1.3 In these Terms certain words and expressions that begin with capital letters have the meanings set out in the relevant clause or paragraph in which they appear or as set out in Schedule 4. The meaning of certain other words and expressions are explained in clause 10.10.

1.1.4 Our agreement with you consists of several documents and also certain key product information (see clause 1.1.4(b)) that can be accessed through our Website or our Platform, and specifically comprises:

- (a) these Terms (including the Schedules);
- (b) the Attributes, Variable Rates, Holding Rates and Prices for each Product (which can be accessed through the Product Library);
- (c) any application that you submit to open an Account; and
- (d) any specific terms and conditions relating to our Website, which are displayed on our Website,

which are together referred to herein as the “Agreement”. We will notify you of any changes to the Agreement (as more fully explained in clause 9). You must ensure that you keep yourself informed of these changes.

1.1.5 There are additional documents and information available to you on our Website and through our Platform that provide more details on us and your activities carried on with us, but which are not part of the Agreement. These include:

- (a) our ‘Order Execution Policy Summary for CFDs’ (referred to as the “OEP”),

which explains certain aspects of how our Platform quotes Prices and deals with Orders and Trades;

- (b) our **'Summary Policy of Conflicts of Interest'**, which explains how we handle conflicts of interests in a manner that treats our clients fairly;
- (c) our **'Privacy and Security Policy'**, which explains how we deal with personal information that you provide to us;
- (d) any instructions, guides and worked examples published or provided by us on our Website and Platform on how to enter into and close Trades and/or to open Countdowns;
- (e) our **'Risk Warning Notice for CFDs'**, which summarises the key risks involved in investing in CFDs; and
- (f) our **'Complaints Procedure'**, which explains how you may complain about the service you receive and how your complaint will be handled.

1.1.6 For your own benefit and protection, you should take sufficient time to read the Agreement, as well as the additional documents and information available on our Website and through our Platform, before you apply to open an Account and/or place any Order, Trade or Countdown with us. You should contact us to ask for further information or seek independent professional advice if you do not understand anything.

1.1.7 It is our intention that:

- (a) the Agreement contains all the terms and conditions that govern our relationship and your activities carried on with us through our Platform;
- (b) the Agreement supersedes any prior oral or written representations, arrangements, understandings and/or agreements between you and us which relate to your activities carried on through our Platform; and
- (c) any acts, omissions or representations (oral or otherwise) made by you or us (including any of our staff and/or client management team who you have dealings with) shall not amend or take priority over the Agreement.

## 2. REGULATORY MATTERS

This clause contains certain matters that we are required to disclose or explain to you.

### 2.1 Our regulatory status.

2.1.1 CMC Markets UK Plc has its registered office at 133 Houndsditch, London EC3A 7BX, United Kingdom, and is authorised and regulated by the Financial Conduct Authority (the "FCA"), reference number 173730. The FCA's address is 25 The North Colonnade, Canary Wharf, London E14 5HS, United Kingdom ([www.fca.org.uk](http://www.fca.org.uk)).

2.1.2 Countdowns are not currently subject to regulation by the FCA. Accordingly, in respect of Countdowns, you will not be entitled to the protections afforded to Retail Clients under Applicable Law, except for the segregation of any funds held in credit by you. In

respect of Countdowns, CMC Markets UK Plc is licensed and regulated by the Gambling Commission.

## **2.2 Client categorisation.**

2.2.1 We will treat you as a Retail Client for the purposes of Applicable Law, unless we have informed you otherwise in writing. If we have categorised you as a Professional Client (whether or not at your request) you will not be entitled to certain protections afforded to Retail Clients by Applicable Law, including certain protections under the FCA's client money rules (see clause 5.2.2). You have the right to request a different client categorisation (e.g. as a Retail Client, Professional Client or Eligible Counterparty). If you request a different client categorisation, we will contact you to explain the process and any additional requirements applicable to the change.

## **2.3 Non-advised dealing.**

2.3.1 All Trades and Countdowns will be entered into on a principal-to-principal and non-advised basis. This means that unless we agree otherwise in writing (see clauses 6.1.2 and 6.1.4), neither you nor we can act as agent, attorney, trustee or representative for any other person in respect of a Trade or a Countdown. Other than an Authorised Person appointed in relation to an Account in accordance with clause 3.2.1, you will not permit any person to deal with us on your behalf.

2.3.2 We do not provide investment, financial, legal, tax, regulatory or similar advice. Any information or other features provided to you on our Website, through our Platform, via e-mail or via telephone, at any training events or otherwise, is generic and must not be treated as advice that is suitable for you or as advice that is based on a consideration of your personal circumstances. Such information and features are provided merely to assist you in exercising your own judgment when trading with us and we are not responsible for any investment decisions that you make.

2.3.3 You may wish to obtain independent professional advice from a suitably qualified adviser on any investment, financial, legal, regulatory, tax or similar matter before trading with us.

## **2.4 Complaints and disputes.**

2.4.1 We maintain a 'Complaints Procedure', which we publish on our Website and which you agree contains the procedures that will govern any disputes between you and us. You should contact us as soon as reasonably practicable if you want to raise a complaint or dispute. If you wish to complain about or dispute the terms on which a Trade or Countdown was entered into or closed, or the way our Platform handled a specific Order, Trade or Countdown, then you should notify us as soon as possible to enable us to deal with the complaint or settle the dispute quickly. You should keep your own records of the dates and times of each Order, Trade or Countdown, as that will assist us in investigating any complaint or dispute. We will investigate any complaint or dispute and notify you of the results of our investigation.

2.4.2 In addition to the 'Complaints Procedure', we operate internal complaints handling

procedures that are designed to enable us to deal with complaints and disputes fairly and quickly. You can contact us, at any time, for further information on these procedures.

- 2.4.3 If your complaint or dispute relates to anything other than a Countdown and you are dissatisfied with our handling of that complaint or dispute and/or findings in relation to your complaint or dispute, you may (if we have categorised you as a Retail Client) refer the matter to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR ([www.fos.org.uk](http://www.fos.org.uk)) or, if you reside in Ireland, the Financial Services Ombudsman, 3<sup>rd</sup> Floor, Lincoln House, Lincoln Place, Dublin 2 ([www.financialombudsman.ie](http://www.financialombudsman.ie)) for further investigation.
- 2.4.4 If your complaint or dispute relates to a Countdown and we have reached a deadlock after going through our internal complaints handling procedures, you may refer the matter to the Independent Betting Adjudication Service (<http://www.ibas-uk.com/>) for adjudication.
- 2.4.5 In accordance with clause 6.1.1, we will respond to any communication, complaint, claim or dispute in English. Any translation provided shall be for convenience only and to the extent there is a conflict between the English version and any translation, the English version shall prevail.

## **2.5 Compensation.**

- 2.5.1 If we cannot meet our obligations to you under the Agreement, depending on your status and the circumstances of your claim, you may be entitled to compensation from the Financial Services Compensation Scheme, up to a maximum of £50,000. Further information about compensation arrangements is available from the Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Portsoken Street, London E1 8BN ([www.fscs.org.uk](http://www.fscs.org.uk)). Countdowns are not protected by the rules made under the United Kingdom's Financial Services and Markets Act 2000 for the protection of retail clients, including the Financial Services Compensation Scheme.

## **2.6 Order execution, conflicts of interest, risk warnings and Price sources.**

- 2.6.1 We, or our Associates, may have an interest or relationship which conflicts with your interests or our duties to you. We have established and implemented a conflicts of interests policy (which may be revised and updated from time to time) pursuant to Applicable Law, which sets out how we must seek to identify and manage all material conflicts of interests. This is summarised in our Summary Policy of Conflicts of Interest.
- 2.6.2 Our OEP, Summary Policy of Conflicts of Interest and Risk Warning Notice for CFDs can be accessed on our Website and we will notify you of any material changes to these documents. In certain circumstances, notice may be provided after a change has been made.
- 2.6.3 We enter into all Trades and Countdowns with you on a principal-to-principal and non-advised basis using Prices quoted by us through our Platform. Our Prices are not



identical to prices for similar financial instruments or their underlyings quoted on an exchange or other regulated market, and we and/or our Associates may profit from these Trades and/or Countdowns. You agree that neither we nor our Associates are liable to account to you for such profits. By entering into Trades and/or Countdowns via our Platform you consent to your Orders being executed in accordance with our OEP.

## **2.7 Duration of the Agreement and your rights to cancel.**

2.7.1 The Agreement will become legally binding between you and us on the date that we confirm, in writing, that we have accepted your application to open an Account. Subject to clause 2.7.2, you may cancel the Agreement by giving us notice in writing within fourteen (14) calendar days of this date. Following a valid notice of cancellation, we will return any money that you have transferred to us.

2.7.2 The values of Trades entered into on our Platform will vary with fluctuations in the financial markets. Such fluctuations in the financial markets are outside of our control, and will affect the Prices of the relevant Products. You will not have the right to cancel the Agreement if during the fourteen (14) calendar day initial cancellation period:

- (a) you have entered into Trades and those Trades have been affected by fluctuations in the financial markets; or
- (b) you have entered into any Countdowns.

You may still close your Trades and your Account in accordance with the Agreement.

2.7.3 Unless you exercise your right of cancellation under clause 2.7.1, the Agreement will continue in effect until either you or we terminate the Agreement by either you or us giving notice in writing in accordance with clause 9.5, or by us exercising any of our other rights to terminate the Agreement.

## **3. ACCOUNTS**

**This clause explains how an Account is opened and operated.**

### **3.1 Account opening process.**

3.1.1 When we receive your completed application form, we may use your information to conduct any further enquiries about you as we in our sole discretion determine are necessary or appropriate in the circumstances (including but not limited to confirmation of your identity, sanctions screening and obtaining references from your bank or your employer (as applicable)). Where our enquiries include searches with credit reference agencies, they may appear on your credit history. A link between you and anyone with whom you have a Joint Account may be recorded with credit reference agencies, creating a "financial association" which may appear on your credit history. We may also carry out any additional checks that we in our sole discretion determine are necessary or appropriate in the circumstances to combat fraud and money laundering or if your Account becomes dormant. You will need to co-operate with us and supply any information that we request promptly. We reserve the right to

periodically review any information that you have provided and to make periodic searches of, and provide information to, credit reference and/or any other agencies (as applicable) where we have a legitimate reason for doing so.

- 3.1.2 We may rely on the information that you provide us in your application form as being correct at all times, unless you notify us otherwise in writing (see clause 6.1.4). In particular, you must notify us as soon as possible in writing if any of the contact details provided to us in your application form or subsequently have changed.
- 3.1.3 We may use any information we have about you (taking into account any information we have previously received from or supplied to you) to make an assessment of whether or not you have sufficient knowledge and experience to understand the risks involved in using our Platform, investing in CFDs and/or operating an Account with us on the basis of principal-to-principal and non-advised dealing.
- 3.1.4 If we accept your application and open an Account for you, we will confirm this in writing (see clause 6.1.2) and provide you with details on how to access your Account through our Platform. Please do not attempt to send us any money before we have confirmed that the Account has been opened, as your payment may be rejected.
- 3.1.5 You may be required to complete a separate application form for each Account you wish to open. Acceptance of your application to open one Account does not guarantee that we will accept your application(s) to open any further Account.

## 3.2 Authorised Persons.

- 3.2.1 If you are a body corporate, unincorporated association, trust or partnership, a client of an introducing broker or an individual who wants to appoint an attorney or agent, you must notify us in writing of any person who is authorised to act on your behalf (an **"Authorised Person"**) in relation to this Agreement and any of your Accounts. You and/or the Authorised Person will be required to complete such further documentation as we may reasonably require and we may require evidence that the Authorised Person has authority and is appropriate to act on your behalf.
- 3.2.2 We may refuse to accept the appointment of an Authorised Person if we know or reasonably suspect that such appointment would result in a breach of the Agreement and/or Applicable Law. You must immediately notify us in writing of any changes to the appointment and/or authority of any Authorised Person.
- 3.2.3 We shall be entitled to act upon the oral, electronic or written instructions of any Authorised Person or any person who reasonably appears or purports to be an Authorised Person in relation to an Account, notwithstanding that the person is not, in fact, so authorised. In particular, we shall be entitled to act upon any instructions or Orders transmitted using your Account Sign In Details unless you have notified us in accordance with clause 3.4.2 that you know or suspect that an unauthorised person has or may have access to your Account.
- 3.2.4 Any action in relation to the Agreement taken by an Authorised Person appointed by you in relation to an Account in accordance with clause 3.2.1 or any person who

reasonably appears or purports to be an Authorised Person shall be deemed to be an action by you.

- 3.2.5 Any information provided by us to an Authorised Person appointed by you in relation to an Account in accordance with clause 3.2.1 or any person who reasonably appears or purports to be an Authorised Person will be deemed to have been provided by us to you.
- 3.2.6 Where you have appointed an introducing broker, discretionary investment manager or a similar person as an Authorised Person to act on your behalf and that person also acts on behalf of other clients of CMC Markets then the Authorised Person may decide to place a single, aggregated order with us in respect of a Product and allocate the order amongst you and its other clients. In such circumstances, the portion of the order allocated to you will represent your Order, which will have been executed at the corresponding Price on the Price Ladder for the size of the aggregated order. The Authorised Person may decide to place such orders for various reasons, for example, to ensure timely execution which may be to your benefit. We are not responsible for the aggregation and allocation of such orders, which shall be the sole responsibility of the Authorised Person. Please note that if the Authorised Person aggregates such orders, the Price you obtain may be inferior to the Price you could have obtained had you placed a separate Order yourself at that time.

### 3.3 Joint Accounts.

3.3.1 If you open a Joint Account:

- (a) references to you, our client, your and yourself are references to any one or all persons in whose name the Joint Account is held;
- (b) we may act upon instructions received from any one person who is, or reasonably appears or purports to be, named on that Joint Account;
- (c) we may disclose information (including, for the avoidance of doubt, personal information) provided by one Joint Account Holder to one or all of the other persons in whose name the Joint Account is held;
- (d) we may give any notice or communication to any one or all persons in whose names that Joint Account is held and any notice or communication, made to any one person, shall be deemed as having been made to all Joint Account Holders;
- (e) each Joint Account Holder shall be jointly and severally liable for any financial obligations (including losses, fees or charges) arising on their Joint Account. This means that any monies owed to us in relation to the Agreement shall be payable in full by one or any of the other persons in whose names that Joint Account is held;
- (f) the death of any Joint Account Holder will be a Specified Event as set out in clause 8.1.1(c), and the Joint Account will be closed and the balance paid equally to the survivor(s) and the relevant Joint Account Holder's estate; and
- (g) our rights under the Agreement, including but not limited to our rights to take a Reserved Action under clause 8.3, shall apply in respect of all Joint Account

Holders and the occurrence of a Specified Event in respect of one Joint Account Holder will allow us to exercise any rights we may have under the Agreement.

- 3.3.2 After a Joint Account has been opened, you may not add or remove persons named on that Joint Account. If you wish to change the Joint Account Holders you must close the Joint Account and open a new one.

### **3.4 Security and Account authentication.**

- 3.4.1 You are responsible for setting your own password in accordance with the instructions that we will provide to you (which together with your username are known as your "Account Sign In Details").
- 3.4.2 We may need to change or reset your Account Sign In Details to protect you and us against fraud. We will notify you if we do this. You must notify us immediately if you know or suspect that any person (other than an Authorised Person appointed in relation to the relevant Account) has obtained (or is likely to obtain) your Account Sign In Details and/or has (or is likely to have) access to your Account without our prior approval.
- 3.4.3 It is your responsibility to keep all information that you hold relating to your Account, including your Account Sign In Details, any e-mails and letters that we send to you, confidential at all times. We rely on this information being secure to protect you and us against fraud, as subject to any notification from you under clause 3.4.2 we will treat any person who accesses your Account using your Account Sign In Details as being you or an Authorised Person appointed in relation to the relevant Account.
- 3.4.4 If you have no Trades or Countdowns on your Account for a continuous period of one (1) year we reserve the right to carry out additional checks on you before we allow you to access your Account or enter into another Trade or Countdown.

## **4. TRADING ON OUR PLATFORM**

**This clause and Schedule 1 and/or Schedule 2 and/or Schedule 3 (as applicable) explain the basis on which you enter into and close Trades and/or Countdowns on our Platform.**

### **4.1 Orders, Trades and Countdowns.**

- 4.1.1 Schedule 1 (applicable to Margin Accounts), Schedule 2 (applicable to Contra Accounts) and Schedule 3 (applicable to Countdowns) set out certain key terms and conditions on how to place Orders to enter into Trades and Countdowns, and how Trades may be closed on our Platform. You should read the applicable Schedule(s) carefully, along with our OEP and any relevant information on Attributes available through the Product Library, before placing any Orders.
- 4.1.2 In addition to our rights to modify, cancel and/or reject your Orders and/or Pending Orders under paragraphs 5.2 to 5.4 of Schedule 1, 5.2 to 5.4 and 8.7 of Schedule 2 and paragraphs 3.2, 3.4, 5.2 and 7.1 of Schedule 3, we may in our sole discretion, refuse to accept any instructions for any reason whatsoever including (without limitation) if we believe that such instructions breach (or complying with such instructions would result

in a breach of):

- (a) Applicable Law;
- (b) any of the declarations and/or assurances specified in clause 7.3.1; and/or
- (c) any of the limitations expressed in clause 10.2.3.

4.1.3 Notwithstanding our right under clause 3.2.3 to rely and act on any communications and/or instructions from an Authorised Person appointed by you in relation to an Account in accordance with clause 3.2.1, we will not be under any duty to open or close any Trade or open or settle any Countdown or accept any Order or other communication or instructions from such Authorised Person if we reasonably believe that the Authorised Person may be acting in excess of their authority. Nothing in this clause 4.1.3 or in clause 3.2.3 will be construed as placing us under a duty to enquire about the authority of any Authorised Person who reasonably appears or purports to represent you in relation to an Account.

## 4.2 Accessing our Platform.

4.2.1 We will do our best to make our Platform available when required by you, but we cannot promise that our Platform will be available continuously. This is because from time to time:

- (a) errors and/or failures may occur in respect of technology, the internet may be subject to faults or events which may affect your access, and your systems, our systems or the systems of a third party, which you or we rely on, may fail to work properly (see clause 8.2 for more information about Circumstances Outside Our Control);
- (b) we may need to suspend availability of our Platform for maintenance, repairs, upgrades or any development-related issues. We will normally seek to carry out these works outside of Trading Hours. If we need to suspend the availability of our Platform during Trading Hours we will, where reasonably practicable, provide you with prior notice of such suspension and, if necessary, suggest alternative ways for you to access your Account; and
- (c) we may need to suspend availability of our client management team, for example, due to maintenance, repairs or upgrades to the offices and/or systems used by our client management team. We will normally seek to do this outside of Trading Hours. If we need to suspend the availability of our client management team during Trading Hours we will, where reasonably practicable, provide you with prior notice of such suspension.

4.2.2 You are responsible for making sure that you are able to access our Platform when you need to and when it is available. This responsibility includes having access to a device that can connect to our Platform and maintaining the device so that it functions properly.

4.2.3 If you cannot access our Platform directly, then you may be able to contact our client management team by telephone or e-mail to request assistance. However, because

our service is primarily provided online, this is likely to be a much slower method of placing Orders or giving us other instructions than if you access our Platform yourself and you must not rely on our client management team being available nor can we guarantee that our client management team will be available to assist you to place Orders and/or enter into or close Trades and/or enter into Countdowns (e.g. because (i) all of our client management team are busy helping other clients, (ii) all of our client management team who speak your language are busy helping other clients, (iii) there is a technical problem with the telephone system, or (iv) you call outside our opening hours).

4.2.4 Where our Platform, Website, e-mails or any other content generated by us contains links to other websites and resources provided by third parties, these links are provided for your information only. We generally have no control over the content, quality or security of those websites or resources and, subject to clause 7.2.1, we accept no responsibility for them or for any loss or damage that may arise from your use of them.

### **4.3 Information about your trading activity.**

4.3.1 When you access an Account through our Platform you can obtain:

- (a) information regarding any Orders on that Account that have been received by our Platform, including Pending Orders;
- (b) information regarding each Trade entered into or closed or Countdown entered into or settled on that Account, including details of any Commission, GSLO Premium and/or Holding Costs charged (if relevant);
- (c) the Account Value and Account Revaluation Amount of that Account in real time; and
- (d) the Standard Margin, Total Prime Margin, Close-Out Level(s), Reset Level, and Prime Reset Level of that Account (if relevant) from time to time,

and it is your responsibility to regularly access and review this information to ensure that it corresponds with your own records. Subject to clause 4.4, the above information will be conclusive unless we notify you or you notify us in writing of any mistake, error or inaccuracy.

4.3.2 Our Platform will update the information set out in clause 4.3.1 in real time, however, from time to time this may not happen immediately, or you may not receive or be able to see this update immediately, due to Circumstances Outside Our Control (see clause 8.2). If, for example, you are unsure as to whether or not we have received an Order that you have attempted to place, or whether or not a particular Trade or Countdown has been entered into or closed, or whether you have sufficient funds on an Account to meet any Independent Margin, Position Margin, Trade Margin, Prime Margin, Stake or Cash requirement, or whether or not your Account Revaluation Amount is sufficiently high to avoid Account Close-Out, then you should check our Platform carefully, contact us through the live help section of our Platform or contact our client management team to seek further information.

4.3.3 We will not send you any confirmations of Orders, Trades or Countdowns by post or e-mail. Instead, we will retain in your Account any information that we are required to provide you with in relation to an Order, Trade or Countdown to the extent and for the duration required by Applicable Law (usually six (6) years from the date of the relevant Order, Trade or Countdown), and you may access this information through our Platform unless the relevant Account has been closed or the Agreement has been terminated. After this period, we may destroy this information or retain it for such further duration as we see fit in our sole discretion and without notice to you. You will be able to print off and/or copy this information from our Platform for your own records, but we do not promise that this will be in a format that will be accepted by any Official Body.

#### 4.4 Errors.

4.4.1 From time to time, material errors, mistakes and omissions that are or should be reasonably obvious may occur in respect of your Trades and/or Countdowns, your Account or our Platform (each an "Error"). Examples of Errors may include (without limitation): our Platform displaying incorrect Prices (whether caused by a third party supplier or due to a problem with our systems), an Order being handled incorrectly (including execution at an incorrect Price or contrary to underlying market conditions) and incorrect Deductions or credits being applied to your Account. If you or we know or suspect, or are aware of circumstances in which you or we ought reasonably to know or suspect, that an Error has occurred:

- (a) as applicable, you must notify us as soon as reasonably practicable or we will notify you as soon as reasonably practicable, which for the avoidance of doubt may be after an Error has occurred;
- (b) we will then do our best to investigate whether there has, in fact, been an Error and/or what caused it; and
- (c) if an Error has occurred, this constitutes a Specified Event and the provisions of clauses 8.1 and 8.3 will apply, and we will inform you of any Reserved Actions we may take, or may have taken, in accordance with clause 8.3.2.

### 5. FINANCIAL MATTERS

This clause explains certain financial matters, including the basis on which payments should be made and how your money is handled by us.

#### 5.1 Profit and Loss and Holding Costs and Contra Close Spread Factors.

5.1.1 Schedule 1 sets out certain key terms and conditions on Commission, GSLO Premiums and GSLO Premium Refunds, Total Prime Margin, Total Position Margin, Independent Margin, Holding Costs, Unrealised Profit Or Loss, Realised Profit and Realised Loss which are applicable to Margin Trades. You must read Schedule 1 carefully, along with our OEP and any relevant information on Attributes available through the Product Library before placing any Orders on a Margin Account.

5.1.2 Schedule 2 sets out certain key terms and conditions on Commission, Unrealised Profit

Or Loss, Realised Profit, Realised Loss and Contra Close Spread Factors which are applicable to Contra Trades. You must read Schedule 2 carefully along with our OEP and any relevant information on Attributes available through the Product Library before placing any Orders on a Contra Account.

- 5.1.3 Schedule 3 sets out certain key terms and conditions on which are applicable to Countdowns. You must read Schedule 3 carefully and any relevant information on Attributes available through the Product Library before placing any Orders for Countdowns.

## 5.2 Your money.

- 5.2.1 If we have categorised you as a Retail Client (see clause 2.2.1) in accordance with Applicable Law and subject to clauses 5.2.3 and 5.2.4, we shall hold and maintain an amount equal to your Account Value for each Account you hold with us in a segregated client money bank account (in accordance with the requirements set out in the FCA handbook). Your Account Value is your Account Revaluation Amount calculated using the Level 1 Price instead of the Level 1 Mid-Price (i.e. the sum of your Cash and any Net Unrealised Profit Or Loss (as applicable), where Net Unrealised Profit Or Loss is calculated using the Level 1 Price). In accordance with the Gambling Commission's ratings system in relation to client money (<http://www.gamblingcommission.gov.uk/Consumers/Protection-of-customer-funds.aspx>), this meets the Gambling Commission's requirements for the segregation of customer funds at the level: high protection as steps have been taken to ensure your funds are repaid in the event of our insolvency.
- 5.2.2 If we have categorised you as a Professional Client or an Eligible Counterparty then, as permitted by Applicable Law, we will acquire full ownership of all amounts received from you, or credited by us to your Account. This money may be used to cover your potential liabilities to us under the Agreement. Such money does not constitute client money for the purposes of Applicable Law and so will not be segregated from money held in our own account(s) and may be used by us in the course of our business. You will rank as a general creditor of us in respect of this money in the event of our insolvency.
- 5.2.3 At the close of business on each Business Day we carry out reconciliations between money required to be held in the client money bank account(s) and client money that is held in the client money bank account(s) in accordance with Applicable Law. Any required transfer to or from the client money bank account in respect of your Account will take place on the following Business Day. We may carry out such reconciliations and transfers more frequently, should we reasonably consider that this is necessary to protect our or your interests.
- 5.2.4 If there has been no activity on your Account for an extended period of time, we may impose dormant Account fees as set out in clause 5.9.2 and make a Deduction from your Account in accordance with clause 5.5.1. If there has been no activity on your Account in the previous six (6) years, we will make reasonable attempts to contact you regarding any client money held in your Account. If we are unable to contact you, you agree that we may cease to treat such money as client money and release it from our



client money bank account and pay it to charity in accordance with Applicable Law. We will make and retain records of all balances released from our client money bank account under this clause. Unless such money is below £25 for Retail Clients or below £100 for all other clients, it will remain owing to you and we will undertake to make good any valid claims against such released money.

- 5.2.5 Except in the case of fraudulent activity carried on (without your knowledge or the knowledge of an Authorised Person and where you have carried out your responsibilities under clause 3.4.3) by a person other than you or any Authorised Person, we do not accept responsibility for any loss or damage suffered by you as a result of you trading on money placed in or credited to your Account in error by us or on our behalf. We will be entitled at any time and in our sole discretion to deduct, without notice or recourse to you, any money placed in or credited to your Account in error by us or on our behalf.
- 5.2.6 We will not pay interest to you on any money held on your behalf or otherwise under clauses 5.2.1, 5.2.2 or 5.2.4, regardless of whether or not we receive interest ourselves in respect of such money from the deposit taking institution(s) where we hold segregated client money bank account(s).

### 5.3 Payments and withdrawals.

- 5.3.1 You are responsible for making payments to us which are required under the Agreement or Applicable Law including any payments to:
- (a) keep the Account Revaluation Amount above the applicable Close-Out Level(s) on any Account;
  - (b) clear any negative Account Revaluation Amount on your Margin Account;
  - (c) clear any negative Cash value on your Account; or
  - (d) satisfy any debts owing to us, including in respect of Commission, GSLO Premiums and Holding Costs (if applicable).
- 5.3.2 When making payments to us, you may wish to leave "headroom" (i.e. an Amount that ensures your Account Revaluation Amount is in excess of your Total Margin (if applicable) or the Amount required to keep the Account Revaluation Amount above the applicable Close-Out Level(s) on any Account) depending on your view of your Countdowns, Positions, Trades and Pending Orders, the volatility of the particular Product(s) concerned and the relevant markets for the underlying asset(s), the time it will take for you to make further payments of cleared funds to us and any other matter which you may consider relevant.
- 5.3.3 The procedures setting out our accepted payment methods, the respective costs involved, instructions on how to make and correctly designate payments and the timings for receipt of payments are available on our Platform or from our client management team upon request. We may reject any payment that is not made in accordance with these procedures, instructions and/or Applicable Law.
- 5.3.4 We will only accept payments from you where:

- (a) they are from an account held in your name;
  - (b) the payment has originated from you; and
  - (c) in the case of bank transfers, we have verified that bank account (as necessary).
- 5.3.5 Any payment made by you will only be given effect once our systems have credited it to the relevant Account and it is shown on our Platform; we cannot guarantee how long this will take. The reasons for this can include:
- (a) the time it takes for our systems to process the payment;
  - (b) Circumstances Outside Our Control such as the delay or failure of a bank used to process the payment;
  - (c) if you have not correctly designated the payment; or
  - (d) if manual processing of the payment is necessary.
- 5.3.6 We will use reasonable endeavours to ensure that your successful payments are credited to your nominated Account, but only after the money has been received as cleared funds by us. However, if there is any inconsistency between your name(s) (as supplied to us by you) and the name on the bank account from which the payment originates, or if you do not correctly provide any other necessary details, the payment may be rejected and returned to the bank account or there may be a delay in crediting the payment to the Account.
- 5.3.7 You are responsible for any and all costs incurred in the process of making any payment to your Account (e.g. bank transfer charges or currency conversions to the Account Currency). You may also be liable for other charges that are not imposed by us, including bank fees for transfers of money or assets, and fees to internet and telephone service providers. If you make a payment by debit card or credit card and/or withdraw money from an Account, we may charge an administration fee to process your payments.
- 5.3.8 If we are holding an amount of money on an Account pursuant to clauses 5.2.1 or 5.2.2, you may make a request to withdraw money from that Account up to the lower of your Available Equity or Cash from that Account, subject to the other provisions of the Agreement (including clause 5.3.11) and Applicable Law. Details on how to make withdrawals of money from your Account and the relevant timings for withdrawals to take effect are available on our Website or from our client management team upon request.
- 5.3.9 Unless we agree otherwise or to comply with Applicable Law, we will only accept a request for a withdrawal of money from an Account that is given directly by you or an Authorised Person appointed by you in relation to an Account in accordance with clause 3.2.1 (other than a person acting pursuant to a limited power of attorney or limited appointment of agent) and we will not accept any request for a withdrawal of money from an Account given by any other person (including an Authorised Person acting pursuant to a limited power of attorney or limited appointment of agent in relation to the Account). Withdrawals of money from your Account will only be made in the Account Currency. Please note that as part of the measures we take to prevent

money laundering and fraud, withdrawals of money from your Account will only be processed by us where the destination for the money being withdrawn is the same as the origin of your payments made under clause 5.3.4, unless (and subject to our prior approval) you have notified us in writing that your payment details have changed. We will only deviate from this policy in exceptional circumstances.

- 5.3.10 Under certain circumstances there may be a delay in processing your payments or withdrawals. Such delay may be due to the time it takes for our systems to process the payments or withdrawals, Circumstances Outside Our Control or an issue in relation to your payments or withdrawals that we may be attempting to resolve to comply with Applicable Law.
- 5.3.11 We may in our sole and reasonable discretion refuse or delay giving effect to your request for a withdrawal of money from your Account (in whole or in part), including as a result of any request to close that Account under clause 9.5.1, if any of the following apply (or, where applicable, we reasonably consider that they apply):
- (a) on any calendar day, you have already made five (5) requests to withdraw money from that Account;
  - (b) the money is required:
    - (i) to cover any Holding Costs, Commission, GSLO Premiums, Realised Losses or net unrealised loss in respect of your Trades on that Account;
    - (ii) to ensure your Account Revaluation Amount is equal to or greater than your Total Margin on your Margin Account; or
    - (iii) to ensure that your Cash is greater than zero on your Account;
  - (c) the money may be required to meet a payment obligation on that Account that is due or reasonably likely to fall due within the next five (5) Business Days;
  - (d) we need the money to make a Deduction (under clause 5.5.1) or exercise our right of Set-Off (under clause 5.6.1) or to cover any other fees or costs payable in respect of that Account in accordance with the Agreement or Applicable Law (including, but not limited to, any fees for market data or for tax purposes);
  - (e) we are required to do so under Applicable Law or we reasonably suspect that there has been a breach of Applicable Law;
  - (f) there is an unresolved dispute or a potential dispute between us and you in connection with the Agreement, including where you have breached the Agreement or we know or reasonably suspect that you may breach the Agreement; or
  - (g) we know or reasonably suspect that the instruction has been provided by an Authorised Person acting pursuant to a limited power of attorney or limited appointment of agent,

and we will (except in some cases where (e) above applies) notify you as soon as reasonably practicable if we decide to refuse or delay giving effect to your request for a withdrawal and such action shall be a Specified Event (see clause 8.1).

#### **5.4 Currency.**

5.4.1 The Account Currency of an Account will be as specified at the time you opened the Account, and any payment obligations in relation to that Account must be settled in that Account Currency.

#### **5.5 Our right to deduct money from your Account.**

5.5.1 Any money due to us under the Agreement, or required to be deducted by Applicable Law (including for tax purposes), may be deducted from any money held by us in respect of your Account (this is our right to make a **"Deduction"**).

#### **5.6 Our right of Set-Off in relation to your Account.**

5.6.1 In addition to any other rights we have to refuse or delay giving effect to your request for a withdrawal from an Account or make a Deduction, we may, at any time, and without notice to you, apply any positive Cash balances in an Account or any money due to you from us against any money due to us (or any of our Associates) from you (this is our right of **"Set-Off"**). We may apply the Currency Conversion Rate to convert the relevant Cash balance(s) and any money due to you or us into the same currency. If we exercise our right of Set-Off, we will give you notice of the Amount of any debt that remains unsatisfied and you must immediately pay such debt to us.

#### **5.7 Netting of payment obligations between us and you.**

5.7.1 If at any time, in relation to any one Account:

- (a) you owe us and we owe you the same amount of money in the same currency, then both your and our obligation will each be automatically satisfied and discharged; or
- (b) you owe us and we owe you a different amount of money in the same currency, then whichever of you or us owes more may pay the excess to the other party and both your and our obligations will be satisfied and discharged.

#### **5.8 Taxes.**

5.8.1 Should any change in the basis or scope of taxation occur at any time which results in us having to make any payment(s) for withholding taxes or similar levies owed or payable by you under Applicable Law in respect of any of your Trades and/or Countdowns, then we reserve the right to deduct the amount of any such payment(s) from your Account or otherwise require you to pay or reimburse us for such payment(s).

5.8.2 We are entitled to deduct or withhold from any payment made to you or credited to your Account under these Terms, any tax required by Applicable Law to be deducted or withheld from any such payment or credit. In particular, we will deduct tax at the appropriate rate of income tax from any interest payable (if any) on the money held on your behalf. We may, in our sole discretion, pay any interest gross, without the deduction of tax if you are entitled to an exemption from withholding tax and have

provided us with acceptable proof of tax exempt status. Any interest payable will be paid at the net rate until we have processed the appropriate documentation.

5.8.3 Your tax treatment in relation to Trades and/or Countdowns may differ according to your circumstances and the tax legislation in your jurisdiction (which may change). You may also be liable for other taxes that are not withheld by us. You are solely responsible for the timely payment of any such taxes and charges. You should seek independent advice if you are in any doubt as to what further taxes and charges may apply to you as a result of your trading activities.

## 5.9 Commission and other charges.

5.9.1 There are costs associated with trading with us, including Spread, Commission, Holding Costs, and GSLO Premiums. For detailed information on these costs and when they apply, please refer to our Website or our Platform, as well as these Terms.

5.9.2 We may impose and/or vary additional fees, commissions (including but not limited to our Commission), costs or charges (including but not limited to GSLO Premiums) from time to time in respect of your Pending Orders, Trades, Countdowns, Positions or Account where we have a valid reason for doing so. These may include, but are not limited to, fees for market data and similar information, Account fees and/or dormant Account fees. Except in relation to changes to Commission and/or GSLO Premiums (under clause 5.9.4), we will give you notice in writing at least ten (10) calendar days before we implement any change to our fees, costs or charges. If you are not happy with any such change, you will be free to close your Account and terminate the Agreement in accordance with clause 9.5 before any such change takes effect.

5.9.3 If you subscribe for certain Products on our Platform, you will be required to pay the applicable market data subscription fee. Please note that you may be charged different market data subscription fees depending on whether you are classified as a Private Investor or as a Non-Private Investor for market data purposes. Details of the market data subscription fees can be found on our Platform.

5.9.4 Notwithstanding clause 5.9.2, any changes to Commission and/or GSLO Premiums will be automatically imposed by our Platform without notice to you in accordance with clauses 6.2.2 and 9.3.1. You will have the choice as to whether or not you place an Order based on the Commission and/or GSLO Premium applicable to your Order at that time.

5.9.5 Where, in accordance with clause 5.9.4, we have changed our Commission and/or our GSLO Premiums, then Amounts calculated in accordance with the applicable Commission and/or GSLO Premium will be due and payable to us immediately upon:

- (a) execution of an Order in the case of Commission; and
- (b) placing a Guaranteed Stop Loss Order (including by modifying another type of Pending Order) in the case of the GSLO Premium;

and will be deducted from the Cash in your Account. It is your responsibility to ensure that you have sufficient Cash in your Account to pay any Commission and/or GSLO

Premium due in full. Failure to ensure that you have sufficient Cash in your Account to pay any Commission will be a Specified Event (see clauses 5.3.1 and 8.1.1(d)) and may result in Account Close-Out under paragraph 13 of Schedule 1 or Contra Account Close-Out under paragraph 12 of Schedule 2 (as applicable). Failure to ensure that you have sufficient Cash in your Account to pay any GSLO Premium due in full may result in your Guaranteed Stop Loss Order being rejected, removed or amended.

- 5.9.6 All charges will be made inclusive of any value added taxes or similar consumption taxes as applicable.

## **6. COMMUNICATIONS**

This clause explains how you and we will communicate with each other.

### **6.1 Communications between you and us.**

- 6.1.1 All communication between you and us, all documents and information provided under the Agreement and the other documentation described in clause 1.1.5 will be in English and you confirm that you possess proper knowledge and understanding of the English language.
- 6.1.2 Where the Agreement or Applicable Law requires us to communicate with you 'in writing', we will generally make such communications to you via e-mail, or through displaying a message on our Platform, although on certain occasions we may use post if doing so is more appropriate or required under the circumstances or by Applicable Law and if we have your postal contact details.
- 6.1.3 You consent to us providing you with information through our Platform, by e-mail and/or by placing such information on our Website. You also authorise us to communicate with you by letter, telephone, sms or e-mail, to discuss matters in relation to your Account, at any time whatsoever and agree that we may record all such communications (see clause 10.1.3). You must notify us as soon as possible in writing if any of the contact details provided to us previously have changed.
- 6.1.4 Where the Agreement requires you to communicate to us in writing, you can either send us a secure message through our Platform or send us an e-mail from the e-mail address associated with your Account to [clientmanagement@cmcmarkets.com](mailto:clientmanagement@cmcmarkets.com) or send us a letter by post, but be aware that messages will reach us quicker if they are sent electronically (see clause 6.2.1). Because the value of your Trades may change rapidly and your Countdowns will expire within a short period of time, any communication regarding your Trades and/or Countdowns should be made through our Platform to ensure that it is received promptly. Please also note that e-mail is not a secure means of communication, and you may prefer to send us any sensitive or confidential information (e.g. payment details) by using the live help section of our Platform.

### **6.2 Deemed timing for communications.**

- 6.2.1 Subject to clause 6.2.2 any communication between us and you that is required to be

made in writing under the Agreement will be deemed (in the absence of evidence to the contrary) to have been received:

- (a) if made by us to you via our Platform, three (3) Business Days after such communication is made available on our Platform;
- (b) if made by you to us via our Platform, one (1) hour after such communication is received by our Platform;
- (c) if sent by e-mail by you to us or by us to you, one (1) hour after sending, unless a "not sent" or "not received" message is received by the sender from an e-mail provider;
- (d) if sent by first class post by you to us or by us to you, three (3) Business Days after posting; and
- (e) if delivered personally or by hand by you to us or by us to you, at the time of delivery.

6.2.2 Any changes to Attributes, Prices or Variable Rates (in accordance with clauses 9.2.1 and 9.3.1) will be deemed to have been received immediately.

6.2.3 Orders will be deemed (in the absence of evidence to the contrary) to have been received in accordance with the relevant provisions of Schedule 1, or Schedule 2 or Schedule 3 (as applicable).

## **7. LIABILITY AND REPRESENTATIONS**

**This clause explains certain matters related to your liability and our liability under the Agreement and the declarations and assurances that you give to us on a continuing basis.**

### **7.1 Your obligations if you breach the Agreement.**

7.1.1 If you believe or have reason to believe that you have breached any term of the Agreement, then you must inform us immediately in writing.

7.1.2 You will be responsible for any losses and/or expenses that we suffer which are the result, and which a reasonable person would consider to be the probable result, of you or an Authorised Person being negligent, acting fraudulently or breaching the Agreement or Applicable Law.

### **7.2 Our liability towards you, and limitations of that liability.**

7.2.1 Nothing in the Agreement excludes or limits our liability for death or personal injury caused by our negligent acts or omissions, any fraud or fraudulent misrepresentation or any other matter that cannot be excluded or limited under Applicable Law.

7.2.2 Subject to clause 7.2.1, we will not be liable to you for any loss:

- (a) which arises as a result of:
  - (i) our compliance with Applicable Law or the Agreement, including where we are required by an Official Body not to process your instructions or

- where processing your instructions may breach Applicable Law;
  - (ii) your negligence, fraud or breach of the Agreement or Applicable Law;
  - (iii) any delay in us crediting a payment to your Account, as explained in clause 5.3.5;
  - (iv) any Specified Event or Circumstance Outside Our Control;
  - (v) any unavailability of our Platform due to any circumstance set out at clause 4.2.1;
  - (vi) where you cannot access the Platform or any delay you may incur in speaking to our client management team because they are busy helping other clients;
  - (vii) unclear or ambiguous instructions from you leading to errors in respect of your Trades, including a member of our client management team inserting or recording incorrect information (including an incorrect Price, Order type, direction or Product) when placing an Order;
  - (viii) us exercising our rights to take a Reserved Action under clause 8.3; or
  - (ix) any suspension of our Platform in accordance with clause 4.2.1(b) or the suspension of the availability of our client management team in accordance with clause 4.2.1(c); and
- (b) except to the extent that such loss has resulted from our negligence or breach of the Agreement, provided in all cases that such loss could have been contemplated by you and us at the time of such negligence or breach, and that such loss is not loss of profit or opportunity.

7.2.3 You require mobile communications network coverage and internet access to use the applications that enable you to access our Platform via mobile devices (so-called "apps"). We are not responsible for any delays, delivery failures, failures in transmission of any Order or any other communication or any other loss or damage resulting from the transfer of data over mobile or other communications networks and facilities outside of our control, including but not limited to the internet. Orders and other communications may be subject to limitations, delays and other problems inherent in the use of such mobile or other communications networks and facilities.

7.2.4 While we have taken all reasonable steps to ensure the accuracy and completeness of any features or third party content available on our Website, Platform and e-mails, they are provided on an "as is" and "if available" basis. We exclude any warranties, undertakings or representations (either express or implied) related to such features and third party content to the full extent permitted under Applicable Law, including but not limited to:

- (a) with respect to any third party market data or similar information provided to you in connection with your use of our Website and/or our Platform:
  - (i) we are not responsible or liable if any market data or similar information is inaccurate or incomplete in any respect;
  - (ii) we do not guarantee the timeliness of market data or similar



- information;
  - (iii) we are not responsible or liable for any actions that you take or do not take based on market data or similar information;
  - (iv) you will use market data or similar information solely for the purposes set out in the Agreement;
  - (v) we provide market data or similar information for general purposes only and market data or similar information should not be used as the sole basis for any investment decision; and
  - (vi) you will use market data or similar information solely in compliance with Applicable Law;
- (b) the information contained in the features or third party content is indicative and may be out of date at any given time. All analysis, resulting conclusions and observation are based upon past performance, patterns and data and will not reflect future performance; and
- (c) with respect to any of the features and information provided to you in connection with your use of our Platform and our Website:
- (i) we are not providing trading or investment advice;
  - (ii) we are not responsible if any features or information are inaccurate or incomplete in any respect;
  - (iii) we are not responsible or liable for any actions you take or do not take based on such features and information;
  - (iv) you will use the features and information solely for the purpose for which they are intended; and
  - (v) you will use the features and information solely in compliance with Applicable Law.

7.2.5 The limitations and exclusions of liability in the Agreement apply regardless of whether or not we, or any of our employees, Associates, agents or business partners, are aware that you may incur a loss or make a claim against us.

7.2.6 Unless expressly stated otherwise in these Terms, we are not responsible for reminding you or alerting you to any obligation or liability that you may have under the Agreement. Where we do make or provide any such reminders or alerts to you, this is done entirely at our sole discretion and does not represent any obligation or commitment on our part to make or provide any such reminders or alerts to you in the future.

### 7.3 Your declarations and assurances.

7.3.1 When you apply to open an Account, appoint any Authorised Person in accordance with clause 3.2.1 in relation to an Account, access our Platform, attempt to place an Order, make a payment into or a withdrawal of money from an Account or give us any other instruction, we are entitled to rely on the following declarations and assurances as having been confirmed by you to be true and accurate (and you must notify us

immediately in writing if this is not the case):

- (a) you are, and will remain, in full compliance with Applicable Law, and nothing under Applicable Law prohibits or restricts you from entering into Trades and/ or Countdowns or fulfilling your obligations under the Agreement;
- (b) all information that you supply to us from time to time (whether via your application or otherwise) is complete, true, accurate and not misleading in any respect that would affect our decision as to whether or not to open an Account for you and/or accept your Orders and you will inform us immediately, in writing, of any change to the information you have previously provided to us that could affect our dealings with you;
- (c) your use of our Platform is not for any Improper Use;
- (d) if you are an individual, you are at least 18 years old;
- (e) if you are a body corporate, unincorporated association, trust or partnership you are validly existing in accordance with Applicable Law and have obtained all necessary consents and authorisations under your constitutional or organisational documents;
- (f) except where we have agreed otherwise in writing, you act on your own behalf and not as the agent, attorney, trustee or representative of any other person;
- (g) you are not located in (whether temporarily or permanently), incorporated in, or a resident of, any jurisdiction where it may be unlawful to access our Platform or enter into Trades and/or Countdowns (as applicable), including the United States of America;
- (h) your Orders and/or Trades and/or Countdowns are not for the purposes of or in connection with any placing, issue, distribution, offer, take-over, merger or other similar corporate finance type transaction;
- (i) you are not connected with the issuer of any underlying asset of a Product in respect of which you have placed an Order, Trade or Countdown, including as a director, employee, agent, contractor or professional adviser of such issuer;
- (j) subject to clause 7.3.1(f), you fully own (legally and beneficially) all money you may transfer to us in accordance with the Agreement;
- (k) you acknowledge and accept that we may make Deductions from your Account in accordance with clause 5.5.1 and that we may exercise our right to Set-Off any money due to you from us against any money due to us from you in accordance with clause 5.6.1;
- (l) you have a suitable device (including a mobile device, if applicable) and adequate internet connectivity and access and/or mobile communications network coverage and access to enable you to access your Account through our Platform and the e-mail account that corresponds to your e-mail address;
- (m) that you are a Private Investor for the purposes of your trading with us and your use of market data and similar information that we provide or make available. In order to qualify as a Private Investor, all of the following conditions must be met by you and all Authorised Persons:

- (i) you and any Authorised Person do not access our market data and similar information in the course of your or their employment or in connection with any form of trade or business, or otherwise access or use our market data or similar information for other non-personal purposes;
  - (ii) you and any Authorised Person are not registered with any securities agency, regulatory or self-regulatory body for the purposes of the Agreement;
  - (iii) you and any Authorised Person are not engaged in a financial service business and are not employed as a financial adviser for the purposes of the Agreement; and
  - (iv) you and any Authorised Person do not engage in the business of accessing or aggregating our market data or similar information and redistributing or otherwise furnishing that information to any third parties;
- (n) that you are either:
- (i) a non-financial counterparty (as such term is defined in the European Market Infrastructure Regulation); or
  - (ii) an entity established outside the European Union that, to the best of its knowledge and belief, having given due and proper consideration to its status, would constitute a non-financial counterparty (as such term is defined in the European Market Infrastructure Regulation) if it were established in the European Union;
- (o) that you are not subject to a clearing obligation pursuant to the European Market Infrastructure Regulation (or, in respect of an entity under clause 7.3.1(n)(ii) would not be subject to the clearing obligation if you were established in the European Union) in respect of a Trade and/or a Countdown. For the purposes of this clause 7.3.1(o) it is assumed that the Trade and/or Countdown is of a type that has been declared to be subject to the clearing obligation in accordance with Article 5 of the European Market Infrastructure Regulation and is subject to the clearing obligation in accordance with Article 4 of the European Market Infrastructure Regulation (whether or not in fact this is the case), and that any transitional provisions in the European Market Infrastructure Regulation are ignored;
- (p) that you are not a US Person; and
- (q) you will comply with any reporting requirements under Applicable Law.

7.3.2 If you believe that any of the declarations and assurances provided in clause 7.3.1, particularly in clause 7.3.1(m), are not true and accurate, please contact the client management team.

## 8. OUR RIGHTS IN CERTAIN CIRCUMSTANCES

This clause explains certain rights that we have under certain circumstances.

## 8.1 Specified Event.

8.1.1 Should a Specified Event occur or be reasonably likely to occur, provided it is fair and reasonable in the circumstances, we may take a Reserved Action (see clause 8.3). A Specified Event includes, but shall not be limited to, if:

- (a) you, or any Authorised Person appointed by you in relation to an Account in accordance with clause 3.2.1 are the subject of or have been found guilty or at fault in any criminal proceedings or relevant investigation carried out by an Official Body in any jurisdiction of any offence involving dishonesty, financial crime, terrorist financing or a similar offence;
- (b) you are the subject of an Insolvency Event;
- (c) you are an individual and you die or become of unsound mind or your capacity, as far as it is relevant to the Agreement or to CFDs, is otherwise impaired;
- (d) you have failed at any time to comply with any of your obligations under the Agreement, including failure to ensure the Account Revaluation Amount for an Account stays above the applicable Close-Out Level(s), failure to ensure your Cash stays above zero, failure to make any payment to us when due, where you breach an Order Cluster Limit(s) or GSLO Cluster Limit(s), where you breach a Position Limit(s) or GSLO Limit(s) (or fail to reduce your Position(s) to comply with a revised Position Limit(s) as set out in clause 9.3.4 or GSLO Limit(s) as set out in paragraph 9.7 of Schedule 1), or where any declaration or assurance given by you to us is or becomes untrue without you having given us reasonable prior notice in writing;
- (e) an Error occurs;
- (f) we reasonably suspect that you are using or attempting to use our Platform for any Improper Use;
- (g) we refuse or delay giving effect to your request for a withdrawal in accordance with clause 5.3.11;
- (h) breach of the terms of your licence to use our Platform in accordance with clause 10.2.2;
- (i) you do or attempt to do any of the prohibited matters set out in clause 10.2.3; or
- (j) any other circumstance exists where we reasonably believe that it is necessary or desirable to protect you or us, including any breach or potential breach by you of Applicable Law or the Agreement or where you do not respond as reasonably required to any notice, communication or request for further information from us in relation to your Account.

## 8.2 Circumstances Outside Our Control.

8.2.1 A Circumstance Outside Our Control is the actual existence of, or our reasonable belief of the existence or imminence of, any circumstance that is beyond our reasonable control, for which we are not prepared and for which we could not reasonably have been prepared, and which prevents us from being able to provide our Platform, quote Prices and/or perform any of our obligations under the Agreement. Circumstances

Outside Our Control include:

- (a) changes in Applicable Law or any action taken by an Official Body;
- (b) events or circumstances on any relevant financial market (including a lack of sufficient trading activity) that impair or remove the ability of our Platform to operate on a normal and orderly basis, including to generate and/or quote a correct Price, or any Price;
- (c) acts or omissions of any third party financial institution with whom we deal which have the effect that we are unable or it is impractical for us, after using reasonable efforts, to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any trade or asset we deem necessary or appropriate to hedge our price risk relating to Trades or Countdowns;
- (d) errors, failures or disruptions in our systems or any other infrastructure (including infrastructure under the control of third parties) on which we depend, including where we receive incorrect data, or we do not receive any relevant market data or similar information;
- (e) natural disasters and emergencies, including but not limited to floods, earthquakes and other acts of God;
- (f) man-made emergencies, including but not limited to fire, explosions, criminal acts, riots, war, armed conflict, imposition of sanctions and terrorist attack;
- (g) third-party default, including but not limited to any labour dispute, strike, industrial action or dispute, lockout, and non-performance by suppliers or subcontractors; or
- (h) any other exceptional event or circumstance over which we have no control.

8.2.2 If we reasonably determine that there is a Circumstance Outside Our Control:

- (a) we will give you notice of such determination as soon as it is practicable and in accordance with Applicable Law;
- (b) we will do our best and it will be our primary goal, to resume our provision of our Platform and/or performance of our obligations under the Agreement as soon as possible. However, there may be some situations where this is not reasonably possible without significant delay, or not possible at all, in which case we will inform you of any proposed course of action that we intend to take, which will be with a view to minimising any adverse impact of the Circumstance Outside Our Control on both you and us;
- (c) provided it is fair and reasonable, we may take an appropriate Reserved Action under clause 8.3 with a view to minimising any adverse impact of the Circumstance Outside Our Control on both you and us; and
- (d) any failure by us to perform our obligations under the Agreement caused by a Circumstance Outside Our Control will not be considered to be a breach of the Agreement.

8.2.3 Where we are able to resume provision of our Platform, quoting Prices and/or

performance of our other obligations under the Agreement following a Circumstance Outside Our Control:

- (a) the value of any Trade you held immediately before the Circumstance Outside Our Control (which has not been closed, suspended or cancelled by us under clause 8.3.1) will be calculated in accordance with the relevant Price as at the time we are able to resume our provision of our Platform, quoting Prices and/or performance of our obligations under the Agreement;
- (b) if any conditions specified by you in respect of an Order for a Trade immediately before the Circumstance Outside Our Control (which has not been cancelled or closed by us under clause 8.3.1) have been met, the relevant Trade may be entered into or closed immediately after we resume our provision of our Platform, quoting Prices and/or performance of our obligations under the Agreement; and
- (c) you are responsible for re-instating any Order that we cancelled under clause 8.3.1 during the Circumstance Outside Our Control, and you are responsible for cancelling any Pending Order that is yet to be executed if you do not want such Pending Order to be executed.

8.2.4 If a Circumstance Outside Our Control occurs, we will handle any Countdowns in accordance with paragraphs 7.2 to 7.3 in Schedule 3.

### **8.3 Reserved Actions.**

8.3.1 If we are required to do so under Applicable Law, or a Specified Event or Circumstance Outside Our Control occurs or is reasonably likely to occur, then we may in our discretion take any action (including the following Reserved Actions) that is fair and reasonable in the circumstances:

- (a) combine or close any Trades, or close any Countdowns or cancel or suspend any Orders (including any Pending Orders) on an Account;
- (b) prohibit you from accessing or using an Account;
- (c) suspend or in any way limit or restrict your ability to place any Order, Trade or Countdown or decline to action any instruction received from you in relation to an Account;
- (d) refuse or delay giving effect to your request for a withdrawal of money from your Account;
- (e) amend any Independent Margin, Spread, Attributes, Prices and Variable Rates, including those relevant to your Trades and/or Orders (including any Pending Orders);
- (f) cancel any Trades or Countdowns (as if they had never been entered into in the first place) and the effect of such Trades or Countdowns on your Account;
- (g) impose special terms in relation to any Order (including any Pending Order), Trade or Countdown which, by virtue of its size, is deemed by us to be abnormal by reference to the relevant Product, its volatility or its liquidity;

- (h) make appropriate Deductions or credits;
- (i) close any Account, make an Account Unauthorised To Trade or set an Account to Reduce Only in accordance with clause 9.5 or any other procedure;
- (j) exercise any right of Set-Off, to make a Deduction or to charge interest, under the Agreement or Applicable Law;
- (k) retain any sum owed by you to us or any of our Associates;
- (l) suspend the generation and/or quotation of Prices and/or the execution of Orders on our Platform in respect of any Product; and/or
- (m) remove any Product from our Platform and/or remove your ability to place Trades or Countdowns on a particular Product from an Account.

8.3.2 If we decide to take any Reserved Action then we will attempt to notify you of this as soon as reasonably practicable, unless Applicable Law or an Official Body prevents us from doing so. If we are able to give you prior notice of our intention to take any Reserved Action, then that Reserved Action will either take effect immediately or at the time specified in the notice.

8.3.3 As set out in clauses 7.2.2(a)(iv) and 7.2.2(a)(viii), we shall not be responsible for any loss resulting from any Specified Event, Circumstance Outside Our Control or us exercising our rights to take a Reserved Action under clause 8.3. You agree that our rights in clause 8.3.1 above are in addition to any other rights which we may have against you under the Agreement or Applicable Law and that you may be required to take such other action as we may reasonably request in order to protect us or our Associates.

## 9. AMENDMENTS AND TERMINATION

**This clause explains our rights to make amendments to the Agreement and what can happen to your use of our services if we exercise those rights.**

### 9.1 Amendments to the Agreement in general.

9.1.1 We may amend any part of the Agreement, including but not limited to the Close-Out Level(s), Reset Level, and the Prime Reset Level, at any time by giving you notice in writing, subject to clauses 5.9.2, 5.9.4, 8.3, 9.2, 9.3 and 9.4. Any amendments we make must be in accordance with Applicable Law. We will only make amendments for a valid reason.

9.1.2 Subject to clauses 5.9.2, 5.9.4, 8.3, 9.2, 9.3 and 9.4 any amendments to the Agreement that we give you notice of will take effect on the date specified in our notice to you, which will be at least ten (10) Business Days after we send our notice to you. If you are not happy with the amendment, you will be free to close your Account and/or terminate the Agreement in accordance with clause 9.5 before the amendment takes effect. During that period, subject to the terms of the Agreement, you will be able to close your Trades and cancel your Pending Orders if you wish. Unless we state otherwise, changes we notify to you will affect all ongoing business between us and you, including Pending Orders and Trades.

## 9.2 Amendments to Margin Rates and Independent Margin.

- 9.2.1 In addition to our rights under clause 9.3.1 to amend Attributes without prior notice to you, we may from time to time make amendments to the Margin Rate applicable to your Position in any Product and/or the Independent Margin. We will, where possible, provide you with three (3) Business Days' notice of such an amendment, although on occasion we may make such an amendment on shorter notice or without giving you prior notice where in our reasonable opinion such an amendment is warranted.
- 9.2.2 Where an amendment to the Margin Rates and/or the Independent Margin requires you to provide additional funds to us, it is your responsibility to ensure that you have provided us with sufficient cleared funds and/or reduced your Position in the relevant Product(s) by closing any affected Trades and/or Pending Orders, in order that your Account Revaluation Amount is equal to or exceeds the new Total Margin for the Account and/or to keep the Account Revaluation Amount above the applicable Close-Out Level(s).

## 9.3 Amendments to Prices, Variable Rates and other Attributes.

- 9.3.1 Subject to clause 9.2.1, we will amend Prices, Variable Rates and Attributes through our Platform in real time and such amendments will take effect immediately as and when they are made on our Platform and/or in the Product Library and/or on our Website even if they are not displayed on the device that you use to access our Platform (for example, due to poor internet connectivity). If you place an Order on the basis of Prices, Variable Rates and/or Attributes which have already been changed and such changes have not been displayed on the device you use for accessing our Platform at the time of placing the Order, the Trade or Countdown will be effected at the correspondingly changed Prices, Variable Rates and/or Attributes. The same applies should changes to Prices, Variable Rates and/or Attributes occur between the time the Order is placed by you and the time your Order is received by us or the time your Order is executed.
- 9.3.2 We will, through our Platform, amend Holding Rates for a particular Product as at the relevant Holding Time. The Holding Rates as at the previous Holding Time in respect of a Product will be displayed in the Product Library.
- 9.3.3 In respect of any Order that has not yet been executed on a Margin Account, where:
- (a) the Margin Rate has been increased by our Platform in accordance with clause 9.2.1; and
  - (b) (if relevant) at the time at which that Order would otherwise be executed, you have or would have an insufficient Account Value to cover your Total Margin,
- then that Order will be automatically cancelled and will not be executed. It will be shown as a failed Order on the Account.
- 9.3.4 You will not be deemed to have breached a Position Limit in respect of a particular Product for the purposes of the Agreement where such breach arises solely from a reduction on our Platform of the relevant Position Limit without prior notice to you. In



such circumstances, you will normally be required to close any affected Trades so that the relevant Position is below the applicable Position Limit within three (3) Business Days of the reduction of the Position Limit (unless, in our reasonable opinion, it is necessary and fair to impose a shorter period in which to close any affected Trades), and a failure to do so may be a Specified Event that entitles us to take a Reserved Action (see clauses 8.1 and 8.3).

#### **9.4 Removal of Products.**

- 9.4.1 In addition to our rights to take a Reserved Action under clause 8.3, we may, at any time, remove any Products from our Platform and/or remove your ability to place Trades or Countdown on a particular Product from an Account. If you have a Trade in any relevant Product being removed, we will provide you with reasonable notice in writing, where possible, that we intend to remove such Product. We aim to provide you with at least ten (10) Business Days' notice in which to close any Trade that you may hold on such a Product, however, where in our reasonable opinion it is necessary and fair to do so, we reserve the right to provide a shorter notice period or no notice at all.
- 9.4.2 It is your responsibility to cancel any Pending Orders and/or close any Trades in respect of any Product that is being removed in accordance with clause 9.4.1 before the time specified in any notice provided by us. If you do not do this, we will cancel any Pending Orders and close any Trades in respect of that Product at the time and in the manner specified in the notice.
- 9.4.3 Subject to clause 9.4.2, we may set any Product that is being removed in accordance with clause 9.4.1 to Reduce Only.

#### **9.5 Closing your Account or terminating the Agreement.**

- 9.5.1 Subject to clause 5.3.11 you may close any Account held by you by giving us notice in writing, which will take effect immediately. You should cancel any Pending Orders and close any Trades on the Account and then withdraw any money due to you before giving us such notice of termination. If you do not do this, we will cancel any Pending Orders and close any Trades as soon as possible after we receive your notice and then attempt to return any money due to you.
- 9.5.2 In addition to our rights to close an Account as a Reserved Action under clause 8.3, we may close any Account by giving you notice in writing, which (subject to clause 9.5.3) will take effect on the date specified in such notice being no less than ten (10) Business Days after the date of the notice. Immediately upon our issuance of the notice of termination to you, we may set an Account to Reduce Only and/or Unauthorised to Trade. Unless our notice of termination specifies otherwise and/or we have set the Account to Unauthorised to Trade, you will be allowed to cancel any Pending Orders and/or close any Trades yourself during the time between: (i) when we give you the notice; and (ii) when the Account is due to close in accordance with the notice. If you do not do this or giving you notice is not possible, we will cancel any Pending Orders and close any Trades on the Account and then attempt to return any money due to you.

- 9.5.3 If we have serious grounds or valid reasons for doing so, including where we reasonably suspect any Improper Use, we may terminate the Agreement or set an Account to Reduce Only and/or Unauthorised to Trade with less than ten (10) Business Days' notice, including immediately. We will cancel any Pending Orders and close any Trades on the Account at the time and in the manner specified in the notice.
- 9.5.4 Unless otherwise agreed, the Agreement will automatically terminate following the closure of all of your Accounts by you or us.
- 9.5.5 When you or we close an Account and/or the Agreement terminates we may exercise any right that we have under clause 5.5 to make a Deduction or under clause 5.6 to exercise our right of Set-Off.

## 10. GENERAL PROVISIONS

**This clause contains other legal provisions that may affect your and our rights under the Agreement.**

### 10.1 Marketing, privacy and record keeping.

- 10.1.1 In connection with the Agreement, you will be providing us with personal information that is subject to data protection laws. By sending the application to us and entering into the Agreement you consent to:
- (a) us processing this information for the following purposes:
    - (i) assessment of your application, including determining the appropriateness of you entering into the Agreement;
    - (ii) administration of the relationship between you and us;
    - (iii) carrying out our obligations under the Agreement;
    - (iv) assessing our operational and financial risk in relation to you;
    - (v) development of our products and services;
    - (vi) providing third party market data or similar information to you to assist you in your use of our Website and/or our Platform; and
    - (vii) creation of anonymised statistical data.
  - (b) us disclosing your personal information to the following persons for the same purposes listed at (a) above:
    - (i) our subcontractors and service providers who process your data on our behalf (these include ID and sanctions checking and credit reference agencies);
    - (ii) our Associates; and
    - (iii) if applicable, your introducing broker, any Joint Account Holder or any person who is an Authorised Person or reasonably appears or purports to be an Authorised Person.
  - (c) us acting in accordance with the preferences indicated by you when using your

personal information for the purposes of marketing our products, products of our Associates, products of your introducing broker and products of any specified third parties. You may notify us at any time in writing if you wish to change your personal information preferences; and

- (d) us transferring your personal information outside of the European Economic Area (EEA) for the purposes set out in (a), (b) and (c) above, where the level of protection afforded to data may not be the same as within the EEA. We will comply at all times with our data protection obligations in respect of any such transfer.

10.1.2 If you request, on payment of a fee, we will provide you with the details of any of your personal information that we are holding, subject to our obligations under Applicable Law.

10.1.3 You agree that we may record all telephone conversations and/or any communications by other means between you and us, and use such recordings, or transcripts of such recordings, as well as any e-mails, recorded chat messages or other communications you send to us through our Platform for training purposes, for the purposes of investigating any complaint you may make, or for any other legal or regulatory purposes including as evidence in any dispute or anticipated dispute between you and us. We shall retain records of all telephone conversations for the duration required by Applicable Law.

10.1.4 You agree to keep all information that you hold relating to your Account, including any e-mails and letters and any promotions that we send to you, confidential at all times.

## 10.2 Intellectual Property.

10.2.1 Unless otherwise indicated, our Platform, our Website and all of its software, algorithms, design, text, content, data (including market data, which may be owned by third parties, used by us to create Prices), arrangement, organisation, graphics, compilation, magnetic translation, digital conversion, equipment, and any and all other electronic, computer, technical and information communications technology devices and equipment, networks, servers, applications, codes (including source and object codes) and data centres which are contained in or relate to our Platform, together with all technical documentation and information necessary for the use of any of the above ("**Elements**") are protected under applicable Intellectual Property Rights and we and/or our licensors are the owner or the licensee (as applicable) of all such Intellectual Property Rights in our Platform and the Elements. All such rights are hereby reserved. The posting of our Platform and any Elements on our Platform does not constitute a waiver of any right in our Platform or such Elements. Except as expressly granted in the Agreement, you do not acquire any rights, title or interest in or to our Platform or the Elements.

10.2.2 We hereby grant you a personal, non-exclusive, royalty-free revocable and non-transferable licence, to access and make personal and non-commercial use of our Platform for the limited purpose of trading or speculating in accordance with the Agreement. No other rights are granted in respect of our Platform. In the event you do

or attempt to do any of the prohibited matters set out in clause 10.2.3 or we reasonably suspect that you have done or attempted to do any of these prohibited matters, the terms of this licence and the Agreement shall be automatically revoked and you shall have no further rights in or to our Platform or any of the Elements (see clauses 8.1.1(h), 8.1.1(i) and 8.3).

10.2.3 You must not:

- (a) copy, reproduce, translate, duplicate, or use our Platform except as expressly provided for in the Agreement;
- (b) permit any other person to copy, reproduce, translate, duplicate or use our Platform except as expressly permitted in the Agreement;
- (c) create or develop any hyperlink or other form of internet weblink to our Platform except with our express prior written consent;
- (d) modify, adapt, alter, translate, enhance, reverse engineer, decompile, decode, disassemble or reverse assemble (except and solely to the extent Applicable Law expressly and specifically prohibits such restrictions), or create derivative works of our Platform or any of the Elements (or cause or permit any of the foregoing);
- (e) modify, adapt or alter the operation of our Platform in any way (other than as intended by the Agreement);
- (f) distribute, re-distribute, sell, re-sell, transmit, re-transmit, publish, make available, re-produce, sub-licence, transfer, rent, lend, re-circulate, repackage, disclose, display or make commercial use of our Platform, our Website, any of the Elements or any of the materials provided by us in relation to the Agreement (either in whole or in part);
- (g) download or copy your Account information other than if required to do so by an Official Body or for personal use in accordance with the provisions of the Agreement;
- (h) download or copy account information relating to any other client;
- (i) carry out any data collection, or use data mining, screen-scraping, optical recognition software, image makers, robots or any other similar or like data gathering and extraction tools on our Platform or the Elements;
- (j) use any software, algorithm, robot, applications, tools, codes, computer, electronic devices or equipment on our Platform for non-human and/or high frequency trading;
- (k) make use of our Platform or any of the Elements for automated purposes;
- (l) knowingly introduce any software viruses, trojans, worms, logic bombs, time bombs, "back doors" or back door devices, "drop dead devices", malware, or any other material, software or code which:
  - (i) is or is likely to be malicious or technologically harmful, destructive, or disabling or anything analogous to the foregoing to our Platform or any of the Elements;

- (ii) damages, disrupts, impairs, erases or adversely affects the normal operation of our Platform or any of the Elements;
- (iii) assists in or enables theft or alteration of data or content from our Platform or any of the Elements; or
- (iv) provides unauthorised access to our Platform or any of the Elements;
- (m) permit or cause unauthorised access or attempt to gain unauthorised access to our Platform or any of the Elements, including the server on which our Platform or any of the Elements is stored or any server, computer or database connected to our Platform or any of the Elements;
- (n) attack our Platform via a denial-of-service attack or a distributed denial-of-service attack; or
- (o) do, or permit, any act or thing (or omit to do any act or thing) analogous to any of the foregoing,

and any of the above acts may be a Specified Event that entitles us to take a Reserved Action (see clauses 8.1 and 8.3).

10.2.4 We will not be liable for any loss or damage caused by a distributed denial-of-service attack, viruses or other technologically harmful material that may infect your computer equipment, computer programs, data or other proprietary material due to your use of our Platform or to your downloading of any material posted on it, or on any website (including our Website) linked to it.

### **10.3 Outsourcing.**

10.3.1 We may use external service providers in relation to any of our operations in accordance with Applicable Law, who may include Associates or other third parties.

### **10.4 Provisions becoming illegal, invalid, or incapable of application.**

10.4.1 If at any time any provision of the Agreement is or becomes illegal, invalid, or incapable of being applied in any respect under the law of any jurisdiction, all other provisions of the Agreement will remain legal, valid and capable of being applied under the law of that jurisdiction as well as under any other Applicable Law.

10.4.2 Nothing in the Agreement will exclude or restrict any duty or liability owed by us to you under Applicable Law, and notwithstanding any other provision of the Agreement we will be entitled to take any action or refrain from taking any action if necessary to ensure compliance with Applicable Law. In the event of conflict between any provision of the Agreement and Applicable Law, Applicable Law will prevail.

### **10.5 Transfer or delegation of rights and obligations.**

10.5.1 Due to requirements under Applicable Law regarding the personal information we hold on our clients and how we must deal with them, you may not transfer any of your rights or delegate any of your obligations under the Agreement to any person (including an Authorised Person or Joint Account Holder) without our prior written consent.

- 10.5.2 You may not, for any reason, grant any person (including an Authorised Person) the use or benefit of a right under the Agreement, including any rights to money held with us (whether by way of a mortgage, charge or otherwise).
- 10.5.3 We may transfer or delegate our rights and/or obligations under the Agreement and/or in respect of any Trade and/ or Countdown and/or Pending Order, which may involve transferring any client money balance held by us on your behalf, to any person, provided we act in accordance with Applicable Law. If you have fulfilled all of your obligations under, and are not in breach of, the Agreement we may do this on giving you not less than thirty (30) calendar days' notice in writing, otherwise we may do this with immediate effect in which case we will inform you about the transfer or delegation as soon as reasonably practicable. Where we transfer or delegate any of our rights or obligations under the Agreement to any person, we may provide that person with any information relating to you that they may reasonably require.
- 10.5.4 Where we transfer any client money balance held by us on your behalf, we will either take reasonable steps to ensure that the person to whom we transfer it holds it in accordance with the FCA's rules on client money, or we will exercise all due skill, care and diligence to assess whether the person to whom we transfer it will apply adequate measures to protect such client money.

## **10.6 Rights and remedies.**

- 10.6.1 The rights and remedies available to you or us under the Agreement do not exclude, and are in addition to, the rights and remedies provided to you or us in accordance with Applicable Law.

## **10.7 Delay or inaction in exercising rights under the Agreement.**

- 10.7.1 If you or we have a particular right under Applicable Law or under the Agreement, it may be the case that you or we fail to take prompt action to exercise that right. Such failure may be for any reason (e.g. you or we may not yet have become aware of the surrounding circumstances, or may have attempted to exercise the right without taking all the appropriate or required steps). Whatever the reason, such failure does not mean that you or we will be unable to exercise that right at a later stage.
- 10.7.2 Similarly, you or we may fail to take prompt action when the other party breaches the Agreement. Such failure does not mean that you or we will be unable to take action at a later stage or that the party who committed the breach is authorised by the other to continue breaching the Agreement.

## **10.8 Rights of Third Parties.**

- 10.8.1 Except as provided in clause 10.8.2, no person (including an Authorised Person) or corporate body who is not a party to this Agreement shall have any right to enforce any term of the Agreement under the Contracts (Rights of Third Parties) Act 1999.
- 10.8.2 The Agreement may, however, be enforced by any of our Associates. We do not require the consent of our Associates to amend, modify, suspend, cancel or terminate any

provision of the Agreement.

## **10.9 Governing Law and Jurisdiction.**

10.9.1 The Agreement, any Trade, Countdown or Order entered into under the Agreement and any non-contractual obligations arising out of or in connection with the Agreement or any Trade, Countdown or Order are governed by, and interpreted in accordance with, the laws of England and Wales.

10.9.2 The courts of England and Wales have non-exclusive jurisdiction to hear all and any disputes or claims (of any and every kind, whether based on the Agreement, statute, regulation, case law or otherwise) arising out of, relating to, or connected with the Agreement, including as to its interpretation, validity, application or breach. This will not limit our right to take proceedings against you in relation to any dispute or claim in any jurisdiction that we consider appropriate, nor will the taking of proceedings in one or more jurisdictions preclude us from taking proceedings in any other jurisdiction, whether concurrently or not, if and to the extent permitted by Applicable Law.

## **10.10 The meaning of certain other words in the Agreement.**

10.10.1 Any reference in the Agreement to a particular provision of Applicable Law (such as a statute or rule or other provision made by an Official Body) is deemed to include a reference to that provision as amended or re-enacted (or both) from time to time, to any subordinate provision made or other thing done by an Official Body under that provision, and any equivalent, similar or analogous provision under Applicable Law.

10.10.2 Any reference to a document (including information provided on our Website and/or our Platform) in the Agreement is deemed to be a reference to that document as modified from time to time.

10.10.3 Any reference to 'including' or 'includes' in the Agreement is deemed to be a reference to 'including without limitation'.

10.10.4 Any heading in the Agreement will not affect the interpretation of the Agreement.

10.10.5 Any reference to a person in these Terms shall include bodies corporate, unincorporated associations, trusts, partnerships and individuals.

10.10.6 Any reference to Account in the Agreement shall be deemed to be a reference to Accounts, as applicable.

10.10.7 The bolding of certain paragraphs in these Terms is for ease of reference only. You should ensure that you read these Terms in full.

## **10.11 Survival of terms in the Agreement.**

10.11.1 Clauses 4.3.3, 6, 7.1, 7.2, 10.1 to 10.11 and Schedule 4 will continue to apply after closure of your Account and/or termination of the Agreement.

## Schedule 1 – CFD Product Terms for Margin Accounts

This Schedule 1 sets out terms that apply specifically to investing in our CFDs on any Margin Account, including those in relation to Prices, Orders to open and close Margin Trades, Commission, Holding Costs, Roll-Overs, Guaranteed Stop Loss Orders, Order Cluster Limits, GSLO Cluster Limits, Position Limits, GSLO Limits, Product Limits, Total Position Margin, Independent Margin, Standard Margin, Prime Margin and profit and loss.

### 1. CFDs.

1.1 Our CFDs are contracts for difference (“CFDs”).

1.2 A CFD is a **cash-settled contract**, which seeks to confer similar economic benefits to an investment in the relevant underlying asset(s), without the usual costs and rights associated with an investment in the underlying asset(s), although other costs and rights will apply to a CFD. Therefore, no Order for a Trade or a Trade will entitle you or us to any rights in relation to the underlying asset(s) of a Product, including but not limited to any rights to delivery, acquisition or ownership of those underlying assets.

### 2. Products.

2.1 You will be able to access relevant information on each Product, including its Attributes, through the Product Library.

2.2 Our Platform will only generate Prices and Price Depth, and you may only enter into or close Margin Trades via our Platform, during the Trading Hours specified in the Product Library for the relevant Product. Some but not all types of Orders may be submitted through our Platform outside of the Trading Hours for the relevant Product. It is your responsibility to monitor the Trading Hours specified in the Product Library from time to time.

### 3. Prices.

3.1 During the Trading Hours for any Product, our Platform will generate Prices subject to clauses 4.2.1, 8.2 and 8.3 as well as paragraph 12.4 of this Schedule 1. The quality of your internet connection, as well as rapid market fluctuations may affect the speed at which information is displayed and refreshed on your device. Therefore we cannot guarantee that the Price and/or Price Depth displayed on your device at any time will always be the actual and up-to-date Price and/or Price Depth being generated by our Platform at that time.

3.2 Each Price is expressed as a Sell Price (represented by the lower figure) followed by a Buy Price (represented by the higher figure). The Price at which an Order will be executed **may be less favourable** to you than the Price displayed on our Platform when you place the Order (for instance, due to market movements between the time you submit the Order and the time that our Platform executes your Order). You are responsible for checking the Price at which an Order may have been executed, if the Order is accepted by our Platform.

3.3 The direction of your Margin Trade (buy or sell) determines which of the Buy Price or Sell Price your Margin Trade will be entered into or closed at, as follows:

3.3.1 if you are trading in the expectation that the Price of the relevant Product will go up,



your Margin Trade should be entered into at the Buy Price. A buy Margin Trade will be valued at the Sell Price and will be closed at the Sell Price; or

3.3.2 if you are trading in the expectation that the Price of the relevant Product will go down (known as 'short selling'), your Margin Trade should be entered into at the Sell Price. A sell Margin Trade will be valued at the Buy Price and will be closed at the Buy Price.

3.4 The Price Depth displays multiple Buy Prices and Sell Prices for the applicable Product in a Price Ladder. The implications of Price Depth on your Order(s) are described more fully in section 2 of the OEP.

#### **4. Currency Conversions.**

4.1 All Deductions and credits applied to your Margin Account will be in the relevant Account Currency, regardless of the Product Currency. Where the relevant Product Currency is different to the relevant Account Currency, all calculations of Deductions and credits will be undertaken in the Product Currency and converted into the Account Currency at the Currency Conversion Rate and then applied to the Margin Account. This does not mean that you can ignore the potential impact of currency exchange rates when you enter into a Margin Trade that is denominated in a currency other than the Account Currency, and you should factor this into your investment decisions.

4.2 Our Platform will retain information about the Currency Conversion Rate used for any conversion which results in a change to your Cash or Total Margin.

#### **5. Orders.**

5.1 An Order (including a Pending Order) will only be deemed to be received by our Platform at the time at which our Platform actually receives it, which may not be immediately after you submit that Order (for example, due to poor internet connectivity).

5.2 Placing an Order (including a Pending Order) does not guarantee that a Margin Trade will be entered into. Our Platform and/or we may reject your Order to enter into a Margin Trade without any explanation. In contrast, our Platform will, subject to clauses 4.1.2, 4.2.1 and 8.2 as well as paragraph 12.4 of this Schedule 1, accept your Order to close a Margin Trade. An Order will be accepted, and a Margin Trade will be entered into or closed, when the Order is executed by our Platform. Our Platform will record any execution of your Orders, and you can access the relevant information on executed Orders through our Platform.

5.3 Subject to paragraphs 6.8, 9.2.1, 9.8, 9.9 and 9.11 of this Schedule 1, you and/or we may modify any Pending Order at any point until that Order has been executed. You and/or we may also cancel any Pending Order at any point until that Order has been executed.

5.4 Subject to paragraph 5.5 of this Schedule 1, if the conditions of an Order (including a Pending Order) are met, but at that time a Margin Account has insufficient Available Equity to meet the Trade Margin or Prime Margin required that would result from the execution of that Order, the Margin Trade will not be entered into.

5.5 In respect of a Roll-Over of a Margin Trade on a Forward, it is your responsibility to ensure that the Margin Account has sufficient Available Equity to meet the Position Margin and/or Prime

Margin required that would result from any relevant new Margin Trade to be entered into as part of a Roll-Over.

- 5.6 The types of Order available to you in respect of a particular Product and the details of when those Orders might be placed or modified will be set out on our Website and further specified on our Platform. These include Market Orders, Limit Orders and Stop Entry Orders as further detailed in our OEP. Our OEP also sets out further information on how our Platform will execute Orders.

## **6. Margin Trades.**

- 6.1 To enter into a Margin Trade, you must place an Order on our Platform that identifies the Product and specifies whether you wish to enter into a buy Margin Trade or a sell Margin Trade, the type of Order, the Price at which you wish to buy or sell (as applicable), any Boundary (if relevant), the number of Units (which may be calculated automatically by our Platform based on the amount you enter when placing an Order) that you wish to be the subject of that Margin Trade and the Stop Loss Order(s), Trailing Stop Loss Order(s), Guaranteed Stop Loss Order(s) and/or Take Profit Order(s) that you wish to apply to that Margin Trade (if any).
- 6.2 All Margin Trades will be designated solely by Units.
- 6.3 The Platform may combine and net your Margin Trades open at the same time in respect of the same Product as follows:
- 6.3.1 all Margin Trades open on the same Product at the same time on a Margin Account are aggregated and subject to netting for the purposes of calculating the size of your Position in the relevant Product;
  - 6.3.2 if Account Netting is enabled any Orders will, if and when executed, close out any open Margin Trades in the same Product in the opposing direction. Once this process has taken place, any remaining Orders, or part of an Order in the same Product will, if and when executed, then be used to open a new Margin Trade in the same Product; and
  - 6.3.3 subject to paragraph 9.2.4 of this Schedule 1, if Account Netting is disabled any Orders used to enter Margin Trades in the same Product will, if and when executed, open a new Margin Trade, even if there is already an open Margin Trade in the same Product in the opposing direction. Open Positions or Margin Trades can only be closed by the execution of an Order specifically linked to that Position or Margin Trade.
- 6.4 Provided you have no open Trades, you can re-enable Account Netting at any time.
- 6.5 We may combine or consolidate multiple Margin Trades when we take the Reserved Actions described in clauses 8.3.1(a).
- 6.6 Disabling Account Netting will affect the execution of new and existing Buy and Sell Orders, excluding Stop Loss Orders and Take Profit Orders.
- 6.7 Margin Trades on a Forward (and any Pending Orders for that Forward other than Limit Orders and Stop Entry Orders) will be subject to an Auto Roll-Over at any time during the period between the Last Roll-Over Date and the Expiry Date unless:

- 6.7.1 you or we close that Margin Trade before the Expiry Date in accordance with these Terms; or
  - 6.7.2 you designate that the Margin Trade be closed and settled upon the Cash Settlement Date; or
  - 6.7.3 the Margin Trade was executed after the Last Roll-Over Date, in which case the Margin Trade will be closed and settled on the Cash Settlement Date (and any Pending Orders for that Forward will be cancelled on the Cash Settlement Date); or
  - 6.7.4 there is no equivalent Forward based on the same underlying asset(s) but with a later Expiry Date available to trade on our Platform, which may result in the Margin Trade reaching the Expiry Date and being closed and settled on the Cash Settlement Date (and any Pending Orders for that Forward being cancelled on the Cash Settlement Date).
- 6.8 You may disable the Auto Roll-Over setting for a Margin Trade on a Forward before the Last Roll-Over Date, which may result in the Margin Trade reaching the Expiry Date and being closed and settled on the Cash Settlement Date (and any Pending Order for that Forward being cancelled on the Cash Settlement Date).
- 6.9 Any Roll-Over will be carried out in accordance with section 2 of the OEP. You will not be able to enter into any Margin Trade or increase any Position on a particular Forward following the Last Trade Opening Date.

## **7. Trade Margin.**

### **Position Margin.**

- 7.1 If you wish to place an Order to enter into a Margin Trade in a Product, the increase or decrease in your Position Margin resulting from that Order is described as your Trade Margin.
- 7.2 Your Position Margin will be calculated using the Level 1 Mid-Price shown on our Platform and the Margin Rate(s) shown in the Product Library. Position Margin is not required in respect of the portion of any Margin Trade(s) or Position(s) covered by a Guaranteed Stop Loss Order, for which Prime Margin is required instead.
- 7.3 For certain Products different Margin Rates may apply, depending on the size of your Position or the Tier(s) your Position (or a portion of your Position) falls within.
- 7.4 The portion of your Position not covered by a Guaranteed Stop Loss Order that falls within each Tier is subject to the Margin Rate applicable for that Tier.
- 7.5 The Position Margin required at any given time is calculated as follows:

Position Margin is:

the sum of

(Units in Tier 1 x Tier 1 Margin Rate + Units in Tier 2 x Tier 2 Margin Rate + Units in Tier 3 x Tier 3 Margin Rate + Units in Tier 4 x Tier 4 Margin Rate + Units in Tier 5 x Tier 5 Margin Rate) x Level 1 Mid-Price x CMC Currency Conversion Rate

where any Units that are covered by a Guaranteed Stop Loss Order are excluded from the calculation.

Example:

<b>Company ABC (GBP) Margin Rates</b>		
<b>Tier</b>	<b>Position (Units) excluding the number of Units covered by a Guaranteed Stop Loss Order</b>	<b>Margin Rate</b>
1	1-1,000	10%
2	1,001-3,000	15%
3	3,001-5,000	20%
4	5,001-10,000	30%
5	Above 10,000	50%

Using the Margin Rates shown in this example, a Position of 6,500 Units in Company ABC (GBP), where the Level 1 Mid-Price is 275.0 pence per Unit, the Account Currency is pounds sterling and the Currency Conversion Rate is 1 (e.g. because the Account Currency and the Price are in the same currency), would require a Position Margin of £3,437.50. This is calculated as follows:

<b>Tier</b>	<b>Portion of Position in each Tier in Units (Tier Size) excluding the number of Units covered by a Guaranteed Stop Loss Order</b>	<b>Margin Rate (%)</b>	<b>Units x Margin Rate for each Tier</b>	<b>Position Margin</b>
1	1,000	10%	1,000 x 10% = 100	1,250 x 275.0 Pence (Level 1 Mid-Price) x 1 (Currency Conversion Rate) = £3,437.50
2	2,000	15%	2,000 x 15% = 300	
3	2,000	20%	2,000 x 20% = 400	
4	1,500	30%	1,500 x 30% = 450	
5	0	50%	0	
Total	6,500 units		Total = 1,250	

7.6 The Total Position Margin will be the sum of the Position Margin at any given time.

7.7 The Position Margin Rate at any given time is calculated as follows:

$$\text{Position Margin Rate} = \frac{\text{Position Margin}}{\text{sum of Units in Position} \times \text{Level 1 Mid-Price} \times \text{Currency Conversion Rate}}$$

7.8 Again using the example above at paragraph 7.5 of this Schedule 1, please note that if you have a Margin Trade which is covered by a Guaranteed Stop Loss Order, then your Standard Margin will reduce accordingly.

### **Prime Margin**

7.9 In respect of any portion of a Margin Trade covered by a Guaranteed Stop Loss Order, the Prime Margin required is calculated in real time as follows:

#### **On a buy Margin Trade, Prime Margin is:**

Units in the Guaranteed Stop Loss Order x (Level 1 Mid-Price – Target Price) x Currency Conversion Rate

#### **On a sell Margin Trade, Prime Margin is:**

Units in the Guaranteed Stop Loss Order x (Target Price – Level 1 Mid-Price) x Currency Conversion Rate

Using the example above at paragraph 7.5 of this Schedule 1, where a Guaranteed Stop Loss Order had been entered into on a buy Margin Trade to sell 1,000 Units in Company ABC (GBP) with a Target Price of 200.0 pence where the Level 1 Mid-Price is 275.0 pence per Unit and the Account Currency is pounds sterling, the Prime Margin required would be £750 (1000 Units x (275 – 200) x 1).

7.10 Your Total Prime Margin is the sum of the Prime Margin required for all Margin Trades covered by a Guaranteed Stop Loss Order at any given time.

### **Other margin requirements.**

7.11 We may also:

7.11.1 require you to have an additional Amount deposited in a Margin Account to secure your future obligations to us; or

7.11.2 reduce the Amount you are required to hold in a Margin Account by an absolute Amount;

the relevant Amount in both cases being referred to as the Independent Margin (which will be a positive figure in respect of Amounts under paragraph 7.11.1 and a negative figure in respect of Amounts under paragraph 7.11.2 of this Schedule 1).

## **Total Margin.**

- 7.12 Your Total Margin is the sum of your Total Position Margin, Total Prime Margin and your Independent Margin at any given time. Your Standard Margin is the sum of your Total Position Margin and your Independent Margin at any given time.
- 7.13 If you wish to place an Order to enter into a Margin Trade that will either create a new Position or increase an existing Position in a particular Product, the Available Equity in the Margin Account must, unless we agree otherwise, be sufficient to cover any Position Margin, Prime Margin, Commission and/or GSLO Premium required as a result of that particular Margin Trade, where:

Available Equity = Account Revaluation Amount – Total Margin

and

Account Revaluation Amount = Cash + Net Unrealised Profit or Loss

where Net Unrealised Profit Or Loss is calculated using the Level 1 Mid-Price.

- 7.14 Your Total Margin does not represent your entire potential liability to us, and you may incur losses from any Margin Trade(s) that exceed the Total Margin provided to us for your Positions.

## **8. Closing Margin Trades.**

- 8.1 You may place a Market Order on our Platform to fully or partially close any individual Margin Trade during Trading Hours by either:
- 8.1.1 using the 'close Trade' function in relation to that Margin Trade or the 'close Position' function in relation to all your Margin Trades on a Product on the Margin Account; or
  - 8.1.2 unless otherwise specified (for example, through you disabling Account Netting), placing a Market Order in the opposite direction for the same Product as the relevant Margin Trade through the process set out in paragraph 6.1 of this Schedule 1.
- 8.2 If you have multiple Margin Trades in the same Product, and you do not specify which Margin Trade(s) you wish to close, our Platform will close your whole or partial Margin Trades that are not covered by Guaranteed Stop Loss Orders first in the order in which those Margin Trades were entered into (i.e. on a 'first in, first out' basis), and then close any whole or partial Margin Trades that are covered by Guaranteed Stop Loss Orders in the order in which those Margin Trades were entered into (i.e. on a 'first in, first out' basis).
- 8.3 Our Platform will close any Margin Trade in accordance with any applicable Roll-Over, Stop Loss Order, Trailing Stop Loss Order, Guaranteed Stop Loss Order, Take Profit Order or Limit Order. In addition, our Platform may close all the Margin Trades on a Margin Account if the Close-Out Level(s) for that Account is triggered (see paragraph 13 of this Schedule 1).
- 8.4 We reserve the right to instruct our Platform to close any Margin Trade when we take the Reserved Actions described in clauses 8.3.1(a), 8.3.1(c), 8.3.1(f), 8.3.1(i) and 8.3.1(m), exercise our rights under clause 9.4 or exercise our termination rights under clause 9.5 or upon the expiry of

five (5) years after the relevant Margin Trade was entered into, in accordance with the Agreement.

## **9. Risk Management.**

- 9.1 You may set Stop Loss Orders, Trailing Stop Loss Orders, Guaranteed Stop Loss Orders or Take Profit Orders for any Order to open a Trade or Margin Trade by:
- 9.1.1 amending the Order ticket (if relevant); or
  - 9.1.2 if an Order has already been entered into, by applying a Stop Loss Order, Trailing Stop Loss Order, Guaranteed Stop Loss Order and/or Take Profit Order via the Positions tab on the Margin Account; or
  - 9.1.3 if a Margin Trade has already been entered into, at any time before the Margin Trade is closed, by applying a Stop Loss Order, Trailing Stop Loss Order, Guaranteed Stop Loss Order and/or Take Profit Order via the Positions tab on the Margin Account.
- 9.2 In respect of Guaranteed Stop Loss Orders:
- 9.2.1 these may only be placed during Trading Hours;
  - 9.2.2 a GSLO Premium must be paid to us in order to place any Guaranteed Stop Loss Order (including by modifying another type of Pending Order). A GSLO Premium Refund may be given if the Guaranteed Stop Loss Order is subsequently cancelled, removed, corrected or closed before it has been executed. A GSLO Premium is not required in order to modify an existing Guaranteed Stop Loss Order;
  - 9.2.3 if you wish to place, modify or cancel a Guaranteed Stop Loss Order (including by modifying another type of Pending Order), you must ensure that the Available Equity in the Margin Account is sufficient to cover any increase in Position Margin and/or Prime Margin required as a result; and
  - 9.2.4 it is not possible, with Account Netting disabled, to place a Guaranteed Stop Loss Order on a Trade if a Guaranteed Stop Loss Order is already attached to an existing Trade in the opposite direction in the same Product.
- 9.3 If you close a Margin Trade, any attached Stop Loss Order, Trailing Stop Loss Order, Guaranteed Stop Loss Order and/or Take Profit Order will automatically be closed and, in respect of any Guaranteed Stop Loss Order, a GSLO Premium Refund may be provided.
- 9.4 Pending Orders, including Stop Loss Orders and Trailing Stop Loss Orders but excluding Guaranteed Stop Loss Orders, are subject to market conditions (i.e. slippage) and are therefore not guaranteed to be executed at their Target Price.
- 9.5 Our Platform may aggregate: (i) any Stop Loss Order, Trailing Stop Loss Order or Stop Entry Orders to sell the same Product; or (ii) any Stop Loss Order, Trailing Stop Loss Order or Stop Entry Orders to buy the same Product; which are triggered by the same Price and which are due to be executed by our Platform at the same time in accordance with section 2 of the OEP.

- 9.6 You can use a Boundary where you need to ensure that the Buy Price or Sell Price at which a Market Order or Stop Entry Order is executed is not worse than the Target Price specified by you when setting the Boundary.

**Product Limit, Position Limits, Order Cluster Limits, GSLO Cluster Limits and GSLO Limits.**

- 9.7 Orders (including Pending Orders) and Margin Trades in respect of any Product may be subject to Position Limits and/or Order Cluster Limits. Guaranteed Stop Loss Orders are also subject to GSLO Cluster Limits and GSLO Limits. These limits are set by us in our sole discretion and may vary between Accounts. We are entitled to vary the Position Limits, Order Cluster Limits, GSLO Cluster Limits and GSLO Limits at any time in accordance with clause 9.3 and it is your responsibility to ensure that you know what all the current limits are before placing or modifying any Order to open a Trade or entering into any Margin Trade.
- 9.8 If, at the time an Order (including any Pending Order) would otherwise be executed, the execution of that Order would result in a breach of a Position Limit, the Order will be automatically cancelled and will not be executed. It will be shown as a rejected Order on the Margin Account.
- 9.9 Where the acceptance of a Pending Order or modification of an existing Pending Order would result in a breach of an Order Cluster Limit, GSLO Cluster Limit or GSLO Limit, the relevant Order or modification will be rejected by our Platform.
- 9.10 In addition, a Margin Account may be subject to a Product Limit restricting the number of Margin Trades, Positions and/or Pending Orders that could result in opening a new Position or Margin Trade on the Margin Account at any time. This limit is set by us in our sole discretion. We are entitled to vary the Product Limit at any time in accordance with clause 9.3 and it is your responsibility to ensure that you know what the current Product Limit is before entering any new Position or Margin Trade, or placing a new Pending Order.
- 9.11 If, at the time an Order (including any Pending Order) would otherwise be executed, the execution of that Order would result in a breach of the Product Limit, the Order will be automatically cancelled and will not be executed. It will be shown as a rejected Order on the Margin Account.

**10. Profit Or Loss.**

- 10.1 The Unrealised Profit Or Loss for any individual Margin Trade is calculated in real time as follows:

**On a buy Margin Trade, Unrealised Profit Or Loss is:**

Units x (Trade Revaluation Price – Opening Trade Price) x Currency Conversion Rate

**On a sell Margin Trade, Unrealised Profit Or Loss is:**

Units x (Opening Trade Price – Trade Revaluation Price) x Currency Conversion Rate

- 10.2 Subject to paragraph 10.6 of this Schedule 1, when a Margin Trade is closed any Unrealised Profit Or Loss immediately becomes Realised Profit or Realised Loss and a corresponding



change is made to the Cash in the relevant Margin Account. If we are not holding sufficient money under clauses 5.2.1 and 5.2.2 and there are insufficient Realised Profits to cover any Realised Loss in full then your Cash value will be negative.

10.3 **The Unrealised Profit Or Loss displayed on our Platform at any time may not accurately reflect the Realised Profit or Realised Loss that would be gained or incurred if you closed one or all of your Margin Trades immediately particularly where a Margin Trade may be closed at a Price that differs from the Level 1 Price. The Unrealised Profit Or Loss displayed on our Platform will always be based on the current Level 1 Price.**

10.4 It is your responsibility to monitor at all times changes to your Cash and to comply with your obligations under clause 5.3.1.

10.5 If we are holding sufficient money on your behalf on the Margin Account and/or you have sufficient Realised Profits to cover any Realised Loss in full, then that Realised Loss will be due and payable immediately. If we are not holding sufficient money on your behalf on the Margin Account and there are insufficient Realised Profits to cover any Realised Loss in full then, provided that the Account Revaluation Amount for the Margin Account remains positive and above the Close-Out Level(s) for that Account, the Realised Loss will become due and payable once you make payment of an Amount to us and/or gain sufficient Realised Profits to cover that Realised Loss in full. If your Account Revaluation Amount becomes negative or goes below the Close-Out Level(s) for a Margin Account at any time, then all Realised Losses will be due and payable immediately, and you should take the action required under paragraph 13.19.2 of this Schedule 1.

10.6 In respect of any particular Forward, the Unrealised Profit Or Loss will become Realised Profit or Realised Loss on the Cash Settlement Date (which will normally be within one (1) Business Day of the Expiry Date).

## 11. Holding Costs.

### Applying Holding Costs.

11.1 In respect of Margin Trades in certain Products a Holding Cost will be calculated and applied (subject to any applicable Offset, as described in paragraph 11.4 of this Schedule 1). Whether or not a Holding Cost applies in respect of a particular Product will be stated in the Product Library. These Holding Costs can be positive or negative.

11.2 Our Platform will calculate the Holding Cost as follows:

#### On a buy Margin Trade:

$$\text{Holding Cost} = \frac{(\text{Units} \times \text{Opening Trade Price} \times \text{Holding Rate})}{365} \times \text{Currency Conversion Rate}$$

#### On a sell Margin Trade:

$$\text{Holding Cost} = \frac{(\text{Units} \times -1 \times \text{Opening Trade Price} \times \text{Holding Rate Sell})}{365} \times \text{Currency Conversion Rate}$$

- 11.3 Any Holding Cost will be applied to your Margin Account at the Holding Time for the relevant Product, details of which are displayed in the Product Library. You must have sufficient Cash in the Margin Account at the relevant Holding Time to meet any Holding Cost.
- 11.4 If the Cash in a Margin Account is above the Offset Threshold, we may, in our sole discretion, apply an Offset to reduce the amount of any Holding Cost(s) due from you. Details of any applicable Offset Threshold will be shown on our Platform.

## 12. Corporate Actions, Adjustments and Insolvency.

- 12.1 A Corporate Action or Adjustment Event may from time to time occur in relation to the underlying asset(s) of a Product. Where such a Corporate Action or Adjustment Event occurs, we will determine whether it has or will have a material effect either on the market value of the underlying asset(s) of the Product or on the value of the Margin Trade or Position. If a Corporate Action or Adjustment Event occurs, we will take appropriate action to:
- 12.1.1 replicate the effect, on your Order(s) or Margin Trade(s) or Position(s), that the Corporate Action or Adjustment Event will have on the underlying asset(s) of the Product; and/or
  - 12.1.2 reflect any action taken by counterparties to trades in respect of such underlying asset(s) of the Product that we have entered into in order to hedge or offset our exposure to you; and/or
  - 12.1.3 preserve the economic equivalent of the rights and obligations of you and us under the relevant Margin Trade or Position immediately prior to the Corporate Action or Adjustment Event.
- 12.2 Subject to paragraphs 12.3, 12.5 and 12.6 of this Schedule 1, following a Corporate Action or Adjustment Event, the types of action that we may in our sole discretion take include (but shall not be limited to) the following:
- 12.2.1 suspend or close any Margin Trade where the underlying asset(s) of the relevant Product has been affected;
  - 12.2.2 cancel or suspend any Order (including Pending Orders) where the underlying asset(s) of the relevant Product has been affected;
  - 12.2.3 require additional Position Margin, Independent Margin, Prime Margin and/or the payment by you of any foreseeable costs incurred by CMC Markets (or any of our Associates) in relation to the Order (including Pending Orders) or Margin Trade where the underlying asset(s) of the relevant Product has been affected;
  - 12.2.4 change the Trade Revaluation Price of an Order (including a Pending Order) or Margin Trade where the underlying asset(s) of the relevant Product has been affected;

- 12.2.5 make appropriate calculations, adjustments, Deductions or credits from or to your Margin Account;
- 12.2.6 withdraw the Product, where the underlying asset(s) of the relevant Product has been affected, from our Platform; and/or
- 12.2.7 make appropriate adjustments to the Target Price of any Guaranteed Stop Loss Order and/or require additional Prime Margin where the underlying asset(s) of the relevant Product has been affected,

and we will give you notice on our Platform of any applicable action that we decide to make as soon as reasonably practicable, which for the avoidance of doubt may be after the relevant Corporate Action or Adjustment Event or after the relevant action which we may take in our discretion under this paragraph 12.2 of this Schedule 1.

- 12.3 If we determine that any calculations, adjustments, credits or debits under paragraphs 12.1 or 12.2 of this Schedule 1 cannot be made in a commercially reasonable manner or at all, we may close the affected Margin Trades and/or cancel any relevant Pending Orders.
- 12.4 Whilst a Corporate Action or Adjustment Event is processed, our Platform will not generate Prices or accept Orders for the relevant Product. Where possible we will process Corporate Actions and Adjustment Events outside Trading Hours.
- 12.5 If an issuer, whose securities form the basis of a Product, becomes insolvent, is otherwise dissolved or is subject to any event which has an analogous effect, all Margin Trades on that Product shall be closed by us within one month of such insolvency or dissolution or event which has an analogous effect. If you have a Margin Trade on any such Product, we shall provide you with notice in writing of that insolvency or dissolution or event having an analogous effect. The Price of any Margin Trade connected with a Product where the underlying issuer becomes insolvent, is otherwise dissolved or is subject to any event which has an analogous effect shall generally be closed at zero.
- 12.6 Subject to our rights under paragraphs 12.1 and 12.2 of this Schedule 1 if a Product or its relevant underlying asset(s) is suspended for any reason, the Price of all Margin Trades connected with that Product shall generally be zero (0) in accordance with paragraph 12.5 of this Schedule 1. However, if the Price of any Margin Trade connected with such a Product is greater than zero (0), we will notify you in writing of the date and Price at which such Margin Trade will be closed. CMC Markets reserves the right to request additional Position Margin, Independent Margin and/or any reasonably foreseeable associated costs incurred by CMC Markets (or any of our Associates) in connection with any suspension of a Product or its relevant underlying asset(s).

### **13. Account Close-Out.**

- 13.1 Your Account Revaluation Amount and Total Prime Margin (calculated as shown in paragraphs 7.13 and 7.10 of this Schedule 1 respectively) will be displayed on our Platform and updated in real time.
- 13.2 You must ensure that for each Margin Account your Account Revaluation Amount is at all times

above the applicable Close-Out Level(s) displayed on our Platform. The Close-Out Level(s) for your Margin Account will either be:

13.2.1 an absolute Amount (the “**Absolute Close-Out Level**”); or

13.2.2 either or both of the following (as applicable):

- (a) where some or all of your open Margin Trades are not wholly covered by Guaranteed Stop Loss Orders, an amount equal to (your Total Prime Margin (if any) plus an amount equal to your Standard Margin) multiplied by your “**Close-Out Percentage Level**” (the “**Standard Close-Out Level**”); and/or
- (b) where some or all of your open Margin Trades are wholly or partially covered by Guaranteed Stop Loss Orders, an amount equal to (your Total Prime Margin plus an amount equal to your Independent Margin) multiplied by your “**Prime Close-Out Percentage Level**” (the “**Prime Close-Out Level**”).

13.3 If your Account Revaluation Amount for a Margin Account falls to an Amount at or below any of the applicable Close-Out Level(s) for that Account at any point in time, our Platform will automatically initiate **Account Close-Out**.

13.4 Account Close-Out will either be performed as Full Account Close-Out (described in paragraphs 13.5 to 13.9 of this Schedule 1) or (subject to the Account Close-Out preferences you specify on the Platform) as Alternative Account Close-Out (described in paragraphs 13.10 to 13.15 of this Schedule 1).

#### **Full Account Close-Out.**

13.5 Unless our Platform has been instructed to perform an Alternative Account Close-Out, if your Account Revaluation Amount for a Margin Account falls to an Amount at or below the Close-Out Level(s) for that Account, our Platform will take the following actions (referred to collectively as “**Full Account Close-Out**”):

13.5.1 automatically close all whole or partial Margin Trades open on your Margin Account that are not covered by Guaranteed Stop Loss Orders in respect of Products that are within their applicable Trading Hours and where trading is not otherwise suspended, at the first Price available for a Market Order for the relevant Product (taking into account the number of Units for the Margin Trade)(the “**Initial Standard Close-Out**”); and

13.5.2 if either the Absolute Close-Out Level or the Prime Close-Out Level (as applicable) has been breached, subsequently automatically close all whole or partial Margin Trades on your Margin Account that are covered by Guaranteed Stop Loss Orders in respect of Products that are within their applicable Trading Hours and where trading is not otherwise suspended, at the first Price available for a Market Order for the relevant Product (taking into account the number of Units for the Margin Trade) or, if applicable, at the relevant Target Price(s) (the “**Initial Prime Close-Out**”); and

13.5.3 if your Account Revaluation Amount is below either the Absolute Close-Out Level or the Standard Close out Level (as applicable), subject to paragraph 13.6 of this Schedule 1, as and when:

- (a) any whole or partial Margin Trades not covered by Guaranteed Stop Loss Orders on the Margin Account in respect of Products that are within their applicable Trading Hours cease to be suspended; and/or
- (b) the Trading Hours in respect of any whole or partial Margin Trades not covered by Guaranteed Stop Loss Orders remaining on the Margin Account re-commence (and trading is not otherwise suspended);

automatically close those whole or partial Margin Trades not covered by Guaranteed Stop Loss Orders at the first Price available for a Market Order for the relevant Product (taking into account the number of Units for the Margin Trade), (each one or both of these actions being a **"Subsequent Standard Close-Out"**); and

13.5.4 if your Account Revaluation Amount is below either the Absolute Close-Out Level or the Prime Close-Out Level (as applicable), subject to paragraph 13.7 of this Schedule 1, as and when:

- (a) any whole or partial Margin Trades covered by Guaranteed Stop Loss Orders on the Margin Account in respect of Products that are within their applicable Trading Hours cease to be suspended; and/or
- (b) the Trading Hours in respect of any whole or partial Margin Trades covered by Guaranteed Stop Loss Orders remaining on the Margin Account re-commence (and trading is not otherwise suspended);

automatically close those whole or partial Margin Trades covered by Guaranteed Stop Loss Orders at the first Price available for a Market Order for the relevant Product (taking into account the number of Units for the Margin Trade), or, if applicable, at the relevant Target Price(s) (each one or both of these actions being a **"Subsequent Prime Close-Out"**); and

13.5.5 subject to paragraphs 13.6 and 13.7 of this Schedule 1, continually repeat the Subsequent Standard Close-Out and Subsequent Prime Close-Out until there are no remaining whole or partial Margin Trades on the Margin Account.

13.6 If following the initiation of the Full Account Close-Out your Account Revaluation Amount for the Margin Account increases above the Absolute Close-Out Level or the Standard Close-Out Level (if applicable) for that Account as a result of:

- 13.6.1 the Full Account Close-Out;
- 13.6.2 any change to your Net Unrealised Profit Or Loss;
- 13.6.3 you having made a payment into the Margin Account in accordance with clause 5.3 or the Cash increasing as a result of a winning Countdown; or
- 13.6.4 the combined effect of 13.6.1 to 13.6.3 above,

then, following the completion of any Initial Standard Close-Out, Initial Prime Close-Out, Subsequent Standard Close-Out or Subsequent Prime Close-Out (as applicable) that causes such an increase in your Account Revaluation Amount (if applicable), we will, through the

Platform, cease closing whole and/or partial Margin Trades not covered by Guaranteed Stop Loss Orders (i.e. no additional Subsequent Standard Close-Outs will be performed). For the avoidance of doubt, Subsequent Prime Close-Out(s) will continue unless your Account Revaluation Amount is above the Absolute Close-Out Level (if applicable) or has also increased above the Prime Close-Out Level (if applicable).

13.7 If following the initiation of the Full Account Close-Out your Account Revaluation Amount for the Margin Account increases above the Absolute Close-Out Level or the Prime Close-Out Level (if applicable) for that Account, as a result of:

13.7.1 the Full Account Close-Out;

13.7.2 any change to your Net Unrealised Profit Or Loss;

13.7.3 you having made a payment into the Margin Account in accordance with clause 5.3 or the Cash increasing as a result of a winning Countdown; or

13.7.4 the combined effect of 13.7.1 to 13.7.3 above,

then, following the completion of any Initial Standard Close-Out, Initial Prime Close-Out, Subsequent Standard Close-Out or Subsequent Prime Close-Out (as applicable) that causes such an increase in your Account Revaluation Amount (if applicable), we will, through the Platform, cease closing whole and/or partial Margin Trades covered by Guaranteed Stop Loss Orders (i.e. no additional Subsequent Prime Close-Outs will be performed). For the avoidance of doubt, Subsequent Standard Close-Out(s) will continue unless your Account Revaluation Amount is above the Absolute Close-Out Level (if applicable) or has also increased above the Standard Close-Out Level (if applicable).

13.8 Please note that an increase in your Account Revaluation Amount, however caused, will not affect any Margin Trades that have already been closed during the Full Account Close-Out.

13.9 Whole and/or partial Margin Trades not covered by Guaranteed Stop Loss Orders relating to the same Product may be aggregated by our Platform during the Initial Standard Close-Out and/or any Subsequent Standard Close-Out, in which case each relevant whole or partial Margin Trade will be closed at the relevant Sell Price or Buy Price on the Price Ladder applicable to a Market Order for the aggregated number of Units.

#### **Alternative Account Close-Out.**

13.10 Subject to the Account Close-Out preferences you specify on the Platform, you may set an instruction for our Platform to conduct Alternative Account Close-Outs, where the platform will attempt to increase your Account Revaluation Amount above the Reset Level or Prime Reset Level (as applicable) either on a:

13.10.1 'last in, first out' basis, which has the effect of closing first the whole or a portion of your most recent relevant whole or partial Margin Trade, then the whole or a portion of your next most recent relevant whole or partial Margin Trade, continuing this process as necessary;

13.10.2 'largest Position Margin / Prime Margin first' basis, which:

- (a) for Positions not covered by a Guaranteed Stop Loss Order, has the effect of closing first those relevant Positions for which the Position Margin is largest, unless there is only one relevant Position in which case the whole and/or partial Margin Trades comprising that Position will be closed on a 'first in, first out' basis. If there are two or more relevant Positions with an identical Position Margin that would otherwise be closed, then the relevant Position with the largest Position Margin Rate will be closed first, and if such Positions have identical Position Margin Rates then the relevant Position that was most recently increased will be closed first; and
- (b) for Positions covered by a Guaranteed Stop Loss Order, has the effect of closing first those relevant Positions for which the Prime Margin is largest, unless there is only one relevant Position in which case the whole and/or partial Margin Trades comprising that Position will be closed on a 'first in, first out' basis. If there are two or more relevant Positions with an identical Prime Margin that would otherwise be closed, then the relevant Position that was most recently increased will be closed first; or

13.10.3 'largest Position loss first' basis, which has the effect of closing first those relevant Positions for which the Unrealised Loss is largest, unless there is only one relevant Position in which case whole and/or partial Margin Trades comprising that Position will be closed on a 'first in, first out' basis. If there are two or more relevant Positions with an identical Amount of Unrealised Loss that would otherwise be closed, then the relevant Position with the largest Position Margin / Prime Margin will be closed first, and if there are two or more relevant Positions with identical Position Margin / Prime Margin that would otherwise be closed, then the relevant Position that was most recently increased will be closed first. Once all relevant Positions with Unrealised Losses have been closed, where necessary, this process will continue by closing Positions with the smallest Unrealised Profits first.

The Account Close-Out methods described in this paragraph 13.10 of Schedule 1 are collectively referred to as "**Alternative Account Close-Out**".

13.11 Where our Platform has been instructed to perform an Alternative Account Close-Out and your Account Revaluation Amount for a Margin Account falls to an amount at or below the Close-Out Level(s) for that Account, our Platform will take the following actions:

13.11.1 in accordance with any instructions permitted under paragraph 13.10 of this Schedule 1, automatically close the whole or a portion of such whole or partial Margin Trades on your Margin Account not covered by Guaranteed Stop Loss Orders in respect of Products that are within their applicable Trading Hours and where trading is not otherwise suspended, at the first Price available for a Market Order for the relevant Product (taking into account the number of Units for the Margin Trade) as is necessary to increase your Account Revaluation Amount above the Reset Level (the "**Initial Alternative Standard Close-Out**"); and

13.11.2 if the Prime Close-Out Level (if applicable) has been breached, in accordance with any

instructions permitted under paragraph 13.10 of this Schedule 1, subsequently automatically close the whole or a portion of such whole or partial Margin Trades on your Margin Account that are covered by Guaranteed Stop Loss Orders in respect of Products that are within their applicable Trading Hours and where trading is not otherwise suspended, at the first Price available for a Market Order for the relevant Product (taking into account the number of Units for the Margin Trade) or, if applicable, at the relevant Target Price as is necessary to increase your Account Revaluation Amount above the Prime Reset Level (the “**Initial Alternative Prime Close-Out**”); and

13.11.3 then, if your Account Revaluation Amount is below the Standard Close-Out Level (if applicable) subject to paragraph 13.12 of this Schedule 1, and in accordance with any instructions permitted under paragraph 13.10 of this Schedule 1, as and when:

- (a) any whole or partial Margin Trades not covered by Guaranteed Stop Loss Orders on your Margin Account in respect of Products that are within their applicable Trading Hours cease to be suspended; and/or
- (b) the Trading Hours in respect of any whole or partial Margin Trades not covered by Guaranteed Stop Loss Orders remaining on your Margin Account re-commence (and trading is not otherwise suspended),

automatically close the whole or a portion of such of those whole or partial Margin Trades not covered by Guaranteed Stop Loss Orders at the first Price available for a Market Order for the relevant Product (taking into account the number of Units for the Margin Trade) as is necessary to increase your Account Revaluation Amount above the Reset Level (each one or both of these actions being a “**Subsequent Alternative Standard Close-Out**”); and

13.11.4 then, if your Account Revaluation Amount is below the Prime Close-Out Level (if applicable), subject to paragraph 13.13 of this Schedule 1, and in accordance with any instructions permitted under paragraph 13.10 of this Schedule 1, as and when:

- (a) any whole or partial Margin Trades covered by Guaranteed Stop Loss Orders on your Margin Account in respect of Products that are within their applicable Trading Hours cease to be suspended; and/or
- (b) the Trading Hours in respect of any whole or partial Margin Trades covered by Guaranteed Stop Loss Orders remaining on your Margin Account re-commence (and trading is not otherwise suspended);

automatically close the whole or a portion of such of those whole or partial Margin Trades covered by Guaranteed Stop Loss Orders at the first Price available for a Market Order for the relevant Product (taking into account the number of Units for the Margin Trade) or, if applicable, at the relevant Target Price as is necessary to increase your Account Revaluation Amount above the Prime Reset Level (each one or both of these actions being a “**Subsequent Alternative Prime Close-Out**”); and

13.11.5 subject to paragraphs 13.12 and 13.13 of this Schedule 1, continually repeat the Subsequent Alternative Standard Close-Outs and Subsequent Alternative Prime Close-Outs until there are no remaining whole or partial Margin Trades on your Margin Account.

13.12 If, following the initiation of the Alternative Account Close-Out your Account Revaluation



Amount for a Margin Account increases above the Standard Close-Out Level (if applicable) for that Account as a result of:

- 13.12.1 the Alternative Account Close-Out;
- 13.12.2 any change to your Net Unrealised Profit Or Loss;
- 13.12.3 you having made a payment into the Margin Account in accordance with clause 5.3 or the Cash in increasing as a result of a winning Countdown ; or
- 13.12.4 the combined effect of 13.12.1 to 13.12.3 above,

then, following the completion of any Initial Alternative Standard Close-Out, Initial Alternative Prime Close-Out, Subsequent Alternative Standard Close-Out or Subsequent Alternative Prime Close-Out (as applicable) that causes such an increase in your Account Revaluation Amount (if applicable), we will, through the Platform, cease closing whole and/or partial Margin Trades and Positions that are not covered by Guaranteed Stop Loss Orders (i.e. no additional Subsequent Alternative Standard Close-Outs will be performed). For the avoidance of doubt, Subsequent Alternative Prime Close-Out(s) will continue unless your Account Revaluation Amount has also increased above the Prime Close-Out Level (if applicable).

13.13 If, following the initiation of the Alternative Account Close-Out your Account Revaluation Amount for the Margin Account increases above the Prime Close-Out Level (if applicable) for that Account, as a result of:

- 13.13.1 the Alternative Account Close-Out;
- 13.13.2 any change to your Net Unrealised Profit Or Loss;
- 13.13.3 you having made a payment into the Margin Account in accordance with 5.3 or the Cash increasing as a result of a winning Countdown; or
- 13.13.4 the combined effect of 13.13.1 to 13.13.3 above,

then, following the completion of any Initial Alternative Standard Close-Out, Initial Alternative Prime Close-Out, Subsequent Alternative Standard Close-Out or Subsequent Alternative Prime Close-Out (as applicable) that causes such an increase in your Account Revaluation Amount (if applicable), we will, through the Platform, cease closing whole and/or partial Margin Trades and Positions that are covered by Guaranteed Stop Loss Orders (i.e. no additional Subsequent Alternative Prime Close-Outs will be performed). For the avoidance of doubt, Subsequent Alternative Standard Close-Out(s) will continue unless your Account Revaluation Amount has also increased above the Standard Close-Out Level (if applicable).

13.14 Please note that an increase in your Account Revaluation Amount, however caused, will not affect any Margin Trades and/or Positions that have already been closed in whole or in part during the Alternative Account Close-Out.

13.15 Whole and/or partial Margin Trades not covered by Guaranteed Stop Loss Orders relating to the same Product may be aggregated by our Platform during the Initial Alternative Standard Close-Out and/or any Subsequent Alternative Standard Close-Out, in which case the whole or a

portion of each relevant whole or partial Margin Trade will be closed at the relevant Sell Price or Buy Price (as applicable) on the Price Ladder applicable to a Market Order for the aggregate number of Units.

#### General.

13.16 Notwithstanding paragraphs 13.10 and 13.11 of Schedule 1, if you breach the Absolute Close-Out Level, our Platform will always initiate Full Account Close-Out.

13.17 We may set one or more “Close-Out Warning Levels” on our Platform for your Account Revaluation Amount that is:

13.17.1 an absolute amount (the “Absolute Close-Out Warning Level”); or

13.17.2 where some or all of your open Margin Trades are not wholly covered by Guaranteed Stop Loss Orders, an amount equal to (your Total Prime Margin (if any) plus an amount equal to your Standard Margin) multiplied by the percentage displayed on our Platform (the “Standard Close-Out Warning Level”); and/or

13.17.3 where some or all of your open Margin Trades are wholly or partially covered by Guaranteed Stop Loss Orders, an amount equal to (your Total Prime Margin plus an amount equal to your Independent Margin) multiplied by the percentage displayed on our Platform (the “Prime Close-Out Warning Level”).

13.18 We will then attempt, through our Platform, to notify you if your Account Revaluation Amount falls to an amount at or below the applicable Close-Out Warning Level(s) and notify you of the applicable Close-Out Level(s), Reset Level and/or Prime Reset Level (as applicable). **Any Close-Out Warning Level notification is provided as a courtesy and you must not rely on our Platform or us to notify you of such circumstances.** If you receive such a notification you should consider closing Margin Trades or making a payment to us in order to reduce the risk of Account Close-Out. Any failure by us to notify you through our Platform, or the fact that you did not see such notification, before the Close-Out Level(s) for the Margin Account was reached will not affect the likelihood of an Account Close-Out, our right to the Reserved Actions at clause 8.3, our rights under clause 9.4, or our right to terminate under clause 9.5.

13.19 You should also note that:

13.19.1 You must not rely on our Platform to close your Margin Trades if the Account Revaluation Amount for a Margin Account falls below the Close-Out Level(s) for that Account as we cannot guarantee that Account Close-Out will occur or the speed at which it will occur.

13.19.2 Account Close-Out does not and is not intended to limit your entire liability to us in respect of your Margin Trades, you can lose more than your initial investment and you may be required to make further payments. You must clear any negative Account Revaluation Amount immediately by the payment of an Amount to us, that is sufficient to return the Account Revaluation Amount to zero or to a positive value.

13.19.3 Any failure by you to maintain the Account Revaluation Amount for a Margin Account

above the Close-Out Level(s) for that Account may be a Specified Event that entitles us to take a Reserved Action (see clauses 8.1 and 8.3).

## Schedule 2 – CFD Product Terms for Contra Accounts

This Schedule 2 sets out terms that apply to investing in our CFDs using a Contra Account, including those in relation to Prices, Orders to open and close Contra Trades, Commission, Contra Close Spread Factors, Order Cluster Limits, Position Limits, Product Limit and profit and loss.

### 1. Contra Accounts (Including Contra Trades).

- 1.1 Our CFDs (including Contra Trades) are contracts for difference (“CFDs”).
- 1.2 A CFD is a **cash-settled contract**, which seeks to confer similar economic benefits to an investment in the relevant underlying asset(s), without the usual costs and rights associated with an investment in the underlying asset(s), although other costs and rights will apply to a CFD. Therefore, no Order or Trade (including Contra Trades) will entitle you or us to any rights in relation to the underlying asset(s) of a Product, including but not limited to any rights to delivery, acquisition or ownership of those underlying assets.
- 1.3 A Contra Account allows you to place Trades on certain Products without the usual obligation to provide margin, but subject to certain additional requirements. Contra Trades must be closed on the same Business Day that they are opened and you must settle your losses on your Contra Account as soon as they become due and payable.
- 1.4 Having an existing Account with us does not automatically entitle you to open another Account with us and we may, in our sole discretion, reject an application from you to open a Contra Account. If we accept your application and open a Contra Account for you, we will confirm this in writing (see clause 6.1.2) and provide you with details on how to access your Contra Account through our Platform.

### 2. Products.

- 2.1 Not all Products are available on Contra Accounts. You will be able to see which Products you can place Contra Trades on, as well as access relevant information on each Product, including its Attributes, through the Product Library.
- 2.2 Our Platform will only generate Prices and Price Depth, and you may only enter into or close Contra Trades via our Platform, during the Trading Hours specified in the Product Library for the relevant Product. It is your responsibility to monitor the Trading Hours specified in the Product Library from time to time.

### 3. Prices.

- 3.1 During the Trading Hours for any Product, our Platform will generate Prices subject to clauses 4.2.1, 8.2 and 8.3 as well as paragraph 11.3 of this Schedule 2. The quality of your internet connection, as well as rapid market fluctuations may affect the speed at which information is displayed and refreshed on your device. Therefore we cannot guarantee that the Price and/or Price Depth displayed on your device at any time will always be the actual and up-to-date Price and/or Price Depth being generated by our Platform at that time.
- 3.2 Each Price is expressed as a Sell Price (represented by the lower figure) followed by a Buy Price (represented by the higher figure). The Price at which an Order will be executed **may be less**

**favourable** to you than the Price displayed on our Platform when you place the Order (for instance, due to market movements between the time you submit the Order and the time that our Platform executes your Order). You are responsible for checking the Price at which an Order may have been executed, if the Order is accepted by our Platform.

- 3.3 The direction of your Contra Trade (buy or sell) determines which of the Buy Price or Sell Price your Contra Trade will be entered into or closed at, as follows:
- 3.3.1 if you are trading in the expectation that the Price of the relevant Product will go up, your Contra Trade should be entered into at the Buy Price. Subject to paragraph 8.6 of this Schedule 2, a buy Contra Trade will be valued at the Sell Price and will be closed at the Sell Price; or
- 3.3.2 if you are trading in the expectation that the Price of the relevant Product will go down (known as 'short selling'), your Contra Trade should be entered into at the Sell Price. Subject to paragraph 8.6 of this Schedule 2, a sell Contra Trade will be valued at the Buy Price and will be closed at the Buy Price.
- 3.4 The Price Depth displays multiple Buy Prices and Sell Prices for the applicable Product in a Price Ladder. The implications of Price Depth on your Order(s) are described more fully in section 2 of the OEP.

#### **4. Currency Conversions.**

- 4.1 All Deductions and credits applied to your Contra Account(s) will be in the relevant Account Currency, regardless of the Product Currency. Where the relevant Product Currency is different to the relevant Account Currency, all calculations of Deductions and credits will be undertaken in the Product Currency and converted into the Account Currency at the Currency Conversion Rate and then applied to the Contra Account. This does not mean that you can ignore the potential impact of currency exchange rates when you enter into a Contra Trade that is denominated in a currency other than the Account Currency, and you should factor this into your investment decisions.
- 4.2 Our Platform will retain information about the Currency Conversion Rate used for any conversion which results in a change to your Cash.

#### **5. Orders.**

- 5.1 An Order (including a Pending Order) will only be deemed to be received by our Platform at the time at which our Platform actually receives it, which may not be immediately after you submit that Order (for example, due to poor internet connectivity).
- 5.2 Placing an Order (including a Pending Order) does not guarantee that a Contra Trade will be entered into. Our Platform and/or we may reject your Order to enter into a Contra Trade without any explanation. In contrast, our Platform will, subject to clauses 4.1.2, 4.2.1 and 8.2 as well as paragraph 11.3 of this Schedule 2, accept your Order to close a Contra Trade. An Order will be accepted, and a Contra Trade will be entered into or closed, when the Order is executed by our Platform. Our Platform will record any execution of your Orders, and you can access the relevant information on executed Orders through our Platform.

- 5.3 Subject to paragraphs 9.7, 9.8 and 9.10 of this Schedule 2, you and/or we may modify any Pending Order at any point until that Order has been executed. You and/or we may also cancel any Pending Order at any point until that Order has been executed.
- 5.4 If the conditions of an Order (including a Pending Order) to open a Contra Trade are met, but at that time the Account Revaluation Amount for your Contra Account is below the Close-Out Level for that Account, the Order will be rejected.
- 5.5 The types of Order available to you in respect of a particular Product will be set out on our Website and further specified on our Platform. These include Market Orders, Limit Orders and Stop Entry Orders as further detailed in our OEP. Our OEP also sets out further information on how our Platform will execute Orders.

## **6. Contra Trades.**

- 6.1 To enter into a Contra Trade, you must place an Order on our Platform that identifies the Product and specifies whether you wish to enter into a buy Contra Trade or a sell Contra Trade, the type of Order, the Price at which you wish to buy or sell (as applicable), any Boundary (if relevant), the number of Units (which may be calculated automatically by our Platform based on the amount you enter when placing an Order) that you wish to be the subject of that Contra Trade and the Stop Loss Order and/or Take Profit Order that you wish to apply to that Contra Trade (if any).
- 6.2 All Contra Trades will be designated solely by Units.
- 6.3 The Platform may combine and net your Contra Trades open at the same time in respect of the same Product as follows:
  - 6.3.1 all Contra Trades open on the same Product at the same time on your Contra Account are aggregated and subject to netting for the purposes of calculating the size of your Position in the relevant Product;
  - 6.3.2 if Account Netting is enabled any Orders will, if and when executed, close out any open Contra Trades in the same Product in the opposing direction. Once this process has taken place, any remaining Orders, or part of an Order in the same Product will, if and when executed, then be used to open a new Contra Trade in the same Product; and
  - 6.3.3 if Account Netting is disabled any Orders used to enter Contra Trades in the same Product will, if and when executed, open a new Contra Trade, even if there is already an open Contra Trade in the same Product in the opposing direction. Open Positions or Contra Trades can only be closed by the execution of an Order specifically linked to that Position or Contra Trade.
- 6.4 Provided you have no open Trades, you can re-enable Account Netting at any time.
- 6.5 We may combine or consolidate multiple Contra Trades when we take the Reserved Actions described in clause 8.3.1(a).
- 6.6 Disabling Account Netting will affect the execution behaviour of new Buy and Sell Orders, excluding Stop Loss Orders and Take Profit Orders.

## 7. Margin

Your Contra Account does not have any Independent Margin, Position Margin or Trade Margin requirements. Your Total Margin on your Contra Account will consequently always be zero.

## 8. Closing Contra Trades.

- 8.1 You may place a Market Order on our Platform to fully or partially close any individual Contra Trade during Trading Hours by either:
- 8.1.1 using the 'close Trade' function in relation to that Contra Trade or the 'close Position' function in relation to all your Contra Trades on a Product; or
  - 8.1.2 unless otherwise specified (for example, through you disabling Account Netting), placing a Market Order in the opposite direction for the same Product as the relevant Contra Trade through the process set out in paragraph 6.1 of this Schedule 2.
- 8.2 If you have multiple Contra Trades in the same Product, and you do not specify which Contra Trade(s) you wish to close, they will be closed by our Platform in the order in which the Contra Trades were entered into (i.e. on a 'first in, first out' basis).
- 8.3 Our Platform will close any Contra Trade in accordance with any applicable Stop Loss Order, Trailing Stop Loss Order, Take Profit Order or Limit Order. In addition, our Platform will close all your Contra Trades at 5pm Eastern Standard Time each Business Day (see paragraphs 8.5 to 8.7 of this Schedule 2) or if the Close-Out Level for your Contra Account is triggered (see paragraph 12 of this Schedule 2).
- 8.4 We reserve the right to instruct our Platform to close any Contra Trade when we take the Reserved Actions described in clauses 8.3.1(a), 8.3.1(c), 8.3.1(f), 8.3.1(i) and 8.3.1(m), exercise our rights under clause 9.4 or exercise our termination rights under clause 9.5 or upon the expiry of five (5) years after the relevant Contra Trade was entered into, in accordance with the Agreement.

### Trading Close

- 8.5 You should close all of your Contra Trades on the same Business Day as they are opened before the end of Trading Hours applicable to the relevant Product or, for Products that trade 24 hours a day, before 5pm Eastern Standard Time (EST). A Contra Close Spread Factor will be calculated and applied at 5pm Eastern Standard Time to any Contra Trades which are still open when their Trading Hours close.
- 8.6 If you have not closed all of your Contra Trades before the end of Trading Hours applicable to the relevant Product(s) or if the Product(s) trade 24 hours a day, before 5pm Eastern Standard Time (EST), at 5pm Eastern Standard Time each Business Day, our Platform will automatically close all sell Contra Trades and buy Contra Trades at the Contra Close Price Buy or Contra Close Price Sell respectively, where:

$$\text{Contra Close Price Buy} = \text{the last Level 1 Mid-Price available for Market Orders for the relevant Product} + \frac{(\text{Spread} * \text{Contra Close Spread Factor})}{2}$$

and

$$\text{Contra Close Price Sell} = \text{the last Level 1 Mid-Price available for Market Orders for the relevant Product} - \frac{(\text{Spread} * \text{Contra Close Spread Factor})}{2}$$

Example:

If a particular Product has a Contra Close Spread Factor of 200% and at the end of Trading Hours applicable to that Product:

$$\text{Last Level 1 Buy Price} = 5,083.7$$

$$\text{Last Level 1 Sell Price} = 5,079.7$$

then:

$$\text{Last Level 1 Mid-Price} = 5,081.7$$

$$\text{Spread} = 4$$

$$\text{Contra Close Price Buy} = 5,081.7 + \frac{(4 * 200\%)}{2} = 5,085.7$$

and:

$$\text{Contra Close Price Sell} = 5,081.7 - \frac{(4 * 200\%)}{2} = 5,077.7$$

- 8.7 For the avoidance of doubt, Orders placed to close Contra Trades which are not executed before the end of Trading Hours applicable to the relevant Product or for Products that trade 24 hours a day, before 5pm Eastern Standard Time (EST), and any Contra Trades in respect of Products where trading was suspended and continues to be suspended at 5pm Eastern Standard Time will be closed at the Contra Close Price Buy or Contra Close Price Sell (as applicable) determined in accordance with paragraph 11.5 of this Schedule 2. Take Profit Orders and Stop Loss Orders on your Contra Account will be cancelled at the end of Trading Hours applicable to the relevant Product and for Products that trade 24 hours a day, at 5pm Eastern Standard Time (EST).

## 9. Risk Management.

- 9.1 You may set Stop Loss Orders, Trailing Stop Loss Orders or Take Profit Orders for any Order or Contra Trade by:
- 9.1.1 amending the Order ticket (if relevant); or
  - 9.1.2 if an Order has already been entered into, by applying a Stop Loss Order, Trailing Stop Loss Order, Take Profit Order via the Positions tab on your Contra Account; or
  - 9.1.3 if a Contra Trade has already been entered into, at any time before the Contra Trade is closed, by applying a Stop Loss Order, Trailing Stop Loss Order or Take Profit Order via the Positions tab on your Contra Account.



- 9.2 If you close a Contra Trade, any attached Stop Loss Order, Trailing Stop Loss Order or Take Profit Order will automatically be closed.
- 9.3 Pending Orders, including Stop Loss Orders and Trailing Stop Loss Orders, are subject to market conditions (i.e. slippage) and are therefore not guaranteed to be executed at their Target Price.
- 9.4 Our Platform may aggregate: (i) any Stop Loss Order, Trailing Stop Loss Order or Stop Entry Orders to sell the same Product; or (ii) any Stop Loss Order, Trailing Stop Loss Order or Stop Entry Orders to buy the same Product; which are triggered by the same Price and which are due to be executed by our Platform at the same time in accordance with section 2 of the OEP.
- 9.5 You can use a Boundary where you need to ensure that the Buy Price or Sell Price at which a Market Order or Stop Entry Order is executed is not worse than the Target Price specified by you when setting the Boundary.

#### **Product Limit, Position Limits and Order Cluster Limits.**

- 9.6 Orders (including Pending Orders) and Contra Trades in respect of any Product may be subject to Position Limits and/or Order Cluster Limits. These limits are set by us in our sole discretion and may vary between Accounts. We are entitled to vary the Position Limits and/or Order Cluster Limits at any time in accordance with clause 9.3 and it is your responsibility to ensure that you know what the current Position Limits and/or Order Cluster Limits are before placing any Order or entering any Contra Trade.
- 9.7 If, at the time an Order (including any Pending Order) would otherwise be executed, the execution of that Order would result in a breach of a Position Limit, the Order will be automatically cancelled and will not be executed. It will be shown as a rejected Order on your Contra Account.
- 9.8 Where the acceptance of a Pending Order or modification of an existing Pending Order would result in a breach of an Order Cluster Limit, the relevant Order or modification will be rejected by our Platform.
- 9.9 In addition, your Contra Account may be subject to a Product Limit restricting the number of Positions and/or Pending Orders that could result in opening a new Position on your Contra Account at any time. This limit is set by us in our sole discretion. We are entitled to vary the Product Limit at any time in accordance with clause 9.3 and it is your responsibility to ensure that you know what the current Product Limit is before entering any new Position or placing a new Pending Order.
- 9.10 If, at the time an Order (including any Pending Order) would otherwise be executed, the execution of that Order would result in a breach of the Product Limit, the Order will be automatically cancelled and will not be executed. It will be shown as a rejected Order on the Contra Account.

## 10. Profit Or Loss.

10.1 The Unrealised Profit Or Loss for any individual Contra Trade is calculated in real time as follows:

On a buy Contra Trade, Unrealised Profit Or Loss is:

Units x (Trade Revaluation Price – Opening Trade Price) x Currency Conversion Rate

On a sell Contra Trade, Unrealised Profit Or Loss is:

Units x (Opening Trade Price – Trade Revaluation Price) x Currency Conversion Rate

10.2 When a Contra Trade is closed any Unrealised Profit Or Loss immediately becomes Realised Profit or Realised Loss and a corresponding change is made to the Cash in your Contra Account. If we are not holding sufficient money under clauses 5.2.1 and 5.2.2 and there are insufficient Realised Profits to cover any Realised Loss in full then your Cash value will be negative.

10.3 **The Unrealised Profit Or Loss displayed on our Platform at any time may not accurately reflect the Realised Profit or Realised Loss that would be gained or incurred if you closed one or all of your Contra Trades immediately particularly where a Contra Trade may be closed at a Price that differs from the Level 1 Price. The Unrealised Profit Or Loss displayed on our Platform will always be based on the current Level 1 Price.**

10.4 It is your responsibility to monitor changes to your Cash at all times and to comply with your obligations under clause 5.3.1. You must clear any negative Cash value immediately by: (i) the payment of an Amount to us; and/or (ii) gaining Realised Profits; sufficient to return the Cash value to zero or to a positive value.

10.5 For the avoidance of doubt, Realised Losses on your Contra Account become due and payable immediately.

## 11. Corporate Actions, Adjustments and Insolvency.

11.1 A Corporate Action or Adjustment Event may from time to time occur in relation to the underlying asset(s) of a Product. Where such a Corporate Action or Adjustment Event occurs, we will determine whether it has or will have a material effect either on the market value of the underlying asset(s) of the Product or on the value of the Contra Trade or Position. If a Corporate Action or Adjustment Event occurs, we will take appropriate action to:

11.1.1 replicate the effect, on your Order(s) or Contra Trade(s) or Position(s), that the Corporate Action or Adjustment Event will have on the underlying asset(s) of the Product; and/or

11.1.2 reflect any action taken by counterparties to trades in respect of such underlying asset(s) of the Product that we have entered into in order to hedge or offset our exposure to you; and/or

- 11.1.3 preserve the economic equivalent of the rights and obligations of you and us under the relevant Contra Trade or Position immediately prior to the Corporate Action or Adjustment Event.
- 11.2 Subject to paragraphs 11.3 and 11.4 of this Schedule 2, following a Corporate Action or Adjustment Event, the types of action that we may in our sole discretion take include (but shall not be limited to) the following:
  - 11.2.1 suspend or close any Contra Trade where the underlying asset(s) of the relevant Product has been affected;
  - 11.2.2 cancel or suspend any Order (including Pending Orders) where the underlying asset(s) of the relevant Product has been affected;
  - 11.2.3 require any foreseeable costs incurred by CMC Markets (or any of our Associates) in relation to the Order (including Pending Orders) or Contra Trade where the underlying asset(s) of the relevant Product has been affected;
  - 11.2.4 change the Trade Revaluation Price of an Order (including a Pending Order) or Contra Trade where the underlying asset(s) of the relevant Product has been affected;
  - 11.2.5 make appropriate calculations, adjustments, Deductions or credits from or to your Contra Account; and/or
  - 11.2.6 withdraw the Product, where the underlying asset(s) of the relevant Product has been affected, from our Platform,

and we will give you notice on our Platform of any applicable action that we decide to make as soon as reasonably practicable, which for the avoidance of doubt may be after the relevant Corporate Action or Adjustment Event or after the relevant action which we may take in our discretion under this paragraph 11.2 of this Schedule 2.

- 11.3 If we determine that any calculations, adjustments, credits or debits under paragraphs 11.1 or 11.2 of this Schedule 2 cannot be made in a commercially reasonable manner or at all, we may close the affected Contra Trades.
- 11.4 Whilst a Corporate Action or Adjustment Event is processed, our Platform will not generate Prices or accept Orders for the relevant Product. Where possible we will process Corporate Actions and Adjustment Events outside Trading Hours.
- 11.5 If a Product or its relevant underlying asset(s) is suspended for any reason, the Price of all Contra Trades connected with that Product shall generally be zero (0). However, if a Product or its relevant underlying asset(s) is suspended intra-day and continues to be suspended at 5pm Eastern Standard Time, then we may close the relevant Contra Trades in accordance with paragraph 8.6 of this Schedule 2 at either:
  - 11.5.1 the Contra Close Price Buy or Contra Close Price Sell (as applicable) calculated using the last available Level 1 Buy Price or Level 1 Sell Price (as applicable) prior to suspension; or

11.5.2 such other Buy Price or Sell Price (as applicable) as we may reasonably determine, exercising our rights under paragraphs 11.1 and 11.2 of this Schedule 2.

11.6 CMC Markets reserves the right to request any reasonably foreseeable associated costs incurred by CMC Markets (or any of our Associates) in connection with any suspension of a Product or its relevant underlying asset(s).

## 12. Full Account Close-Out.

12.1 Your Account Revaluation Amount is calculated as follows:

Account Revaluation Amount = Cash + Net Unrealised Profit Or Loss,

where Net Unrealised Profit Or Loss is calculated using the Level 1 Mid-Price.

12.2 Your Account Revaluation Amount will be displayed on our Platform and updated in real time.

12.3 You must ensure that your Account Revaluation Amount for your Contra Account is at all times above the Close-Out Level for that Account. The Close-Out Level will be displayed on our Platform and will be an absolute Amount (the "**Absolute Close-Out Level**").

12.4 If your Account Revaluation Amount for your Contra Account falls to an Amount at or below the Close-Out Level for that Account at any point in time, our Platform will take the following actions (referred to collectively as "**Full Account Close-Out**"):

12.4.1 automatically close all Contra Trades on your Contra Account in respect of Products where trading is not otherwise suspended, at the first Price available for a Market Order for the relevant Product (taking into account the number of Units for the Contra Trade) (the "**Initial Standard Close-Out**"); and

12.4.2 subject to paragraphs 12.4.3 and 12.6 of this Schedule 2 as and when any Contra Trades on the Contra Account that relate to Products that are within their applicable Trading Hours cease to be suspended or the Trading Hours in respect of Contra Trades remaining on the Contra Account re-commence (and trading is not otherwise suspended), automatically close those Contra Trades at the first Price available for a Market Order for the relevant Product (taking into account the number of Units for the Contra Trade) (such action being a "**Subsequent Standard Close-Out**"); and

12.4.3 subject to paragraph 12.6 of this Schedule 2, continually repeat the Subsequent Standard Close-Out until: (i) there are no remaining Contra Trades on the Contra Account; or (ii) 5pm Eastern Standard Time, when all remaining Contra Trades will be automatically closed by our Platform at the Contra Price Buy or Contra Price Sell (as applicable) in accordance with paragraphs 8.6 and 11.5 of this Schedule 2.

12.5 Contra Trades relating to the same Product may be aggregated by our Platform during the Initial Standard Close-Out and/or any Subsequent Standard Close-Out, in which case each relevant Contra Trade will be closed at the relevant Sell Price or Buy Price on the Price Ladder applicable to a Market Order for the aggregated number of Units.

12.6 If your Account Revaluation Amount for your Contra Account increases above the applicable Close-Out Level following an Initial Standard Close-Out or any Subsequent Standard Close-Out whether as a result of:

12.6.1 the Full Account Close-Out;

12.6.2 any change to your Net Unrealised Profit Or Loss;

12.6.3 you having made a payment into the Contra Account in accordance with clause 5.3 that has been credited to the Contra Account after an Initial Standard Close-Out or any Subsequent Standard Close-Out and before the next Subsequent Standard Close-Out was due to commence or the Cash in the Account increasing as a result of a winning Countdown; or

12.6.4 the combined effect of paragraphs 12.6.1 to 12.6.3 above,

then, following the completion of any Initial Standard Close-Out or Subsequent Standard Close-Out (as applicable) that is underway at the time of such an increase in your Account Revaluation Amount (if applicable), the Full Account Close-Out will stop. Please note that an increase in your Account Revaluation Amount, however caused, will not affect any Contra Trades that have already been closed during the Full Account Close-Out.

#### General.

12.7 We may set a Close-Out Warning Level on our Platform for your Account Revaluation Amount that is an absolute Amount (the "**Absolute Close-Out Warning Level**"). Our Platform will then attempt to notify you if your Account Revaluation Amount falls to an amount at or below that Absolute Close-Out Warning Level and notify you of the applicable Close-Out Level for your Contra Account. **Any Close-Out Warning Level notification is provided as a courtesy and you must not rely on our Platform or us to notify you of such circumstances.** If you receive such a notification you should consider closing Contra Trades or making a payment to us in order to reduce the risk of Contra Account Close-Out. Any failure of our Platform to notify you, or the fact that you did not see such notification, before the Close-Out Level for your Contra Account was reached will not affect the likelihood of a Contra Account Close-Out, our right to the Reserved Actions at clause 8.3, our rights under clause 9.4, or our right to terminate under clause 9.5.

12.8 You should also note that:

12.8.1 You must not rely on our Platform to close your Contra Trades if the Account Revaluation Amount for your Contra Account falls below the Close-Out Level for that Account as we cannot guarantee that Account Close-Out will occur or the speed at which it will occur.

12.8.2 Account Close-Out does not and is not intended to limit your entire liability to us in respect of your Contra Trades, you can lose more than any initial investment and you may be required to make further payments.

- 12.8.3 Following Account Close-Out, you must clear any negative Cash balance immediately by the payment of an Amount to us that is sufficient to return the Cash balance to zero or to a positive value. Any failure by you to do so may be a Specified Event that entitles us to take a Reserved Action (see clauses 8.1 and 8.3).
- 12.8.4 Any failure by you to maintain your Account Revaluation Amount for your Contra Account above the applicable Close-Out Level and/or your Cash value in your Contra Account above zero may be a Specified Event that entitles us to take a Reserved Action (see clauses 8.1 and 8.3).

### Schedule 3 – Product Terms for Countdowns

This Schedule 3 sets out terms that apply specifically to Countdowns (once available) on any Account, including those in relation to Prices, Orders to open Countdowns, Position Limits, Product Limits and profit and loss.

**Countdowns are not currently subject to regulation by the FCA and are not currently protected by the rules made under the United Kingdom's Financial Services and Markets Act 2000 for the protection of Retail Clients, including the Financial Services Compensation Scheme.**

Countdowns may not be available to all of our clients.

#### 1. Countdowns.

- 1.1 A Countdown allows you to speculate on whether the Price of a Product will go up or down over a specified timeframe (“**Countdown**”).
- 1.2 The Stake will be deducted from the Cash in your Account at the point the Countdown is opened. If your Countdown prediction is incorrect you will lose your Stake. If your Countdown prediction is correct, your Stake will be returned to your Account, along with an additional Amount (the “**Countdown Profit**”) calculated by multiplying the Stake by a win percentage, as specified in the Product Library for that Product (the “**Win Percentage**”). If a Countdown expires at an unchanged level (i.e. at the Price at which it was opened), a portion of the Stake calculated by multiplying the Stake by a draw percentage, as specified in the Product Library for that Product (the “**Draw Percentage**”), will be returned to your Account.
- 1.3 All Countdowns will be denominated in the Account Currency.
- 1.4 You will be able to see which Products you can place Countdowns on and access relevant information on each of these Products, including the relevant Attributes (such as the Win Percentage, Draw Percentage, minimum and maximum Stakes (if applicable), and the possible Countdown timeframes), through the Product Library.
- 1.5 Our Platform will only generate Prices, and you may only enter into Countdowns via our Platform, during the Trading Hours specified in the Product Library for Countdowns on the relevant Product. It is your responsibility to monitor the Trading Hours specified in the Product Library from time to time.

#### 2. Prices.

- 2.1 During the Trading Hours for any Product, our Platform will generate Prices subject to clauses 4.2.1, 8.2 and 8.3. The quality of your internet connection, as well as rapid market fluctuations may affect the speed at which information is displayed and refreshed on your device. Therefore we cannot guarantee that the Price displayed on your device at any time will always be the actual and up-to-date Price being generated by our Platform at that time.
- 2.2 The Price at which a Countdown will be opened will be generated by and displayed on the Platform. All Countdowns will be settled against the Level 1 Mid-Price of the relevant Product at the expiration of the relevant Countdown.

### **3. Orders.**

- 3.1 To enter into a Countdown, you must place an Order on our Platform. An Order to enter into a Countdown will only be deemed to be received by our Platform at the time at which our Platform actually receives it, which may not be immediately after you submit that Order (for example, there may be a delay due to poor internet connectivity).
- 3.2 Placing an Order for a Countdown does not guarantee that a Countdown will be entered into. Our Platform and/or we may reject your Order to enter into a Countdown without any explanation.
- 3.3 An Order to enter into a Countdown will be accepted, and a Countdown will be entered into, when the Order is executed by our Platform. Our Platform will record any execution of your Orders, and you can access the relevant information on executed Orders through our Platform.
- 3.4 If the conditions of an Order to enter into a Countdown are met, but at that time your Available Cash is lower than the Stake, the Countdown will not be entered into.
- 3.5 When a Countdown is opened, the Stake immediately becomes payable and a corresponding change will be made to the Cash in the relevant Account. If the Countdown is subsequently cancelled or becomes void the Stake will be returned to the Cash in your Account.
- 3.6 All Countdowns open on the same Product at the same time on an Account are aggregated and subject to netting for the purposes of calculating the size of your Position in the relevant Product.
- 3.7 Orders used to enter Countdowns in the same Product will, if and when executed, open a new Countdown, even if there is already an open Countdown in the same Product in the opposing direction.

### **4. Closing Countdowns.**

- 4.1 Once a Countdown has been entered into, it cannot be closed by you. All Countdowns will be closed and settled by our Platform automatically on expiration of the Countdown.
- 4.2 We reserve the right to instruct our Platform to close any Countdown when we take the Reserved Actions described in clauses 8.3.1(a), 8.3.1(c), 8.3.1(f), 8.3.1(i) and 8.3.1(m), exercise our rights under clause 9.4 or exercise our termination rights under clause 9.5, in accordance with the Agreement.

### **5. Product Limits and Position Limits**

- 5.1 In addition to any maximum Stake specified in the Product Library, Countdowns in respect of any Product may be subject to Position Limits. These limits are set by us in our sole discretion and may vary between Accounts. An Account may also be subject to a Product Limit restricting the number of Countdowns and/or Positions that could result in opening a new Position or Countdown on the Account at any time. We are entitled to vary the Position Limits and Position Limits at any time in accordance with clause 9.3 and it is your responsibility to ensure that you know what all the current limits are before entering into any Countdown.



5.2 If, at the time an Order to enter into a Countdown would otherwise be executed, the execution of that Order would result in a breach of a Position Limit or Product Limit, the Order will not be executed. It will be shown as a rejected Order on the Account.

## 6. Profit Or Loss.

6.1 Your potential loss for any individual Countdown is limited to the size of the Stake.

6.2 The potential profit for any individual Countdown will be specified in the Product Library and will be unchanged over the life of the Countdown. It is denominated in the Account Currency and is calculated as follows:

$$\text{Countdown Profit} = \text{Stake} \times \text{Win Percentage}$$

6.3 The Payout displayed on our Platform will reflect the increase in your Cash that would be gained on a winning Countdown (i.e. if your Countdown prediction is correct) and is calculated as follows:

$$\text{Stake plus Countdown Profit}$$

6.4 When a winning Countdown is settled, any Payout will immediately become due to you and a corresponding change will be made to the Cash in your Account.

6.5 If a Countdown is neither winning nor losing, but expires at the Price at which it was opened, the Draw Percentage will immediately become due to you and a corresponding change will be made to the Cash in your Account.

## 7. Pricing Errors.

7.1 From time to time an event may occur (including Circumstances Outside Our Control) in relation to the underlying asset(s) of a Product which prevents our Platform from determining a Price for a Countdown (a "Pricing Error").

7.2 If we become aware of such Pricing Error during the life of the Countdown, that Countdown will be declared void and the Stake will be returned to the Cash in your Account.

7.3 If we become aware of such Pricing Error at or after the expiration of a Countdown, we will look at the age of the last tradable Price and either:

7.3.1 cancel the Countdown and return the Stake to the Cash in the relevant Account if the last tradable Price is older than half (50%) of the timeframe of the relevant Countdown; or

7.3.2 if there is no tradable Price within the last 15 seconds of the Countdown or within a period of less than three quarters (75%) of the timeframe of the relevant Countdown, settle the Countdown at such Price as we determine to be fair and reasonable, based on the last tradable Price available immediately prior to the Pricing Error.

**8. Account Close-Out.**

8.1 Countdowns will not be closed during Account Close-Out.

## Schedule 4 – Definitions

Unless otherwise stated, words and expressions that begin with a capital letter in these Terms have the meaning set out below or in the relevant clause or paragraph in which they appear for the purposes of the Agreement:

Absolute Close-Out Level	The Amount displayed in our Platform as further described in paragraph 13.2.1 of Schedule 1 and paragraph 12.3 of Schedule 2 .
Absolute Close-Out Warning Level	A warning level set on our Platform for your Account Revaluation Amount that is an absolute amount.
Account	An account that you hold with us. Any reference to an Account or Account(s) in the Agreement shall include any and all types of account held with CMC Markets, including (where applicable and without limitation) any Joint Account.
Account Close-Out	In relation to: (i) a Margin Account, a Full Account Close-Out or Alternative Account Close-Out (as applicable), each as described in paragraph 13 of Schedule 1, in which our Platform may close the whole or a portion of your Margin Trades and/or Positions; and (ii) a Contra Account, Full Account Close-Out as described in paragraph 12 of Schedule 2, in which our Platform may close the whole or a portion of your Contra Trades and/or Positions.
Account Currency	The currency in which an Account is denominated and in which all Deductions and credits will be made, in accordance with clause 5.4.1.
Account Netting	The default function in relation to closure of Trades as further described in paragraph 6.3 of Schedule 1 and 6.3 of Schedule 2 .
Account Revaluation Amount	The sum of your Cash and any Net Unrealised Profit Or Loss (as applicable) on an Account, where Net Unrealised Profit Or Loss is calculated using the Level 1 Mid-Price, that is displayed on our Platform and updated in real time, as described in paragraph 7.13 of Schedule 1 and paragraph 12.1 of Schedule 2 .
Account Sign In Details	Has the meaning set out in clause 3.4.1.
Account Value	Your Account Revaluation Amount calculated using the Level 1 Price instead of the Level 1 Mid-Price (i.e. the sum of your Cash and any Net Unrealised Profit Or Loss (as applicable), where Net Unrealised Profit Or Loss is calculated using the Level 1 Price), updated in real time and displayed on our Platform.
Additional Commission	The additional commission (above and in addition to the Minimum Commission) payable by you on a particular Product, as set out in the Product Library, on the portion of a Trade that exceeds the Threshold (as applicable).

Adjustment Event	In respect of a Product, where the underlying asset is an index, any change to the index including but not limited to the announcement of a successor index.
Agreement	Has the meaning set out in clause 1.1.4.
Alternative Account Close-Out	The closing of the whole or a portion of your Positions in a Margin Account by our Platform in accordance with the Account Close-Out preferences set by you on the Platform, as described in paragraphs 13.10 to 13.11 of Schedule 1.
Amount	An amount of money in the Account Currency.
Applicable Law	Any laws, statutes, orders, rules, decisions, provisions, directives, regulations, requirements, conditions, standards, sanctions, guidelines and industry codes having legal effect or stipulated by any Official Body in any jurisdiction, provided that such laws, statutes, orders, rules, decisions, provisions, directives, regulations, requirements, conditions, standards, sanctions, guidelines or industry codes are existing and in force from time to time and (where relevant in the context) are directly or indirectly applicable to us, you, the Agreement, our Website, or our Platform.
Associate	CMC Markets Plc and any body corporate associated with CMC Markets Plc within the meaning of section 256 of the Companies Act 2006.
Attributes	The various limitations, restrictions and other features that apply to Orders and Trades and/or Countdowns in respect of each Product, including (in each case if applicable), Commission, GSLO Premiums, GSLO Premium Refunds, GSLO Minimum Distances, GSLO Limits and GSLO Cluster Limits, Expiry Times, Key Dates, Independent Margin, Margin Rates, Contra Close Spread Factor Tier, Threshold, minimum Trade size and maximum Trade size, minimum Stake size and maximum Stake size, Win Percentage, Draw Percentage, Trading Hours, permitted types of Order, Holding Time, permitted Trade direction, Order Cluster Limits, Position Limits and the Product Limit, which we may amend from time to time in accordance with clauses 9.2 and 9.3.
Authorised Person	Any one or more person(s) appointed by you in accordance with clause 3.2.1 to act and/or give instructions on your behalf in respect of the Agreement and the relevant Account(s).
Auto Roll-Over	The process by which a Margin Trade on a particular Forward (and any Pending Order on that Forward) is closed automatically by our Platform and an equivalent Margin Trade is automatically entered into (and an equivalent Pending Order, except any Limit Order or Stop Entry Order, is placed) on a Forward with the same underlying asset(s) and the next arising Expiry Date, as described more fully in the OEP.
Available Cash	The lower of your Cash or your Available Equity on an Account, which will be displayed on the Order ticket for any Countdown.

Available Equity	The Amount that is calculated in accordance with paragraph 7.13 of Schedule 1.
Boundary	In respect of any Market Order or Stop Entry Order, the price level specified by you when placing the Order which would result in the Order being automatically cancelled by our Platform if the Price of the relevant Product at the time the Order would otherwise be executed is: (i) in the case of an Order to buy, greater than the price specified by you; or (ii) in the case of an Order to sell, less than the price specified by you.
Business Day	Means: (i) in relation to Orders, Trades and Countdowns, any day on which our Platform is generating Prices in relation to the relevant Product; and (ii) for all other purposes, any day (other than a Saturday or Sunday) on which banks are open for business in London.
Buy Price	The Price at which a buy Trade is entered into and at which a sell Trade is valued and closed.
Cash	In relation to any Account, the sum of: (i) any successfully received money paid by you to us, plus the Amount of any money credited by us to your Account plus all Realised Profits; minus (ii) the Amount of any Deductions plus any Realised Losses (whether due and payable or not) plus the Amount of any money withdrawn by you.  Please note that the definition of Cash does not necessarily represent the money available for you to withdraw. The money that you have available to withdraw (in accordance with clause 5.3) is the lower of your Available Equity and Cash.
Cash Settlement Date	The date and time at which any Margin Trade in relation to a particular Forward which has reached its Expiry Date, will be closed and settled by an Amount becoming due and payable by you to us or by us to you.
CFD	A contract for difference.
Circumstance Outside Our Control	Has the meaning set out in clause 8.2.
Close-Out Level	In relation to any Account, the applicable (i) Standard Close-Out Level and/or Prime Close-Out Level (as applicable); or (ii) Absolute Close-Out Level; at which our Platform may (via Full Account Close-Out or Alternative Account Close-Out (as applicable)) close the whole or a portion of your Trades as necessary.

Close-Out Percentage Level	The percentage displayed on the Platform that is used to calculate your Standard Close-Out Level (if applicable).
Close-Out Warning Level	A warning level set on our Platform for your Account Revaluation Amount which may be any or all of the Absolute Close-Out Warning Level, Standard Close-Out Warning Level and/or the Prime Close-Out Warning Level as further described in paragraph 13.17 of Schedule 1.
Commission	The rate(s) of commission (including Minimum Commission and Additional Commission) and any other commission applicable to a Trade in a Product (as applicable) as specified in the Product Library and which we may amend from time to time in accordance with clause 9.3.
Complaints Procedure	Has the meaning set out in clause 1.1.5(f).
Contra Account	An Account which permits you solely to enter into Contra Trades.
Contra Close Price Buy	Has the meaning set out in clause 8.6 of Schedule 2.
Contra Close Price Sell	Has the meaning set out in clause 8.6 of Schedule 2.
Contra Close Spread Factor	The percentage specified on our Website and/or our Platform, and/or as notified to you from time to time, that is applied when determining the Contra Close Price Sell or Contra Close Price Buy, which may be amended from time to time in accordance with clause 9.3.
Contra Trade	A CFD on a Product, which may be entered into between you and us through our Platform without a requirement to provide margin but which is closed on the same Business Day as it is opened.
Corporate Action	Any action or event, whether temporary or otherwise, in relation to an underlying asset(s) of a Product, or in relation to the issuer of an underlying asset(s), which would have an effect on the value, legal characteristics or ability to trade the underlying asset(s) or a financial derivative based on or referencing such underlying asset(s), including: distributions or the grant of entitlements to existing holders of rights in the underlying asset(s), dividend payments, the granting of rights to purchase, subscribe or receive any underlying asset(s) (whether for free, on preferential payment terms or otherwise) or cash, placings, rights issues, bonus/scrip issues, capitalisation issues and similar issues, mergers or takeovers relating to the issuer of the underlying asset(s), sub-divisions, splits, reductions (including share buy-backs), consolidations, reclassifications, restructurings, cancellation or suspension of listing of the underlying asset(s) or the issuer of the underlying asset(s), and any action or event analogous to any of the foregoing or otherwise that may have a diluting or concentrative effect on the value of the underlying asset(s).
Countdown	Has the meaning set out in paragraph 1.1 of Schedule 3.
Countdown Profit	Has the meaning set out in paragraph 1.1 of Schedule 3.

Currency Conversion Rate	The relevant currency exchange rate at the relevant time, at which we will convert values in a Product Currency into the Account Currency.
Deduction	Has the meaning set out in clause 5.5.
Draw Percentage	Has the meaning set out in paragraph 1.2 of Schedule 3.
Elements	Has the meaning set out in clause 10.2.1.
Eligible Counterparty	Has the meaning given to it in the FCA's conduct of business sourcebook.
Error	Has the meaning set out in clause 4.4.
European Market Infrastructure Regulation	Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.
European Union	The economic and political union of European countries established by the Treaty on European Union signed at Maastricht on 7 February 1992 (as amended from time to time).
Expiry Date	The last possible date and time at which any Margin Trade or Pending Order in relation to a particular Forward will automatically expire, as specified in the Product Library.
FCA	The Financial Conduct Authority (or any successor regulator).
Forward	A Product with a fixed Expiry Date.
Full Account Close-Out	The closing of Trades on an Account by our Platform in accordance with the preferences set by you, as described in paragraphs 13.5 to 13.6 of Schedule 1 (for Margin Trades) and paragraphs 12.4 to 12.6 of Schedule 2 (for Contra Trades).
GSLO Cluster Limit	The maximum permitted size of an Order Cluster where the relevant Pending Orders contain Guaranteed Stop Loss Orders, as specified in the Product Library.
GSLO Limit	The maximum buy or sell Position (as applicable) covered by any Guaranteed Stop Loss Order(s) in respect of the relevant Product, as specified in the Product Library.
GSLO Minimum Distance	The minimum distance specified in the Product Library between the Target Price and the Level 1 Sell Price or the Level 1 Buy Price (as applicable) at the time of placing a Guaranteed Stop Loss Order (including by modifying another type of Pending Order) in respect of a Product, where:  (i) in respect of a Guaranteed Stop Loss Order to buy, the Target Price is greater than or equal to the minimum distance plus the Level 1 Buy Price; and  (ii) in respect of a Guaranteed Stop Loss Order to sell, the Target Price is less than or equal to the Level 1 Sell Price minus the minimum

	distance.
GSLO Premium	The Amount required to be paid to us to place a Guaranteed Stop Loss Order (including by modifying another type of Pending Order).
GSLO Premium Refund	The portion of the GSLO Premium that will be refunded to you if the relevant Guaranteed Stop Loss Order is cancelled, removed, corrected or closed (including by modifying it to another type of Pending Order) before it has been executed, as specified in the Product Library.
Guaranteed Stop Loss Order or GSLO	An instruction to place an Order in accordance with the relevant conditions set out in section 2 of the OEP. More information on the different types of Order can be found on our Website.
Holding Cost	The Amount calculated in accordance with paragraph 11.2 of Schedule 1. Historic Holding Costs can be found in the Product Library.
Holding Rates	Together, the Holding Rate Buy and Holding Rate Sell, which may be amended from time to time in accordance with clause 9.3.
Holding Rate Buy	With respect to a Product for which a Holding Cost applies, the rate that is applied in respect of buy Margin Trades that are held at the Holding Time, specified in the Product Library.
Holding Rate Sell	With respect to a Product for which a Holding Cost applies, the rate that is applied in respect of sell Margin Trades that are held at the Holding Time, specified in the Product Library.
Holding Time	With respect to any particular Product, the time at which any Holding Cost will be calculated and charged to your Account, as specified in the Product Library from time to time.
Improper Use	<p>Any use of our Platform or activity in relation to an Order (including a Pending Order), a Trade or a Countdown that amounts to:</p> <ul style="list-style-type: none"> <li>(i) an unlawful act or a breach of Applicable Law, whether directly or indirectly;</li> <li>(ii) a breach of the Agreement;</li> <li>(iii) a failure to observe reasonable commercial standards of fair dealing; or</li> <li>(iv) dishonesty or malice.</li> </ul> <p>Examples of Improper Use include:</p> <ul style="list-style-type: none"> <li>(a) acts that amount to insider dealing, making misleading statements, market manipulation, market abuse, money laundering, terrorist financing, breach of trade sanctions, fraud or any acts or omissions with analogous effect;</li> <li>(b) using any device, hardware, software, algorithm, strategy, collusion or deception, the use of which is intended, whether directly or indirectly, to cause or influence us to provide our Platform or accept any Order, Trade or Countdown in a way</li> </ul>



	<p>in which or on terms on which we would not otherwise do so;</p> <p>(c) using our Platform and prices other than for the purposes of entering into Trades or Countdowns with us (see clause 10.2.3 for examples); or</p> <p>(d) opening, accessing, using or controlling more than one Account without our prior knowledge.</p>
Independent Margin	<p>The Amount specified by us from time to time which:</p> <p>(i) you are required to hold in your Account over and above your Total Position Margin (a positive Independent Margin); or</p> <p>(ii) reduces the Amount which you are required to hold in your Account to less than your Total Position Margin (a negative Independent Margin);</p> <p>at any given time, as shown on our Platform.</p>
Initial Alternative Prime Close-Out	The initial closing of the whole or a portion of your Positions by our Platform during any Alternative Account Close-Out, as described in paragraph 13.11.2 of Schedule 1.
Initial Alternative Standard Close-Out	The initial closing of the whole or a portion of your Positions by our Platform during any Alternative Account Close-Out, as described in paragraph 13.11.1 of Schedule 1.
Initial Prime Close-Out	The initial closing of Trades by our Platform during any Full Account Close-Out, as described in paragraph 13.5.2 of Schedule 1.
Initial Standard Close-Out	The initial closing of Trades by our Platform during any Full Account Close-Out, as described in paragraph 13.5.1 of Schedule 1 (for Margin Trades) and paragraph 12.4.1 of Schedule 2 (for Contra Trades).
Insolvency Event	<p>Means:</p> <p>(i) the appointment of a receiver, administrator, manager, administrative receiver or similar officer in relation to you;</p> <p>(ii) if any encumbrancer takes possession of or sells, all or any part of your assets or business;</p> <p>(iii) you are deemed unable to pay your debts as they become due;</p> <p>(iv) an application is made for an interim order, or a proposal is made for you to enter into a voluntary arrangement, or you enter into a deed of arrangement, or a bankruptcy petition is presented to the Court in respect of you;</p> <p>(v) if you are a body corporate, a resolution is passed or an order is made for your winding up, dissolution or administration; or</p> <p>(vi) if you become bankrupt or insolvent or any event that is analogous to those set out in paragraph (i), (ii), (iii), (iv) or (v) of this definition applies to you.</p> <p>If you are a partnership or have a Joint Account, the occurrence of any of the events listed in (i) to (vi) above in relation to any one partner or Joint Account Holder shall constitute an Insolvency Event.</p>

Intellectual Property Rights	<p>Any and all:</p> <p>(i) intellectual property rights, including copyright and related rights, patents, utility models, trademarks, service marks, trade names, domain names, moral rights, trade secrets, rights to inventions, logos, rights in get-up, goodwill and the right to sue for passing off and unfair competition, rights in computer software (including to the source code and object code), inventions, semi-conductor topography rights, database rights, rights in databases, rights in designs, design rights, know-how and confidential information whether in software or otherwise and whether registered or unregistered;</p> <p>(ii) applications for registration, and the right to apply for registration, renewal or extension of any of these rights, the rights to claim priority from any such rights; and</p> <p>(iii) any and all other intellectual property and proprietary rights and equivalent forms of protection or of similar effect existing, now or in the future, anywhere in the world.</p>
Joint Account	An Account held in the name of two or more persons.
Joint Account Holder	Any one or all persons (as applicable) in whose name a Joint Account is held.
Key Dates	Any Expiry Date, Last Roll-Over Date or Last Trade Opening Date in relation to Orders and Margin Trades on a particular Forward, as specified in the Product Library.
Last Roll-Over Date	The last possible date and time at which a Margin Trade or Order on a particular Forward may be subject to a Manual Roll-Over or de-selected (or re-selected) for an Auto Roll-Over, as specified in the Product Library.
Last Trade Opening Date	The last possible date and time at which you can enter into or extend a Margin Trade or modify an existing Order (including a Pending Order) on a particular Forward, as specified in the Product Library. For the avoidance of doubt, Orders (including Pending Orders) and Margin Trades in the relevant Forward may be cancelled or closed after the Last Trade Opening Date.
Level 1 Buy Price	The first Buy Price displayed on the Price Ladder, in relation to a Product.
Level 1 Mid-Price	The Level 1 Buy Price and Level 1 Sell Price of a Product at any given time added together and divided by two (2).
Level 1 Price	The Level 1 Sell Price and/or Level 1 Buy Price, as applicable.
Level 1 Sell Price	The first Sell Price displayed on the Price Ladder, in relation to a Product.
Limit Order	An instruction to place an Order in accordance with the relevant conditions set out in section 2 of the OEP. More information on the

	different types of Order can be found on our Website.
Manual Roll-Over	The process by which a Margin Trade on a particular Forward (and any Pending Order on that Forward) is closed by our Platform at your specific request and an equivalent Margin Trade is entered into (and an equivalent Pending Order is placed) on a Forward with the same underlying asset(s) but with the next available Expiry Date, as described more fully in the OEP.
Margin Account	Any Account which permits you solely to enter into Margin Trades.
Margin Rate	With respect to any Product, the percentage rate applicable to each Tier, as specified in the Product Library from time to time.
Margin Trades	A CFD on a Product, entered into between you and us through our Platform on a Margin Account.
Market Order	An instruction to place an Order in accordance with the relevant conditions set out in paragraph 5 of Schedule 1 and in section 2 of the OEP. More information on the different types of Order can be found on our Website.
Minimum Commission	The minimum commission payable by you on a particular Product, as set out in the Product Library.
Net Unrealised Profit Or Loss	An Amount that is the aggregate of the Unrealised Profit Or Loss for all Trades on your Account, which will be a negative figure in the event of a net unrealised loss, and a positive figure in the event of a net unrealised profit. The Net Unrealised Profit Or Loss will be calculated by reference to the Level 1 Mid-Price at that time, unless being used to calculate the Account Value displayed on the Platform, in which case the Level 1 Price at that time will be used.
Non-Private Investor	Means that you meet one of the conditions set out below: (i) Your Account has not been opened in a personal capacity (i.e. the Account has been opened in connection with a trade or business or in connection with a trust that has a professional trustee); (ii) You are currently registered or qualified as a professional securities trader or investment adviser with any national or state exchange, regulatory authority, self-regulatory body, securities agency, professional association or professional body; (iii) You currently act as an investment adviser; or (iv) You use your Account for any purpose other than the management of your personal funds including (but not limited to) acting as a trader to the public or for the investment of corporate.
Official Body	Any local, national or supra-national public body that is relevant to our Platform and our financial trading activities with you, including the UK government, the FCA and other relevant financial services regulatory bodies, the Bank of England, Her Majesty's Treasury, the Office of Fair Trading, the police, the Serious Fraud Office, Interpol, the Serious

	Organised Crime Agency, the courts, Her Majesty's Revenue and Customs and/or any other tax authority, which is in existence from time to time.
Offset	The adjustment that may be made to the Holding Rates applicable to Products for the purposes of paragraph 11.4 of Schedule 1.
Offset Threshold	The Cash level above which an Offset may be applied.
Opening Trade Price	In respect of a Trade, the Price at which such Trade was entered into, in accordance with paragraph 3.3 of Schedule 1 or paragraph 3.3 of Schedule 2 (as applicable).
Order	An offer submitted by you or on your behalf through our Platform to enter into a Trade or Countdown or to close a Trade. Unless specified or the context suggests otherwise, all references to Orders include Pending Orders.
Order Cluster	One or more Pending Orders in the same direction on a particular Product which all have a Target Price within the Order Cluster Range.
Order Cluster Limit	The maximum permitted size of an Order Cluster, as specified in the Product Library.
Order Cluster Range	The spread of the Target Prices for Pending Orders in the same direction relating to a particular Product, as specified in the Product Library, which may be expressed as a percentage and/or as an absolute value.
Order Execution Policy Summary for CFDs or OEP	Has the meaning given in clause 1.1.5(a).
Payout	Has the meaning given in paragraph 6.3 of Schedule 3.
Pending Order	An Order with a Target Price, which has not been executed since that Target Price was specified.
Platform	Our electronic trading platform, as amended and varied from time to time.
Position	The net sum of all Trades or Countdowns in a particular Product in an Account at any given time.
Position Limit	In relation to any Account, the maximum net buy or sell Position (as applicable) permitted on our Platform for the relevant Product on that Account, as specified in the Product Library.
Position Margin	With respect to the whole or any portion of a Position in any Product that is not covered by a Guaranteed Stop Loss Order on a Margin Account, the Amount calculated in accordance with paragraph 7.5 of Schedule 1.
Position Margin Rate	The rate expressed as a percentage and shown on our Platform, that is calculated in accordance with paragraph 7.7 of Schedule 1.

Price	The Buy Price or Sell Price of a Product, which is generated by our Platform (and may be indicated as "Price", "CMC Price" or other similar variations) from time to time by reference to the Price Depth. The Price at which an Order may be executed by our Platform <b>may be less favourable</b> to you than the Price displayed on our Platform when you place the Order (for instance, due to market movements between the time you submit your Order and the time our Platform executes your Order).
Pricing Error	An event in relation to the underlying asset(s) of a Product which prevents our Platform from determining a Price.
Price Depth	The feature of our Platform that quotes multiple Prices for a particular Product, to reflect the different Prices for different sized Orders in that Product, which may be displayed on the Platform.
Price Ladder	The portion of an Order ticket that displays multiple Buy Prices and Sell Prices for a Product, to reflect the Price Depth for different sized Orders in that Product, as generated by our Platform from time to time.
Prime Close-Out Level	An amount equal to (your Total Prime Margin plus an amount equal to your Independent Margin) multiplied by your Prime Close-Out Percentage Level, as further described in paragraph 10.11.1(b) of Schedule 1.
Prime Close-Out Percentage Level	In relation to any Margin Account, the percentage displayed on the Platform that is used to calculate your Prime Close-Out Level (if applicable).
Prime Close-Out Warning Level	A warning level set on our Platform for your Account Revaluation Amount that is an amount equal to (your Total Prime Margin plus an amount equal to your Independent Margin) multiplied by the percentage displayed on our Platform.
Prime Margin	With respect to the portion of any Margin Trade that is covered by a Guaranteed Stop Loss Order, the Amount calculated in accordance with paragraph 7.9 of Schedule 1.
Prime Reset Level	In relation to any Margin Account, the target level for your Account Revaluation Amount during any Alternative Account Close-Out which is an amount equal to (your Total Prime Margin plus an amount equal to your Independent Margin) multiplied by the percentage displayed on the Platform.
Privacy and Security Policy	Has the meaning given in clause 1.1.5(c).
Private Investor	Means that you meet all of the conditions set out below: (i) Your Account has been opened in a personal capacity. (i.e. the Account has not been opened in connection with a trade or business or in connection with a trust that has a professional trustee); (ii) You are not currently registered or qualified as a professional

	<p>securities trader or investment adviser with any national or state exchange, regulatory authority, securities agency, self-regulatory body, professional association or professional body;</p> <p>(iii) You do not currently act in a capacity as an investment adviser, whether or not you have at some point been qualified to do so; and</p> <p>(iv) You use your Account solely for the management of your personal funds and not for any other purposes including as a trader to the public or for the investment of corporate funds.</p>
Product	An instrument generated by us upon which you enter into Trades or Countdowns. Details of all Products on which we may accept Orders are listed in the Product Library.
Product Currency	The currency that a particular Product, which is usually denominated in the currency of the underlying market/exchange or as otherwise stipulated in our Platform or the Product Library, is denominated.
Product Library	The section of our Platform that contains the list of Products and key information in relation to each Product, including their Attributes and any relevant Variable Rates.
Product Limit	The maximum number of open Trades, Countdowns, Positions and/or Pending Orders that could result in opening a new Position that you can have on an Account at any given time, as specified on the Platform and/or the Website.
Professional Client	Has the meaning given to it in the FCA's conduct of business sourcebook.
Realised Loss	In respect of a Trade, an Amount equal to any Unrealised Profit Or Loss at the time the Trade is closed, where the Amount is negative.
Realised Profit	In respect of a Trade, an Amount equal to any Unrealised Profit Or Loss at the time the Trade is closed, where the Amount is positive.
Reduce Only	A restriction placed on an Account or Product (as applicable) which prevents you from increasing your Position(s). You will be permitted only to place Orders to close Trades and/or cancel any Pending Orders.
Reserved Action	The actions described in clause 8.3.1.
Reset Level	In relation to any Margin Account, the target level for your Account Revaluation Amount during any Alternative Account Close-Out which is an amount equal to (your Total Prime Margin (if any) plus an amount equal to your Standard Margin) multiplied by the percentage displayed on the Platform at any given time.
Retail Client	Has the meaning given to it in the FCA's conduct of business sourcebook.
Risk Warning Notice for	Has the meaning given to it in clause 1.1.5(e).

CFDs	
Roll-Over	Any Auto Roll-Over or Manual Roll-Over.
Sell Price	The Price at which a sell Trade is entered into and at which a buy Trade is valued and closed.
Set-Off	Has the meaning set out in clause 5.6.
Specified Event	Has the meaning set out in clause 8.1.
Spread	In respect of a particular Product, the difference between the Buy Price and the Sell Price at any given time.
Stake	The Amount that you wish to be the subject of a Countdown.
Standard Close-Out Level	An amount equal to (your Total Prime Margin (if any) plus an amount equal to your Standard Margin) multiplied by your Close-Out Percentage Level, as further described in paragraph 10.11.1(a) of Schedule 1.
Standard Close-Out Warning Level	A warning level set on our Platform for your Account Revaluation Amount that is an amount equal to (your Total Prime Margin (if any) plus an amount equal to your Standard Margin) multiplied by the percentage displayed on our Platform.
Standard Margin	An Amount that is the sum of the Total Position Margin and any Independent Margin.
Stop Distance	In respect of a Trade to which a Trailing Stop Loss Order is attached, the distance, as specified by you, between the most favourable Price in respect of that Trade and the Target Price, as modified by our Platform.
Stop Entry Order	An instruction to place an Order in accordance with the relevant conditions set out in section 2 of the OEP. More information on the different types of Order can be found on our Website.
Stop Loss Order	An instruction to place an Order in accordance with the relevant conditions set out in section 2 of the OEP. More information on the different types of Order can be found on our Website.
Subsequent Alternative Prime Close-Out	Any closing of the whole or a portion of your Positions on a Margin Account by our Platform during any Alternative Account Close-Out that is subsequent to the Initial Alternative Prime Close-Out for that Alternative Account Close-Out, as further described in paragraph 13.11.4 of Schedule 1.
Subsequent Alternative Standard Close-Out	Any closing of the whole or a portion of your Positions on a Margin Account by our Platform during any Alternative Account Close-Out that is subsequent to the Initial Alternative Standard Close-Out for that Alternative Account Close-Out, as further described in paragraph 13.11.3 of Schedule 1.

Subsequent Prime Close-Out	Any closing of Trades on an Account by our Platform during any Full Account Close-Out that is subsequent to the Initial Prime Close-Out for that Full Account Close-Out, as further described in paragraph 13.5.4 of Schedule 1
Subsequent Standard Close-Out	Any closing of Trades on an Account by our Platform during any Full Account Close-Out that is subsequent to the Initial Standard Close-Out for that Full Account Close-Out, as further described in paragraph 13.5.3 of Schedule 1 (for Margin Trades) and paragraph 12.4.2 of Schedule 2 (for Contra Trades).
Summary Policy of Conflicts of Interest	Has the meaning given in clause 1.1.5(b).
Take Profit Order	An instruction to place an Order in accordance with the conditions set out in section 2 of the OEP. More information on the different types of Order can be found on our Website.
Target Price	The Price at which you wish to enter into or close a Trade (as appropriate) as specified in a Stop Loss Order, Trailing Stop Loss Order, Guaranteed Stop Loss Order, Limit Order, Market Order, Stop Entry Order or Take Profit Order.
Terms or CFD Terms of Business	Has the meaning given in clause 1.1.1.
Threshold	The threshold size of a Trade in relation to a particular Product above which Additional Commission may be charged, as specified in the Product Library, and which we may amend from time to time in accordance with clause 9.3.
Tier	With respect to any Product, the range(s) of Units as specified in the Product Library from time to time.
Tier Size	With respect to your Position in any Product, the portion of that Position, expressed as a number of Units, falling within a particular Tier.
Total Margin	An Amount that is the sum of the Total Position Margin, the Total Prime Margin and any Independent Margin.
Total Position Margin	The sum of the Position Margin required for all Positions on an Account (other than a Contra Account) at any given time.
Total Prime Margin	The sum of the Prime Margin required for all Margin Trades on a Margin Account covered by a Guaranteed Stop Loss Order at any given time.
Trade	A CFD on a Product, entered into between you and us through our Platform. Unless specified or the context suggests otherwise, all references to Trades include both Margin Trades and Contra Trades.
Trade Margin	With respect to a Margin Trade in any Product, the increase or decrease in your Position Margin resulting from that Margin Trade, as



	described in paragraph 7.1 of Schedule 1.
Trade Revaluation Price	In respect of a Trade, the Price at which the Trade is valued at any given time, in the case of a buy Trade using the Level 1 Sell Price and in the case of a sell Trade using the Level 1 Buy Price.
Trading Hours	In respect of a Product, the times during which our Platform generates Prices and Price Depth and during which you may give instructions or place Orders for Trades or Countdowns on that Product, as specified in the Product Library from time to time. Trading Hours for placing Orders for Trades may be different than the Trading Hours for placing Orders for Countdowns. For any particular Forward, the Trading Hours shall apply, subject to the Key Dates section for the relevant Product in the Product Library.
Trailing Stop Loss Order	An instruction to place an Order in accordance with the relevant conditions set out in section 2 of the OEP. More information on the different types of Order can be found on our Website.
Unauthorised To Trade	A restriction placed on an Account which suspends your ability to place any Order, Trade or Countdown or to give any instruction in relation to that Account.
Units	The number of CFDs that are the subject of a Trade.
Unrealised Profit Or Loss	In relation to any Margin Account, the Amount calculated in accordance with paragraph 10.1 of Schedule 1 (for your Margin Account) or paragraph 10.1 of Schedule 2 (for your Contra Account). The Unrealised Profit Or Loss displayed on our Platform, at any time, may not accurately reflect the Realised Profit or Realised Loss that would be gained or incurred if you closed one or all of your Trades immediately, particularly where a Trade may be closed at a Price that differs from the Level 1 Price. The Unrealised Profit Or Loss displayed on our Platform will always be based on the current Level 1 Price.
US Person	A current citizen or national of, or individual currently resident in, the United States of America, a partnership or corporation organized in the United States of America or under the laws of the United States of America or any State thereof, a trust if (i) a court within the United States of America would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (ii) one or more US Persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that was a citizen, national or resident of the United States of America.
Variable Rates	The rates that vary automatically from time to time in accordance with clause 9.3 without notice being given to you, and which apply to Trades entered into on that Product, namely the Currency Conversion Rate, Holding Rates (if applicable), the Offset Threshold and any Offset.
Website	<a href="http://www.cmcmarkets.co.uk">www.cmcmarkets.co.uk</a> or <a href="http://www.cmcmarkets.ie">www.cmcmarkets.ie</a>

Win Percentage	Has the meaning set out in paragraph 1.2 of Schedule 3.
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