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## 1 IMPORTANT INFORMATION

### 1.1 About this Document

- 1.1.1 These Next Generation Terms and Conditions of Trading (“**Terms**”), are part of a wider agreement between you and us (being CMC Markets NZ Limited referred to in these Terms as “**CMC Markets**”, “**we**”, “**us**” or “**our**”) pursuant to which we will provide Products and Services to you, specifically derivative products issued by us and traded through the CMC Markets Next Generation Platform (“**Products**”). Before deciding whether to trade with us, you should consider whether trading CMC Markets Products is a suitable investment for you and should carefully review these Terms, the Product Disclosure Statement (“**PDS**”), the Other Material Information document (“**OMI**”) and the other documents published by us from time to time on the legal section of our Website or on the Platform. You may also request these documents from us in writing.
- 1.1.2 You should note that these Terms contain information specific to Products offered by CMC Markets that is not applicable to products traded through any other platform.
- 1.1.3 The agreement between you and us consists of these Terms, the PDS, the OMI, the Product Library, any Confirmation, any specific terms and conditions you accept in writing in relation to your Account or on the Platform and any other terms and conditions issued or published by us from time to time in connection with the Products and/or Services on the Platform or on our Website (“**Agreement**”).
- 1.1.4 The Products described in the Agreement are speculative products and when leveraged they can place a significantly greater risk on your investment than non-leveraged investment strategies such as conventional share trading. Accordingly, our Products may not be appropriate for all investors, and you should ensure that you understand the risks involved and seek independent advice if necessary. The prices of our Products may change to your disadvantage very quickly. You will find more about risk factors associated with trading in section 3 (“**Risks**”) of the OMI and PDS (“**Risks of these derivatives**”) available on our Website. You may incur losses in addition to any fees and costs that apply. These losses may be far greater than any money you have deposited into your Account or are required to deposit to satisfy any Margin.
- 1.1.5 These Terms are dated and are effective from the date noted on the front cover. The current Agreement supersedes all previous oral or written representations, arrangements, understandings and/or agreements between you and CMC Markets which relate to the Products and Services. These documents are available on our Website.
- 1.1.6 The version of the Agreement (which includes these Terms) published on our Website at the time of entering into a Trade governs that Trade. Information within these Terms, the PDS, the OMI or any other document that otherwise forms part of the Agreement is subject to change from time to time and, where it is not materially adverse to you, may be updated by us by posting it on our Website. See clause 7 (“**Amendments and Termination**”) for more information. You must ensure that you keep informed of such changes. 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. If you do not understand any aspect of this Agreement, you should seek independent professional advice.

- 1.1.7 If you are receiving advice or services from an Introducing Adviser, you should also refer to their disclosure material.
- 1.1.8 You consent to us communicating with you through our Platform, by e-mail, by placing such information on our Website and/or by any other method agreed in writing.
- 1.1.9 Clause 0 of these Terms contains a Glossary in which various words and phrases used in these Terms are defined. Terms that have been included in the Glossary are capitalised in this document.

## 1.2 Applying to trade with CMC Markets

- 1.2.1 Before you begin trading with CMC Markets you must complete an Application. Before you apply to open an Account and/or place any Trade or Order with us, we strongly recommend, for your own benefit and protection, that you read these Terms, together with all the documents that make up the Agreement. The Application is available on our Website. Please refer to clause 3.1 for more information.

## 2 INTRODUCTION

### 2.1 Trading with CMC Markets

- 2.1.1 It is important to note that CMC Markets acts as the counterparty for your Trades. You cannot trade with another provider to close any existing Position opened with CMC Markets.
- 2.1.2 We enter into all Trades with you as principal using Prices quoted by us through the Platform or through our Client Management Team. Our Prices are not identical to prices for similar financial instruments, or their underlying financial instruments quoted on an exchange or other regulated market, therefore we and/or our Associates may profit from these Trades. You agree that neither we nor our Associates are liable to account to you for such profits. By entering into Trades via our Platform or through our Client Management Team, you consent to your Orders being executed outside of an exchange or other regulated market and in accordance with our Order Execution Policy at clause 8 below.
- 2.1.3 The Products and Services are primarily provided online, however if you cannot access the Platform directly, then you may be able to contact our Client Management Team by telephone to request that we access the Platform on your behalf. However please refer to section 3 ("Risks") of the OMI and the PDS for more information on when the Platform may become unavailable.
- 2.1.4 When trading on the Platform you are trading an OTC Product. CMC Markets will have regard to the price of the Underlying Market. However, when you trade you will be trading on the CMC Markets price and not the Underlying Market price.

## 3 ACCOUNTS

### 3.1 Account opening process

- 3.1.1 When we receive a completed Application from you, we may use your information to conduct any further enquiries about you and any other Person referred to in the Application form (if applicable) 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 applicable, you confirm that you are fully authorised to provide the information of any other Persons referred to in the Application form. Where our enquiries include searches with credit reference agencies, they may appear on your, or the other Person's, credit history. We may also carry out any additional checks or periodic reviews that we (in our sole discretion) determine are necessary or appropriate in the circumstances. 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. Trading in our Products may not be suitable for all investors because of the significant risks involved. During the application process CMC Markets will ask questions in order to assess your understanding of and experience with CFDs or related products. Based on your answers we may allow you to open an Account or decline your Application and recommend that you first obtain further education or experience, for example, through the use of a demo account.
- 3.1.2 We may rely on the information that you provide us in the Application or otherwise as being correct and not misleading at all times, unless you notify us otherwise in writing. In particular, you must notify us as

soon as possible in writing if any of the contact details provided to us in your Application or otherwise have subsequently changed.

3.1.3 The Agreement will become legally binding between you and us on the date that you receive written confirmation from us that we have accepted your Application.

3.1.4 In certain circumstances we may require additional documentation prior to opening your Account such as the provision of a guarantee in respect of Accounts opened by non-individuals.

## 3.2 Security and Account authentication

3.2.1 You are responsible for setting your own password in accordance with the instructions that we provide to you (which together with your email address are known as your “**Account Sign In Details**”). It is your responsibility to keep all information that you hold relating to your Account, including your Account Sign In Details and emails 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 we will normally treat any person who accesses your Account using your Account Sign In Details as being you. You must notify us immediately if you know or suspect that any Person has accessed or may access your Account, or any information you hold in your Account, without your permission. Unless you notify us otherwise under this clause 3.2, we will treat any activity on or communication made from your Account as having been authorised by you and you may be liable for such activity up to the point of notification.

## 3.3 Joint Accounts

3.3.1 If you open a Joint Account:

- (a) references to you are references to any other person in whose name the Joint Account is held. We may exercise any of our rights or obligations under this Agreement against any person who is, or reasonably appears or purports to be, named on that Joint Account. This includes acting on instructions received from such a person;
- (b) 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;
- (c) each Joint Account Holder shall be jointly and severally liable for any financial obligations arising on their Joint Account. This means that any monies owed to us in relation to the Agreement shall be payable in full by anyone named on that Joint Account;
- (d) the death of any Joint Account Holder will be a Specified Event, and the Joint Account will be closed and the balance will be paid equally to the survivor and the relevant Joint Account Holder's estate;
- (e) 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; and
- (f) our rights under the Agreement, including but not limited to our rights to take a Reserved Action 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 cannot 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.

## 4 TRADING WITH US

### 4.1 Orders

4.1.1 In addition to our rights to modify, cancel and/or reject your Orders, we may, in our sole discretion, refuse to accept any instructions, set a Product to Reduce Only and/or set an Account to Reduce Only or Unauthorised To Trade for any reason whatsoever.

4.1.2 We may from time to time, in our sole discretion, accept instructions including instructions to agree to execute Orders we receive via e-mail or other electronic messaging system. We have no obligation to accept, all or any part of an instruction via e-mail or electronic messaging system. You authorise us to act on any instruction or Order given or appearing in our reasonable opinion to have been given by you through e-mail or other electronic messaging system. Without limiting the foregoing, we have no responsibility for, nor from any loss arising from, transmissions that are inaccurate or not received by us, and we may execute any Order on the terms actually received by us without requirement to seek further

confirmation. Any acceptance of such instructions will not create any precedent of future behaviour. We may ask you to agree to additional written terms relating to this clause.

## 4.2 Accessing the Platform

- 4.2.1 We will do our best to make the Platform and our Client Management Team available when required by you, but we cannot guarantee that our Platform and our Client Management Team will be available continuously. You are responsible for making sure that you are able to access our Platform when you need to. This includes having access to a device that can connect to our Platform, maintaining the device so that it functions properly and having adequate internet connectivity. If you cannot access our Platform directly, then you should try to contact our Client Management Team by telephone or email to request assistance. However, this is likely to be much slower than accessing our Platform directly and we cannot guarantee availability of our Client Management Team.
- 4.2.2 Subject to clause 6.3 below, we will not be liable to you for any loss which arises as a result of our Platform and/or Client Management Team being unavailable.
- 4.2.3 You will be able to access information on each Product, including its Attributes, through the Product Library on the Platform or available on our Website.
- 4.2.4 You may only enter into or close Trades via the Platform and/or through our Client Management Team during the Trading Hours specified in the Product Library for the relevant Product. It is your responsibility to monitor the Trading Hours as specified in the Product Library. Some, but not all, types of Orders may be submitted through the Platform and/or our Client Management Team outside of the Trading Hours for the relevant Product.
- 4.2.5 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 and we accept no responsibility for them or for any loss or damage that may arise from your use of them.

## 4.3 Prices

- 4.3.1 During the Trading Hours for any Product, the Platform will generate Prices and Price Depth subject to clauses 4.19 and 7.7 of these Terms and section 3.3.1 of the PDS. Certain factors, such as the quality of your computer or internet connection may affect the speed at which information is displayed and refreshed. 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 value being generated by the Platform at that time.
- 4.3.2 For more information on Prices please refer to the PDS and the Order Execution Policy set out in clause 8 below.

## 4.4 Currency Conversions

- 4.4.1 All Deductions and credits applied to your Account will be in the relevant Account 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 CMC Currency Conversion Rate.
- 4.4.2 Our Platform will retain information about the CMC Currency Conversion Rate in relation to your Account.
- 4.4.3 If you transfer funds to your Account which is in a different currency to your Account Currency, those funds will be transferred to your Account using an exchange rate that is displayed on the Platform.

## 4.5 Product Limit, Position Limits and Order Cluster Limits

- 4.5.1 Orders (including Pending Orders) and 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. We are entitled to vary the Position Limits, Order Cluster Limits, GSLO Cluster Limits and/or GSLO Limits at any time in accordance with the Agreement and it is your responsibility to ensure that you know what the current limits are before placing or modifying any Order or entering into any Trade.
- 4.5.2 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 Limits and/or GSLO Limits, the relevant Order or modification will be rejected by the Platform.
- 4.5.3 In addition, your 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 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 these

Terms 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.

- 4.5.4 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 Account.

## 4.6 Trades

- 4.6.1 To enter into a Trade, you must place an Order on the Platform that identifies the Product and provides the information requested on our Platform in relation to that Product. 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.
- 4.6.2 For Trades, the Order ticket identifies the Product and specifies whether you wish to enter into a buy Trade or sell Trade, the type of Order, the Price at which you wish to buy or sell, the number of Units and any Stop Loss Order, Trailing Stop Loss Order, Guaranteed Stop Loss Order and/or Take Profit Order that you wish to be the subject of that Trade. Trades are designated solely by Units.
- 4.6.3 An 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. Placing an Order does not guarantee that a Trade will be entered into as we reserve the right to reject your Order without any explanation. A record of any executed or rejected Orders can be accessed through our Platform.
- 4.6.4 Subject to these Terms, you and/or we may modify or cancel any Pending Order at any point until that Order has been executed.
- 4.6.5 If your Account has insufficient Available Equity to meet the relevant Margin requirements for that Order, we will not execute that Order.
- 4.6.6 All Trades open on the same Product at the same time are aggregated and subject to netting for the purposes of calculating the size of your Position in the relevant Product. In respect of Trades only, the Account Netting function sets how the Platform may combine and net your Trades open at the same time in respect of the same Product. Except in relation to Option CFDs, Account Netting functions as follows:
- (a) if Account Netting is enabled any Orders will, if and when executed, close out any open Trades on your Account that are in the same Product but 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 Trade in the same Product; and
  - (b) if Account Netting is disabled any Orders used to enter Trades in the same Product will, if and when executed, open a new Trade, even if there is already an open Trade in the same Product in the opposing direction. If you wish to close an open Position or Trade this should be done by an Order specifically linked to that Position or Trade.
- 4.6.7 Except in relation to Option CFDs, Account Netting is enabled on an Account as a default feature. You may elect to disable Account Netting on your Account in the Platform. Disabling Account Netting will affect the execution behaviour of new buy and sell Orders, excluding Stop Loss Orders and Take Profit Orders; it may also increase your fees and costs, including for example Holding Costs. Account Netting can be re-enabled at any time, provided you do not have any Trades in the same Product open in opposing directions.
- 4.6.8 We may combine or consolidate multiple Trades when we take a Reserved Action.
- 4.6.9 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:
- (a) you or we close that Trade before the Expiry Date in accordance with the Agreement;
  - (b) you designate that the Trade be closed and settled upon the Cash Settlement Date;
  - (c) the Trade was executed after the Last Roll-Over Date, in which case the 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
  - (d) there is no equivalent Forward based on the same underlying asset(s) but with a later Expiry Date available to trade on the Platform, which may result in the 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).

- 4.6.10 You may disable the Auto Roll-Over setting for a Trade on a Forward before the Last Roll-Over Date, which may result in the Trade reaching the Expiry Date and the Trade being closed and settled on the Cash Settlement Date (and any Pending Order for that Forward being cancelled on the Cash Settlement Date). Auto Roll-Overs are not available in respect of Option CFDs.
- 4.6.11 Any Roll-Over will be carried out in accordance with clause 8.2. You will not be able to enter into any Trade or increase any Position on a particular Forward following the Last Trade Opening Date.
- 4.6.12 In respect of a Roll-Over, it is your responsibility to ensure that the Account has sufficient Available Equity to meet the relevant Margin requirements. Certain Products are subject to Auto Roll-Over and further details on these procedures, including circumstances where Auto Roll-Over may be disabled, are provided on our Platform.

### 4.7 Option CFDs

- 4.7.1 To enter into an Option CFD, you must place an Order on our Platform that identifies the Product and provide the information requested on our Platform in relation to that Product. The types of Orders 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 and Order Execution Policy.
- 4.7.2 The Account Netting function on our Platform will combine and net your Option CFDs open at the same time in respect of the same Product and the same Attributes. In respect of Option CFDs, the Account Netting function is automatically enabled and it is not possible to disable this function. Further details on netting can be found on our Platform and/or through our Client Management Team.

### 4.8 Margin

- 4.8.1 Margin is the security we take from you in respect of Trades to cover our exposure as counterparty to your CFD trading with CMC Markets.
- 4.8.2 When you enter into a Trade with CMC Markets that will either create a new Position or increase an existing Position, you need to have sufficient Available Equity to satisfy the Margin required for the Position as set out on the Platform. The Position Margin will be calculated using the Margin Rates for the Product (which may be broken into Tiers depending on the size of the Position).
- 4.8.3 In respect of a Roll-Over of a Trade on a Forward, it is your responsibility to ensure that your Account has sufficient Cleared Funds to meet the Trade Margin and/or Prime Margin required on any relevant new Trade to be entered into as part of a Roll-Over.
- 4.8.4 Through the Platform, you will be able to access your Account which contains sufficient information to enable you to calculate the amount of your Total Margin.

#### 4.8.5 *Position Margin*

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

$$\text{Position Margin} = \text{Aggregate Tier Margin} \times \text{Level 1 Mid-Price} \times \text{CMC Currency Conversion Rate}$$

Where the Aggregate Tier Margin = 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

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

Example:

Company ABC (AUD) Margin Rates		
Tier	Position (Units) excluding Units covered by GSLO	Margin Rate
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 (AUD), where the Level 1 Mid-Price is \$2.75 per Unit and the Account Currency is New Zealand dollars with a CMC Currency Conversion Rate of 1.20, would require a Position Margin of \$4,125. This is calculated as follows:

Company ABC (NZD) Margin Rates					
Tier	Position (Units) excluding Units covered by GSLO	Margin Rate	Level 1 Mid-Price (per Unit)	CMC Currency Conversion Rate	Position Margin
1	1,000	10%	\$2.75	1.20	1000 Units x 10% x \$2.75 x 1.20 = \$330.00
2	2,000	15%	\$2.75	1.20	2,000 Units x 15% x \$2.75 x 1.20 = \$990.00
3	2,000	20%	\$2.75	1.20	2,000 Units x 20% x \$2.75 x 1.20 = \$1,320.00
4	1,500	30%	\$2.75	1.20	1,500 Units x 30% x \$2.75 x 1.20 = \$1,485.00
5	0	50%	\$2.75	1.20	0 Units x 50% x \$2.75 x 1.20 = \$0.00
<b>Totals</b>	<b>6,500</b>				<b>\$4,125.00</b>

- (e) Your Total Position Margin will be the sum of the Position Margin at any given time.
- (f) The Position Margin Rate at any given time is calculated as follows:

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

- (g) If you wish to place an Order to enter into a Trade that will either create a new Position or increase an existing Position in a particular Product, the Available Equity in your Account must be sufficient to cover the Position Margin required as a result of that particular Trade where:

$$\text{Available Equity} = \text{Account Revaluation Amount} - \text{Total Margin}$$

and

$$\text{Account Revaluation Amount} = \text{Cash} + \text{Net Unrealised Profit or Loss (Mid-Price)}$$

#### 4.8.6 Prime Margin

- (a) In respect of any whole or portion of a Trade covered by a Guaranteed Stop Loss Order (“GSLO Trade”) on the Platform, the Prime Margin required is calculated in real time as follows:

On a buy Trade:

$$\text{Prime Margin} = \text{Units in the Guaranteed Stop Loss Order} \times (\text{Level 1 Mid-Price} - \text{Target Price}) \times \text{CMC Currency Conversion Rate}$$

On a sell Trade:

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

- (b) For example, if a Guaranteed Stop Loss Order had been entered into on a buy Trade to sell 1,000 Units in Company ABC (AUD) with a Target Price of \$2.000 where the Level 1 Mid-Price is \$2.750 per Unit and the Account Currency is New Zealand dollars with an CMC Currency Conversion Rate of 1.2, the Prime Margin required would be \$900 (1000 Units x (2.75 – 2.00) x 1.2).
- (c) Your Total Prime Margin is the sum of the Prime Margin required for all GSLO Trades at any given time. Your Total Prime Margin will be displayed on the Platform and updated in real time.

### 4.8.7 **Independent Margin**

We may also:

- (a) require you to have an additional Amount deposited in an Account to secure your future obligations to us; or
- (b) reduce the Amount you are required to hold in an Account by an absolute Amount;

the relevant Amount in both cases being referred to as Independent Margin (which will be a positive figure in respect of Amounts under clause 4.8.7(a) and a negative figure in respect of Amounts under clause 4.8.7(b)).

### 4.8.8 **Margin and Premium for Option CFDs**

- (a) We will apply a variety of Margin and Premium requirements to any Order for an Option CFD you place on our Platform which you are required to meet. We provide detailed information on these requirements via our Platform and via the OMI.
- (b) We retain sole discretion whether we permit you to enter into Option CFDs on a leveraged basis. Where we permit you enter into Option CFDs on a leveraged basis, a Margin requirement will apply. The Margin requirements in respect of any Option CFD may fluctuate and you may incur losses from any Option CFD that exceeds the Margin you have provided to us for your Positions.
- (c) The Premium for any Option CFD is calculated at the time of the Order and remains constant throughout the duration of the Option CFD, save where you choose to reduce or increase your position in that Option CFD. Where you enter into a long Option CFD, you will owe us the Premium and where you enter into a short Option CFD, we will owe you the Premium.
- (d) Premiums will be settled on a net basis at the time of either the date on which an Option CFD is closed or the Expiry Date, whichever comes sooner.
- (e) When you enter into a long Option CFD, the Premium amount is locked and does not count toward your Available Cash or Available Equity. At the point in time at which a long Option CFD is closed or at the Expiry Date, the value of the Premium will be deducted from your Account Value or from any Realised Profit in relation to the Option CFD in general. At the point in time at which a short Option CFD is closed or at the Expiry Date, the value of the Premium will be credited to your Account Value where there is a Realised Profit arising from that Option CFD. Where there is no Realised Profit arising from an Option CFD, the Premium will be set-off against any Realised Loss in relation to that particular Option CFD.

### 4.8.9 **Total Margin**

Your Total Margin is the sum of your Total Position Margin, your Total Prime Margin and your Independent Margin at any given time. Your Total Margin does not represent your entire potential liability to us, and any Trade may result in a loss that exceeds the relevant Margin provided to us for your Positions. Through the Platform, you will be able to access your Account which contains sufficient information to enable you to calculate the amount of your Total Margin.



## 4.9 Closing Trades

- 4.9.1 Except in relation to Option CFDs, you may fully or partially close a Trade during Trading Hours by:
- (a) using the 'close trade' function in relation to that Trade; or
  - (b) unless otherwise specified (for example, by you disabling Account Netting) placing a Market Order in the opposite direction for the same Product as the relevant Trade. If you have multiple Trades in the same Product, and you do not specify which Trade(s) you wish to close, these will be closed by the Platform in the order in which those Trades were entered into (i.e. on a 'first in, first out' basis).
- 4.9.2 The Platform will, subject to the limitations set out in the Agreement, close any Trade in accordance with any applicable Roll-Over, Stop Loss Order, Trailing Stop Loss Order, Guaranteed Stop Loss Order, Take Profit Order, Stop Entry Order or Limit Order. In addition, the Platform may close all your Positions if the Close-Out Level is triggered. See clause 4.17.3 for more information.
- 4.9.3 We reserve the right to instruct the Platform to close any Trade when we take a Reserved Action or exercise our termination rights in accordance with the Agreement.

## 4.10 Closing Option CFDs

- 4.10.1 An Option CFD may only be closed by you or us prior to the relevant Expiry Date and Expiry Time. Details on how to close Option CFDs, as well as details of those circumstances where we may close Option CFDs, are provided on our Platform. You should be aware that closing an Option CFD prior to the Expiry Date does not represent an exercise of that Option CFD by you or us in accordance with clause 4.11. Any Option CFD closed prior to the relevant Expiry Date will be closed at the prevailing Settlement Price.
- 4.10.2 Closing an Option CFD will require the creation of an equal and opposite Option CFD which will trigger Premium requirements. The value of this additional Premium will be settled on a net basis in the Account Currency and either deducted or credited to your Account in accordance with the provisions set out at clause 4.8.8.
- 4.10.3 You should take sufficient time to read this information before you place any Order in respect of any Option CFD. An Order for a Manual Product may only be closed through our Client Management Team.

## 4.11 Exercising Option CFDs

- 4.11.1 An Option CFD may only be exercised on the Expiry Date where the Attributes connected to that Option CFD are satisfied. Whilst you may close an Option CFD prior to the Expiry Date in accordance with 4.10, there is no ability to exercise it prior to the Expiry Date. If the Attributes of the relevant Option CFD are not satisfied on the Expiry Date, the Option CFD will lapse. If the Attributes of the Option CFD are satisfied at the Expiry Date, you will be deemed to send an Order to us instructing us to exercise the Option CFD and we will act on that Order to exercise the Option CFD.

## 4.12 What is your Cash?

- 4.12.1 The Cash of an Account is calculated as follows:

$$\text{Cash} = A - B$$

Where:

**A** = the sum of any successfully received money paid by you to us, plus all Realised Profits, plus the Amount of any money credited by us to the Account; and

**B** = the sum of any Realised Losses (whether due and payable or not), plus the Amount of any Deductions, plus the Amount of any money withdrawn by you.

- 4.12.2 Please note that your Cash does not necessarily represent the money that is available for you to withdraw. The money that you have available to withdraw (in accordance with clause 4.31) is the lesser of your Available Equity and your Cash. You must clear any negative Cash value immediately by the payment of an Amount to us that is sufficient to return the Cash value to zero or to a positive value.

## 4.13 What is your Available Equity?

- 4.13.1 Your Available Equity is the amount of funds you have available to enter into Trades. Available Equity on your Account is calculated as follows:

***Available Equity = Account Revaluation Amount – Total Margin – any Premium requirements (but not including any Premium that may be due and payable to you in connection with a short Option CFD)***

4.13.2 You should remember that in respect of Trades in order to create a new Position or increase an existing Position in a particular Product, the Available Equity in your Account must be sufficient to cover the Position Margin as a result of that particular Trade.

#### **4.14 What is your Account Value?**

4.14.1 Your Account Value will be updated by the Platform in real time and is calculated as follows:

***Account Value = Cash + Net Unrealised Profit or Loss***

#### **4.15 What is your Account Revaluation Amount?**

4.15.1 Your Account Revaluation Amount will be updated by the Platform in real time and is calculated as follows:

***Account Revaluation Amount = Cash + Net Unrealised Profit or Loss (Mid-Price)***

4.15.2 Your Account Revaluation Amount is the figure used in determining whether your Account has breached the Close-Out Level and accordingly you must ensure that your Account Revaluation Amount is at all times above the Close-Out Level.

#### **4.16 Unrealised Profit Or Loss for Trades**

4.16.1 Except in relation to Option CFDs, the Unrealised Profit Or Loss for any individual Trade is calculated in real time as follows:

On a buy Trade, Unrealised Profit Or Loss is:

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

On a sell Trade, Unrealised Profit Or Loss is:

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

4.16.2 When a Trade is closed, any Unrealised Profit Or Loss becomes Realised Profit or Realised Loss and a corresponding change is made to your Cash.

4.16.3 The Unrealised Profit Or Loss displayed on the Platform at any time, may not accurately reflect the actual Unrealised Profit Or Loss (i.e. the Realised Profit or Realised Loss that would be gained or incurred if you closed one or all of your open 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 the Platform will always be based on the current Level 1 Price.

4.16.4 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 Business Day of the Expiry Date).

4.16.5 Provided that your Account Revaluation Amount remains positive and above the Close-Out Level, you will not be required to make any payment to us in respect of any Trade that has been closed resulting in a Realised Loss. Any realised Loss will become due and payable immediately. You cannot lose more than your Invested Capital in respect of an Account with Shield Mode enabled.

#### **4.17 Unrealised Profit Or Loss for Option CFDs**

4.17.1 Details of the Unrealised Profit Or Loss (and its relationship to Realised Profit or Realised Loss) for any individual Option CFD are provided via the Platform. The Platform will set off any unrealised profits against any unrealised losses on all Positions on your Account.

4.17.2 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 Option CFDs immediately.

4.17.3 Any Realised Loss will become due and payable immediately. Shield Mode cannot be enabled for Option CFDs.

## 4.18 Account Close-Out

### 4.18.1 Close-Out Level

- (a) You are required to keep sufficient funds in your Account to maintain your Account Revaluation Amount above the Close-Out Level.
- (b) Your Account Revaluation Amount is calculated as follows:

$$\text{Account Revaluation Amount} = \text{Cash} + \text{Net Unrealised Profit or Loss (Mid-Price)}$$

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

- (c) When calculating your Close-Out Level the Platform will reference either an absolute amount (an “**Absolute Close-Out Level**”), or percentages of your Total Margin and your Prime Margin Requirement.

$$\text{Total Margin} = \text{Total Position Margin} + \text{Total Prime Margin} + \text{Independent Margin}$$

$$\text{Prime Margin Requirement} = \text{Total Prime Margin} + \text{Independent Margin}$$

- (d) Based on these amounts, you will be subject to one or more Close-Out Levels:

$$\text{Standard Close-Out Level} = \text{Total Margin} \times \text{Close-Out Percentage Level}$$

$$\text{Prime Close-Out Level} = \text{Prime Margin Requirement} \times \text{Prime Close-Out Percentage Level}$$

- (e) Note that your Prime Margin Requirement, and accordingly your Prime Close-Out Level, will only be relevant if you have open Trades that require Prime Margin.
- (f) Subject to the processes described in this clause, during any Account Close-Out the Platform will attempt to close Standard Trades before closing GSLO Trades.

### 4.18.2 Close-Out Triggering

- (a) You must ensure that your Account Revaluation Amount is at all times above your Close-Out Level, which will be displayed on the Platform.
- (b) For the purposes of triggering Account Close-Out, your Close-Out Level will be the greater of the following:
  - (i) the greater of your Standard Close-Out Level and your Prime Close-Out Level; or
  - (ii) an Absolute Close-Out Level.
- (c) If your Account Revaluation Amount for an Account falls to an Amount at or below the Close-Out Level (including Prime Close-Out Level if applicable) at any point in time, the Platform will automatically initiate Account Close-Out. Standard Trades and Option CFDs may be closed before GSLO Trades.
- (d) In the event of an Account Close-Out, any Option CFDs (if applicable) will be subject to Order Book volume and will be closed with a Market IoC Order. This may result in a partial closure of your Position. The remainder of your Position may not be closed if your Account Revaluation Amount has increased above the Close-Out Level or Reset Level (as applicable).
- (e) Account Close-Out will either be performed as Full Account Close-Out or (subject to the Account Close-Out preferences that you specify on the Platform) as Alternative Account Close-Out. Where you breach an Absolute Close-Out Level, Account Close-Out will be performed as Full Account Close-Out.
- (f) Further details on the applicable Close-Out Level for your Account and the methods of Account Close-Out can be found on the Platform or by contacting the Client Management Team.
- (g) Account Close-Out does not and is not intended to limit your entire liability to us in respect of your Trades. You can lose more than your investment and you may be required to make further payments, unless Shield Mode has been enabled on your Account, where you cannot lose more than your Invested Capital, or in respect of long Option CFDs, the Premium and any losses suffered from movements in the CMC Currency Conversion Rate between the Product Currency and Account Currency (if applicable).

### 4.18.3 Full Account Close-Out

Unless the Platform has been instructed to perform an Alternative Account Close-Out, upon Account Close-Out being triggered Full Account Close-Out will be initiated by the Platform and, subject to clauses 4.18.6 and 4.18.7, will consist of the following steps:

#### Step-1 - Initial Full Close-Out

- (a) Each Tradable Standard Trade in respect of Products will be automatically closed at its Close-Out Price; and
- (b) subsequently, if either the Absolute Close-Out Level or the Prime Close-Out Level has been breached, each Tradable GSLO Trade in respect of Products will be automatically closed at its Close-Out Price.

#### Step-2 - Subsequent Full Close-Out

- (c) If your Account Revaluation Amount is below either an Absolute Close-Out Level or the Standard Close-Out Level then, as and when a Standard Trade in respect of a Product that was not previously Tradable becomes Tradable, each such Standard Trade will be automatically closed at its Close-Out Price; and
- (d) if your Account Revaluation Amount is below either an Absolute Close-Out Level or the Prime Close-Out Level then, as and when any GSLO Trade in respect of a Product that was not previously Tradable becomes Tradable, each such GSLO Trade will be automatically closed at its Close-Out Price.

#### Step 3 – Additional Subsequent Close-Outs

- (e) Subsequent Full Close-Outs in respect of a Product will be continually repeated until there are no remaining Trades on your Account.
- (f) Standard Trades relating to the same Product may be aggregated by our Client Management Team during the Initial Product Close-Out and/or any Subsequent Product Close-Out.

### 4.18.4 Alternative Account Close-Out Methods

- (a) Subject to the Account Close-Out preferences you specify on the Platform, you may set an instruction for the Platform to conduct an Alternative Account Close-Out instead of a Full Account Close-Out. In this case the Platform will attempt to increase your Account Revaluation Amount above the Reset Level or Prime Reset Level (as applicable), either on a:
  - (i) 'last in, first out' basis, which has the effect of closing first the whole or a portion of your most recent Trade, then the whole or a portion of your next most recent Trade, continuing this process as necessary;
  - (ii) 'largest Position Margin first' basis, which has the effect of closing first those Positions for which the Margin is largest (or for GSLO Trades, for which the Prime Margin is the largest), unless there is only one Position in which case the Trades comprising that Position will be closed on a 'first in, first out' basis. If there are two or more Positions with an identical Margin that would otherwise be closed, then the Position with the largest Position Margin Rate will be closed first, and if such Positions have identical Position Margin Rates, then the Position that was most recently increased will be closed first; or
  - (iii) 'largest Position loss first' basis, which has the effect of closing first those Positions for which the Unrealised Loss is largest, unless there is only one Position in which case the Trades comprising that Position will be closed on a 'first in, first out' basis. If there are two or more Positions with an identical Amount of Unrealised Loss that would otherwise be closed, then those Positions will be closed on a 'largest Margin first' basis as described in clause 4.18.4(ii). Once all Positions with Unrealised Losses have been closed, where necessary, this process will continue by closing Positions with the smallest Unrealised Profits first.
- (b) Please note that in any Alternative Account Close-Out step the Platform will attempt to close Standard Trades before closing GSLO Trades.

## 4.18.5 **Alternative Account Close-Out**

Where the Platform has been instructed to perform an Alternative Account Close-Out, upon Account Close-Out being triggered, Alternative Account Close-Out in accordance with any instructions permitted under clause 4.18.4 will be initiated by the Platform and, subject to clauses 4.18.6 and 4.18.7, will consist of the following steps:

### **Step-1 - Initial Alternative Close-Out**

- (a) Each Tradable Standard Trade as is necessary to increase your Account Revaluation Amount above the Reset Level will be automatically closed at its Close-Out Price; and
- (b) subsequently, if the Prime Close-Out Level has been breached, each Tradable GSLO Trade as is necessary to increase your Account Revaluation Amount above the Prime Reset Level will be automatically closed at its Close-Out Price.

### **Step-2 - Subsequent Alternative Close-Out**

- (c) If your Account Revaluation Amount is at or below the Standard Close-Out Level, as and when a Standard Trade becomes Tradable, each such Standard Trade as is necessary to increase your Account Revaluation Amount above the Reset Level will be automatically closed at its Close-Out Price; and
- (d) if your Account Revaluation Amount is at or below the Prime Close-Out Level, as and when a GSLO Trade becomes Tradable, each such GSLO Trade as is necessary to increase your Account Revaluation Amount above the Prime Reset Level will be automatically closed at its Close-Out Price.

### **Step 3 – Additional Subsequent Alternative Close-Out**

- (e) Subsequent Alternative Close-Outs will be continually repeated until there are no remaining Positions on your Account.

## 4.18.6 **Suspension of Account Close-Out: Standard Trades**

- (a) If your Account Revaluation Amount increases above the Standard Close-Out Level following an Initial Close-Out or any Subsequent Close-Out whether as a result of:
  - (i) any step in the Account Close-Out process;
  - (ii) any change to your Net Unrealised Profit or Loss; or
  - (iii) the combined effect of (i) and (ii) above,
- (b) then, following the completion of any Initial Close-Out or Subsequent Close-Out (as applicable), the Account Close-Out in respect of Standard Trades will stop, that is, no further Subsequent Close-Outs in respect of Standard Trades will be performed. However, please note that, subject to clause 4.18.7, Subsequent Close-Outs in respect of GSLO Trades may continue.

## 4.18.7 **Suspension of Account Close-Out: GSLO Trades**

- (a) If your Account Revaluation Amount increases above the Absolute Close-Out Level or the Prime Close-Out Level (as applicable) following an Initial Close-Out or any Subsequent Close-Out whether as a result of:
  - (i) any step in the Account Close-Out process;
  - (ii) any change to your Net Unrealised Profit or Loss; or
  - (iii) the combined effect of (i) and (ii) above,
- (b) then, following the completion of any Initial Close-Out or Subsequent Close-Out (as applicable), the Account Close-Out in respect of GSLO Trades will stop, that is, no additional Subsequent Close-Outs in respect of GSLO Trades will be performed. However, please note that, subject to clause 4.18.6, Subsequent Close-Outs in respect of Standard Trades may continue.

## 4.18.8 **Large Position Close-Out**

4.18.9 Notwithstanding clauses 4.28 and 4.29 and the Account Close-Out preferences you specify on our Platform, if at the point that the applicable Account Close-Out commences you have a Position that exceeds an applicable maximum Trade size, our Platform will always perform an Alternative Account

Close-Out on a 'last in, first out' basis. If, following completion of any Initial Alternative Close-Out or Subsequent Alternative Close-Out (as applicable) in that Alternative Account Close-Out, all remaining Positions on your Account are below the applicable maximum Trade size(s):

- (a) the 'last in, first out' Alternative Account Close-Out will cease; and
- (b) if your Account Revaluation Amount is still at or below any of the applicable Close-Out Level(s), our Platform will automatically initiate Account Close-Out in accordance with clauses 4.18.3, 4.18.4 and the Account Close-Out preferences you have specified on our Platform.

### 4.18.10 General

- (a) Please note that an increase in your Account Revaluation Amount, however caused, will not affect any Trades that have already been closed during the Account Close-Out.
- (b) We may set one or more warning levels on the Platform for your Account Revaluation Amount (the "**Close-Out Warning Level**") that is either (i) a percentage of your Total Margin; (ii) a percentage of your Prime Margin; or (iii) an absolute Amount. The Platform will then attempt to notify you if your Account Revaluation Amount falls to an amount at or below that Close-Out Warning Level and notify you of the applicable Close-Out Level and/or Reset Level (as applicable). **Any Close-Out Warning Level notification is provided as a courtesy and you must not rely on the Platform or on us to notify you of such circumstances.** If you receive such a notification, you should consider closing Positions or making a payment to us in order to reduce the risk of Account Close-Out. Any failure of the Platform to notify you, or the fact that you did not see such notification, before the Close-Out Level was reached will not affect the likelihood of an Account Close-Out, our right to the Reserved Actions, or our right to terminate pursuant to these Terms.
- (c) You should also note that:
  - (i) You must not rely on the Platform to close your Trades if your Account Revaluation Amount falls below the Close-Out Level as we cannot guarantee that Account Close-Out will occur or the speed at which it will occur.
  - (ii) Account Close-Out does not and is not intended to limit your entire liability to us in respect of your 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. Any failure by you to maintain your Account Revaluation Amount above the Close-Out Level may be a Specified Event that entitles us to take a Reserved Action.

## 4.19 Corporate Actions and Adjustments

4.19.1 A Corporate Action or Adjustment Event may occur in relation to an Underlying Reference Instrument. If 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 Reference Instrument or on the value of the Trade or Position. If a Corporate Action, or Adjustment Event occurs, we may, but are not obliged to take appropriate action (in our reasonable opinion) to:

- (a) replicate the effect on your Order(s), Trade(s) or Position(s) that the Corporate Action or Adjustment Event will have on the Underlying Reference Instrument;
- (b) adjust any Attributes or other features of an Option CFD;
- (c) adjust and/or cancel your Order(s);
- (d) reflect any action taken by counterparties to trades in respect of such Underlying Reference Instrument that we have entered into in order to Hedge or offset our exposure to you; or
- (e) preserve the economic equivalent of your Order, Trade or Position immediately prior to the Corporate Action or Adjustment Event which may have consequences on your Trade.

4.19.2 Subject to this clause 4.19, following a Corporate Action or Adjustment Event, the types of action that we may take in our sole discretion include (but will not be limited to) the following:

- (a) suspend or close any Trade where the Underlying Reference Instrument has been affected;
- (b) cancel or suspend any Order (including Pending Orders) where the Underlying Reference Instrument has been affected;

- (c) require additional Position Margin, Independent Margin, Prime Margin and/or you to pay for any foreseeable costs incurred by CMC Markets (or any of our Associates) in relation to the Order (including Pending Orders) or Trade where the Underlying Reference Instrument has been affected;
  - (d) change the Level 1 Price of an Order (including a Pending Order) or Trade where the Underlying Reference Instrument has been affected;
  - (e) make appropriate calculations, adjustments, Deductions or credits from or to your Account(s);
  - (f) withdraw the Product, where the Underlying Reference Instrument has been affected, from our Platform; and/or
    - (iii) 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.
- 4.19.3 Subject to clause 7.4, we will give you notice of any applicable action that we decide to take 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 clause 4.19.
- 4.19.4 If the Price of the Underlying Reference Instrument of a Product is suspended, or if we reasonably determine that any calculations, adjustments, credits or debits under this clause 4.19 cannot be made in a commercially reasonable manner or at all, we may suspend or close the affected Positions, cancel or suspend any Order or require additional Position Margin or Independent Margin. Any Positions that we close will be at a Price that is fair and reasonable. Such Price may be different for a buy and sell Trade or a long Option CFD and a short Option CFD and may be at a Price of zero (0) in extreme circumstances where market conditions warrant such a price, as determined by relevant financial market data. We will notify you of the date and Price at which such Position will be closed. A Corporate Action or Adjustment Event may constitute a Circumstance Outside Our Control. CMC Markets also reserves the right to request any reasonably foreseeable associated costs that may be incurred by CMC Markets in connection with any suspension of a Product or its Underlying Reference Instrument.
- 4.19.5 If an issuer of the Underlying Reference Instrument of a Product becomes insolvent or similar, all Trades on that Product may be closed by us, generally at a Price of zero (0) if this is reflective of the market value of the Underlying Reference Instrument. If you have a Position on any such Product, we will provide you with notice of this.
- 4.19.6 With regards to Share CFDs, to qualify for a Corporate Action, or Adjustment Event you must hold the Product at the close of that Product's Trading Hours on the day immediately preceding the ex-date, which is the date on which a dividend is declared or distributed. With Index CFDs, you must hold the Product at the end of the calendar day immediately preceding the ex-date of the relevant constituent of the Index.
- 4.19.7 Whilst a Corporate Action or Adjustment Event is processed, the Platform will not generate Prices or accept Orders for the relevant Product. Where possible we will process Corporate Actions and Adjustment Events outside the relevant Trading Hours.
- 4.19.8 We are under no obligation to adjust the terms of any Trade in connection with a Corporate Action. You should remain aware of Corporate Actions that have occurred and that may impact your Positions. Please note that we are under no obligation to monitor Corporate Actions or bring them to your attention.

### 4.20 Confirmations

- 4.20.1 When you execute a Trade with us electronically, a Confirmation of the executed Trade will appear on the Platform. It is only at this point, and subject to other terms of the Agreement, that a binding contract between you and us in respect of that Trade arises. If you execute a Trade with us over the phone, the Trade will constitute a binding Trade once you have agreed to the Order being placed rather than at the time the Confirmation appears in the Platform. The Confirmation includes certain information about the Trade, including details of the Product, the Units, the Price and the Premium (as applicable).
- 4.20.2 We will not send you any Confirmations. Instead, we will retain in your Account any information that we are required to provide you with in relation to an Order or Trade to the extent and for the duration required by Applicable Law, and you may access this information through the Platform or upon request even if your 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 accordance with Applicable Laws and our record retention policy, and without notice to you.
- 4.20.3 Please note that Confirmations may not be generated for amendments to an existing Trade, however any amendment will show up in your Account History on the Platform.

## 4.21 Checking of Confirmations

- 4.21.1 You should check all the contents of Confirmations provided to you on the Platform in detail and contact us as soon as possible if you disagree with any of their contents.
- 4.21.2 Subject to clause 4.22 (“**Errors**”), Confirmations will be conclusive unless you notify us in writing to the contrary within three (3) Business Days. The three (3) Business Days begin from the time the Confirmation is provided on the Platform.

## 4.22 Errors

- 4.22.1 From time to time, material errors and omissions may occur in respect of your Trades, your Account or the Platform (each an “**Error**”). Examples of Errors may include (without limitation): a Pricing Error, the Platform displaying incorrect Prices (whether caused by a third party supplier or due to a problem with our systems), an Order being handled incorrectly by the Platform and/or our Client Management Team (including execution at an incorrect Price or contrary to underlying market conditions), or incorrect Deductions or credits being applied to your Account.
- 4.22.2 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; and
  - (b) we will then use reasonable endeavours to investigate whether there has, in fact, been an Error and/or what caused it.
- 4.22.3 The occurrence of an Error is a Specified Event that entitles us to take a Reserved Action. We will inform you of any Reserved Actions we may take, or may have taken, in accordance with clause 7.8.

## 4.23 Close-out Netting and Early Termination

- 4.23.1 All Trades entered into by you or on your behalf pursuant to this Agreement are entered into in reliance on the fact that the Agreement and all Trades form a single agreement between us and you. The Agreement shall be construed as including the Agreement and all Trades accordingly. You agree you will not enter into any Trades other than as part of the Agreement.
- 4.23.2 Without prejudice to any of our other rights under this Agreement and upon the occurrence of an Event of Default, we may at our sole discretion and by notice designate a day not earlier than the day such notice is effective as the Early Termination Date in respect of all outstanding Trades as at such date (each an “**Outstanding Trade**”).
- 4.23.3 Once an Early Termination Date has been designated, no further payments will be required to be made in respect of the relevant Trades, other than payments calculated in accordance with the remaining provisions of this clause and we will cancel any Pending Orders.
- 4.23.4 On or as soon as reasonably practicable following the occurrence of an Early Termination Date, we will make the relevant calculations to determine our Netting Loss or Netting Gain (as applicable) for each Outstanding Trade. We will provide to you evidence of such calculations showing reasonable detail and including all relevant quotations. Such calculations shall be binding on you (absent manifest error) and the date on which such calculations are provided shall be the “**Payment Date**”.
- 4.23.5 On the Payment Date, the Settlement Amount will be due and payable. If the Settlement Amount is a positive number, you will pay it to us. If the Settlement Amount is a negative number, we will pay it to you.

## 4.24 Our right to deduct money from your Account

- 4.24.1 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**”.

## 4.25 Our right to Set-Off

- 4.25.1 In addition to any other rights we have to refuse or delay your request for a withdrawal from your Account or make a Deduction, we may, at any time at our discretion and without notice to you, apply any positive Cash balances in any account with us or our Associates, or any money due to you from us, against any money due to us (or any of our Associates) under any account with us or our Associates from you. This is our right of “**Set-Off**”. We may apply the CMC Currency Conversion Rate to convert the relevant Cash balances and any money due to you or us in the same currency.



## 4.26 Netting of payment obligations between us and you

4.26.1 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.

## 4.27 Taxes

4.27.1 If we are required to pay any withholding tax or other levies on your behalf, we reserve the right to deduct such amounts from your Account or otherwise require you to pay or reimburse us for such payments.

4.27.2 We are entitled to deduct or withhold, in our sole discretion, any tax required by Applicable Law from any payment or credit made to your Account. Your tax treatment in relation to Trades may differ according to your circumstances and the tax legislation in your jurisdiction (which may change). You may also be liable for other taxes and charges that are not imposed or which we withhold, including bank fees for transfer of money or assets, and fees to internet service providers. You may wish to seek independent professional advice in this regard.

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

## 4.28 Risk Management for Trades

4.28.1 Where applicable, you may set a variety of risk management options in respect of a Trade at any time via the Platform, including one or more Stop Loss Orders, Trailing Stop Loss Orders, Guaranteed Stop Loss Orders or Take Profit Orders for any Order:

- (a) by amending the Order ticket; or
- (b) 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 Orders tab on your Account; or
- (c) if a Trade has already been entered into, at any time before the Trade is closed, by applying a Stop Loss Order, Trailing Stop Loss Order or Take Profit Order via the Positions tab on your Account.

4.28.2 In respect of Guaranteed Stop Loss Orders:

- (a) these may only be placed during Trading Hours;
- (b) 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; and
- (c) 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 your Account is sufficient to cover any increase in Position Margin and/or Prime Margin required as a result.

4.28.3 If you close a Trade, any attached Stop Loss Order, Trailing Stop Loss Order, Guaranteed Stop Loss Order and/or Take Profit Order will automatically be closed.

4.28.4 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.

4.28.5 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 the Order Execution Policy set out in clause 8.

4.28.6 Where applicable, 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.

4.28.7 We will set various limits and restrictions in relation to your Trades and it is your responsibility to ensure that you know what all the current limits and restrictions are before placing or modifying any Order to open a Trade by checking the information available on the Platform. Any restriction applicable to an Account will apply across all Accounts that you hold with CMC Markets.

4.28.8 If, at the time an Order would otherwise be executed, the execution of that Order would result in a breach of a limit relevant for that type of Order, the Order will be automatically rejected.

4.28.9 In addition, an Account may be subject to a limit restricting the number of Trades, Positions and/or Pending Orders that could result in opening a new Position or Trade on the Account at any time. This limit is set by us in our sole discretion. We are entitled to vary such a limit at any time in accordance with clause 7.3 and it is your responsibility to ensure that you know what the current limit is before entering any new Position or Trade, or placing a new Pending Order by checking the information available on the Platform.

4.28.10 See our Order Execution Policy in clause 8 below and the PDS for more information.

### **4.29 Risk Management for Option CFDs**

4.29.1 You may set a variety of risk management options in respect of Option CFDs at any time via the Platform. Further information on the types of risk management options are available on our Platform.

#### **4.29.2 *Limits and restrictions on your Option CFDs***

- (a) We will set various limits and restrictions in relation to your Option CFDs and it is your responsibility to ensure that you know what all the current limits and restrictions are before placing or modifying any Order for an Option CFD by checking the information available on the Platform. Any restriction applicable to an Account may apply across all Accounts that you hold with CMC Markets.
- (b) If, at the time an Order would otherwise be executed, the execution of that Order would result in a breach of a limit relevant for that type of Order, the Order will be automatically rejected.
- (c) Where the acceptance of an Order or modification of an existing Order would result in a breach of a relevant limit, the relevant Order or modification will be rejected by our Platform.
- (d) In addition, an Account may be subject to a limit restricting the number of OTC Option Contracts and/or Positions that could result in opening a new Position or Option CFD on the Account at any time. This limit is set by us in our sole discretion. We are entitled to vary such a limit at any time in accordance with clause 7.8 and it is your responsibility to ensure that you know what the current limit is before entering any new Position, or placing an Order by checking the information available on the Platform.

### **4.30 Shield Mode**

4.30.1 If you have no open Trades, we may offer to enable Shield Mode on your Account. Please refer to the Website which provides further detail on the availability of Shield Mode in respect of a Product. Shield Mode may not be available to all our Clients. Shield Mode cannot be enabled for Option CFDs.

4.30.2 Shield Mode will:

- (a) ensure that you will not lose more than the Amount you have deposited with us, because each Trade will be fully covered by a Guaranteed Stop Loss Order. If Shield Mode is enabled and at any time you have a negative Cash value on your Account, we will waive our right to claim the deficit and will return the Account balance to zero (0), subject always to our right of Set-Off under clause 4.25 above. Shield Mode does not affect your obligation to ensure your Account Revaluation Amount is at all times above the applicable Close-Out Level(s) displayed on our Platform, and we retain the right to close any open Trades if you fail to maintain sufficient funds on your Account to keep your Account Revaluation Amount above the applicable Close-Out Level(s); and
- (b) affect the execution of all Orders for Trades, prohibiting you from either:
  - (i) opening any Trade not fully covered by a Guaranteed Stop Loss Order; or
  - (ii) modifying and/or cancelling the Guaranteed Stop Loss Orders on your Trades.

4.30.3 You can disable Shield Mode at any time by calling our Client Management Team.

## 4.31 Payments and Withdrawals

- 4.31.1 You are responsible for making payments to us which are required under the Agreement. We may reject any payment that is not made in accordance with our payment procedures (details of which are available on our Platform or from our Client Management Team upon request).
- 4.31.2 When making payments to us, you may wish to leave "headroom", especially during volatile and potentially volatile periods (i.e. an Amount that ensures you have sufficient funds above your Margin requirements and that your Account Revaluation Amount is in excess of your total Margin requirements (if applicable) or the Amount required to keep the Account Revaluation Amount above the applicable Close-Out Level on any Account). You should consider your Positions, Trades and Pending Orders, the volatility of the particular Product concerned and the relevant markets for the underlying assets, the time it will take for you to make further payments of Cleared Funds to us and any other matter which you think relevant.
- 4.31.3 Any payment made by you or on your behalf by certain Authorised Persons will only be given effect once our systems have credited it to the relevant Account and it is shown on the Platform. We cannot guarantee how long this process will take and, subject to clause 6.3, we will not be liable to you for any loss arising as a result of any delay in us crediting any payment to your Account.
- 4.31.4 You are responsible for any costs and charges incurred in the process of making any payment to your Account. You may also be liable for other charges that are not imposed by us, including bank transfer fees, and fees to internet and telephone service providers. If you make a payment by debit card or credit card or withdraw money from an Account, we may charge an administration fee to process that payment and/or withdrawal in accordance with Applicable Law.
- 4.31.5 You may make a request to withdraw money up to the lower of your Available Equity or Cash from your Account. Details on how to make withdrawals of money from your Account are available on our Website or from our Client Management team upon request.
- 4.31.6 Payments will be accepted from you only where they are in respect of an Account held individually or jointly in your name, and the payment has originated from you and, in the case of bank transfers, where we have verified that bank account (as necessary). If there is any inconsistency between your name (as supplied to us by you) and the name on the source 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 source account or there may be a delay in crediting the payment to your Account. In certain circumstances we may accept payments on your behalf by an Introducing Adviser provided that the Introducing Adviser is an Authorised Person appointed by you, we have an agreement in place with the Introducing Adviser and we have verified the account the payment is made from (where applicable) and undertaken any other checks that we in our sole discretion determine are necessary or appropriate.
- 4.31.7 Payments you make will not be counted as Cleared Funds in your Account and can therefore not be used to meet Position Margin, until they have been credited to your Account by CMC Markets. Depending on the reference you include with the payment and the payment method used, transfers can take several days to be counted as Cleared Funds.
- 4.31.8 Unless we agree otherwise or to comply with Applicable Law, we will only accept a request for a withdrawal of money from your Account that is given directly by you or an Authorised Person appointed by you in accordance with clause 4.36 (other than a person acting pursuant to a limited power of attorney). We will not accept any request for a withdrawal of money from an Account from any other person. Withdrawals of money from your Account will only be made in the Account Currency. Withdrawals will only be processed by us where the destination for the money being withdrawn is the same as the origin of your payment(s), unless (and subject to our prior approval) you have notified us in writing that your payment details have changed.
- 4.31.9 Under certain circumstances there may be a delay in processing your payment or a withdrawal, including where such delay is due to the time it takes for our systems to process the payment or withdrawal, to Circumstances Outside Our Control or to an issue in relation to your payment or withdrawal that we may be attempting to resolve to comply with Applicable Law.
- 4.31.10 We may in our reasonable discretion refuse or delay giving effect to your request for a withdrawal of money from your Account (in whole or in part) if we reasonably consider that:
- (a) on any particular day, you have already made five requests to withdraw money from that Account;
  - (b) the money is required to cover any Holding Costs, Commissions, GSLO Premiums, Realised Losses, Margin, Premiums or Net Unrealised Loss in respect of your Positions, or to ensure that your Account Revaluation Amount is equal to or greater than your Total Margin on your Account, or to ensure that your Account Revaluation Amount is above the Close-Out Level applicable to an Account;

- (c) the money may be required to meet a payment obligation 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 4.24) or exercise our right of Set-Off (under clause 4.25) in accordance with the Agreement or Applicable Law (including 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 reasonably suspect that you have breached the Agreement, and we will (except in some cases where 4.31.10(a) above applies) notify you as soon as reasonably practicable if we decide to take such action; 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 a limited appointment of agent,

and we will (except in some cases where clause 4.31.10(c) 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.

- 4.31.11 Please note that the Cash value shown on the Platform does not represent the amount of funds that are available for withdrawal. We may withhold funds where you have Net Unrealised Losses in your Account. If your Account has a negative Cash value following Account Close-Out or termination of this Agreement, that negative Cash value represents a debt owed to us which is due and payable immediately.
- 4.31.12 If there has been no activity on your Account for an extended period of time, we may impose dormant Account fees in accordance with section 4 of the OMI and make a Deduction from your Account in accordance with clause 4.24.
- 4.31.13 If there has been no activity on your Account in the previous five (5) 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 or the relevant revenue authority in accordance with Applicable Law.
- 4.31.14 We do not accept responsibility for any loss or damage suffered by you as a result of you trading with 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.
- 4.31.15 Notwithstanding any other provision of this Agreement, any payment obligation that we may have to you under this Agreement (other than a payment obligation pursuant to clause 4.23 above) is subject to the condition precedent that no Event of Default has occurred and is continuing and no Early Termination Date has occurred or been effectively designated.

### **4.32 Account Currency**

- 4.32.1 The Account Currency for your Account will be as selected by you from the available options specified by CMC Markets at the time you opened the Account, and any payment obligations in relation to your Account must be settled in that Account Currency.

### **4.33 Information about your trading activity**

- 4.33.1 We provide a range of information relating to your Account on and through our Platform, including the following:
- (a) once we have executed an Order on your behalf, we will promptly provide you with the essential information concerning the execution of the Order in real time through the Platform; and
  - (b) up-to-date statements of your Positions and any money we hold in respect of your Account as required under Applicable Law.
- 4.33.2 It is your responsibility to regularly access and review the information above to ensure that it corresponds with your own records. Subject to clause 4.22 ("Errors"), the above information will be conclusive unless we notify you of any mistake, error or inaccuracy or you notify us in writing of any mistake, error or inaccuracy and we agree with your notification.
- 4.33.3 The Platform will update the information set out above in real time during the relevant Trading Hours as applicable. However, from time to time this may not happen immediately due to Circumstances Outside Our Control. 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 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 or Premium, or whether or not your Account Revaluation Amount is sufficiently high to avoid Account Close-Out, then you should check the Platform carefully, contact us through the live help function (where available) on the Platform or contact our Client Management Team to seek further information.

4.33.4 It is your responsibility to monitor the Platform and your Account and review the Attributes of all Positions on your Account at all times.

4.33.5 We will retain certain information in relation to an Order or Trade to the extent and for the duration required by Applicable Law. You may access this information through our Platform or upon request 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.

### 4.34 Separate Accounts

4.34.1 Except as otherwise noted in the Agreement (including in relation to Set-Off), where you have opened more than one Account with us, we will treat such Accounts as entirely separate. Any credit, including money deposited as Margin, on one Account will not, except where we exercise our rights under the Agreement, discharge any of your liabilities in respect of another Account.

### 4.35 Introduced Business

4.35.1 This clause 4.35 applies if you have been introduced to us by an Introducing Adviser and have agreed with that Introducing Adviser for the payment of fees, commission and/or other remuneration (“**IB Fees**”) in respect of such introduction and related services provided by that Introducing Adviser to be paid via the Platform. Any agreement with the Introducing Adviser is entirely at your own risk.

4.35.2 By entering into this Agreement, you:

- (a) authorise us to disclose information about you and your Account including your personal data and your Account activity to the Introducing Adviser, its Related Companies and each of the Introducing Adviser and its Related Companies’ officers, employees, agents, representatives and sub-contractors as required for the purposes of providing Services to you; and
- (b) authorise and direct us to deduct any IB Fees you are required to pay to the Introducing Adviser from any money we hold in respect of your Account and pay this to the Introducing Adviser on your behalf. We will notify you in advance of the basis of calculating Deductions.

4.35.3 It is your responsibility to ensure that there are sufficient funds in your Account to pay any IB Fees due to the Introducing Adviser in full.

4.35.4 We reserve the right, at any time and without notice to you, to cease to facilitate the payment of, or make Deductions in respect of, the IB Fees. Where we cease to facilitate or make Deductions in respect of the IB Fees in accordance with this clause 4.35, any outstanding IB Fees payable must be agreed and settled directly between you and the Introducing Adviser.

4.35.5 You may withdraw or seek to amend the authorisation given to us under this clause 4.35 for us to facilitate or make Deductions in respect of IB Fees on your behalf, by giving us at least one (1) Business Day’s notice in writing.

### 4.36 Authorised Persons

4.36.1 If you are a body corporate, unincorporated association, trust or partnership, a client of an Introducing Adviser or an individual who wants to appoint an attorney, 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 your Account. You and/or the Authorised Person will be required to complete such further documentation as we may reasonably require (including the Authorised Person completing an Application). We may require evidence that the Authorised Person has authority and is appropriate to act on your behalf. We may revoke or 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.

4.36.2 We are 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, notwithstanding that the person is not, in fact, so authorised. In particular, we are entitled to act upon any instructions or Orders

transmitted using your Account Sign In Details unless you have notified us in accordance with clause 3.2 that you know or suspect that an unauthorised person has or may have access to your Account.

- 4.36.3 Any action in relation to the Agreement taken by an Authorised Person you have appointed in accordance with these Terms or any person who reasonably appears or purports to be an Authorised Person will be deemed to be your action.
- 4.36.4 We will be deemed to have provided you with any information provided by us to an Authorised Person you have appointed in accordance with these Terms or any person who reasonably appears or purports to be an Authorised Person.
- 4.36.5 Notwithstanding our right set out above to rely and act on communications and/or instructions from an Authorised Person you have appointed in accordance with these Terms, we will not be under any duty to open or close any Trade or accept any Order or other communication or instruction from such Authorised Person if we reasonably believe that the Authorised Person may be acting in excess of their authority. Nothing in this clause will be construed as placing us under any duty to enquire about the authority of any Authorised Person who reasonable appears or purports to represent you.
- 4.36.6 Where you have appointed an Introducing Adviser, discretionary investment manager or 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 among you and their other clients.

## 5 NOTICE & COMMUNICATIONS

### 5.1 Communications between you and us

- 5.1.1 Subject to other clauses of these Terms, any notice or other communication given or made under or in connection with the matters contemplated by these Terms will, except where oral communication is expressly provided for, be in writing and will be sent to you/us.
- 5.1.2 All communication between you and us, and all documents and information provided under the Agreement and the other documentation described in these Terms will be in English and you confirm that you possess proper knowledge and understanding of the English language. Any translations are provided for convenience only and you agree that to the extent there is a conflict between the English version and any translation, the English version will prevail.
- 5.1.3 The Platform, including its features and information within it, will be provided in English by default. However, you may be able to select another language for the Platform, its features and information. You should only select another language if you possess a proper knowledge and full understanding of that language. If you select another language, you do so entirely at your own risk.
- 5.1.4 You consent to us communicating with you through our Platform or any CMC Markets' operated system that we make available to you from time to time, by e-mail, by placing such information on our Website and/or by any other method agreed in writing. You also authorise us to communicate with you by letter, telephone, sms or e-mail, to discuss matters in relation to your Account or to inform you about operational changes to our Platform. You agree that we may record all such communications (see clause 9.1).
- 5.1.5 Where the Agreement requires you to communicate to us in writing, you can send us an e-mail from the email address associated with your Account to [support@cmcmarkets.co.nz](mailto:support@cmcmarkets.co.nz), contact us via our Platform (if applicable) or send us a letter by post.
- 5.1.6 Any such notice will be deemed to have been received:
- (a) if delivered personally or by hand, at the time of delivery;
  - (b) if posted, within three (3) Business Days of posting;
  - (c) if posted on our Website, immediately at the time the information is made available;
  - (d) if verbal, whether by phone or face to face, when actually given;
  - (e) if by leaving a message on an answering machine or voicemail, one hour after the message was left;
  - (f) if sent by email, one hour after sending;
  - (g) if made by you to us via our Platform, one (1) hour after such communication is received on our Platform; and

- (h) if made by us to you via our Platform, one (1) hour after such communication is made available on our Platform.
- 5.1.7 You may alter the address (including the email address) to which we send communications to you by giving us written notice. However, such alteration will only be effective on the later of the date specified in the notice and the time it was deemed to be received under this clause.
- 5.1.8 In these Terms, where we refer to communication with you in writing, it includes notice sent by email to the last email address notified by you to us and notification on the Platform.
- 5.1.9 You acknowledge and agree that you are solely responsible for ensuring we have your current address, phone number and email address.

## **6 REPRESENTATIONS AND LIABILITY**

### **6.1 Your declarations and assurances.**

- 6.1.1 Where we provide Services to you under this Agreement, 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) your use of the Platform and our Services is not for any Improper Use;
  - (b) if you are an individual you are at least 18 years old;
  - (c) 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;
  - (d) 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;
  - (e) you are not located in (whether temporarily or permanently), incorporated in, or a resident of the USA or any other jurisdiction where it may be unlawful to access the Platform or enter into Trades and/or Option CFDs;
  - (f) your Orders and/or Trades 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;
  - (g) you are not connected with the issuer of any underlying asset of a Product in respect of which you have placed an Order, including as a director, employee, agent, contractor or professional adviser of such issuer; and
  - (h) subject to clause 6.1.1(d), you fully own or, in the case of money received from an accepted joint bank account jointly own (legally and beneficially) all money you may transfer to us in accordance with the Agreement.

### **6.2 Your obligations if you breach the Agreement**

- 6.2.1 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.
- 6.2.2 You will be responsible for any losses and/or expenses that we suffer which are the result, or 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.

### **6.3 Our liability towards you, and limitations of that liability**

- 6.3.1 Nothing in the Agreement excludes or limits our liability for any matter that cannot be excluded or limited under Applicable Law.
- 6.3.2 Subject to clause 6.3.1, we will not be liable to you for any loss which arises as a result of:
  - (a) our compliance with, or our exercising of any of our rights in accordance with, Applicable Law or the Agreement;
  - (b) your negligence, fraud or breach of the Agreement or Applicable Law;
  - (c) any Specified Event or Circumstance Outside Our Control;

- (d) any Error arising from unclear or ambiguous instructions from you or an Authorised Person when placing an Order; or
- (e) any late payment or errors in calculating and/or facilitating payment of any IB Fees due to an Introducing Adviser,

except to the extent that such loss has resulted from our negligence or breach of the Agreement, provided that such loss is direct and actual loss as a result of our negligence or breach of the Agreement. For the avoidance of doubt, we will not be liable for any loss of profit or opportunity howsoever arising.

- 6.3.3 We are not responsible for any delays, delivery failures, or 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.
- 6.3.4 All warranties as to the description, quality, performance or fitness for the purposes of the Client of the Platforms or any component of any such Platform are disclaimed and excluded. Liability for a breach of a condition or warranty in respect of the Products or Services, express or implied, and which cannot be excluded, is limited to the maximum extent permitted by law (at CMC Markets' option) to resupplying the Products or Services or the cost of resupplying the Products or Services.
- 6.3.5 Any features (including charts), market data or third party content available on our Website, Platform or e-mails are provided on an "as is" and "if available" basis. We and our third party providers have taken all reasonable steps to ensure their accuracy and completeness but exclude any warranties, undertakings or representations (either express or implied) related to them to the fullest extent permitted under Applicable Law, including but not limited to:
- (a) with respect to any market data or similar information or any features and information provided to you in connection with your use of our Website, our Platform and/or our Services:
    - (i) we and our third party providers are not providing trading or investment advice;
    - (ii) we and our third party providers are not responsible or liable if any market data or similar information or any features or information is inadequate, inaccurate or incomplete in any respect;
    - (iii) we and our third party providers do not guarantee the timeliness of market data or similar information;
    - (iv) we and our third party providers are not responsible or liable for any actions that you take or do not take based on market data or similar information or such features and information;
    - (v) you will use market data or similar information and the features and information solely for the purposes set out in the Agreement;
    - (vi) market data or similar information is provided for general purposes only and market data or similar information should not be used as the sole basis for any investment decision; and
    - (vii) you will use market data or similar information and the features and information solely in compliance with Applicable Law; and
  - (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 observations are based upon past performance, patterns and data and will not necessarily reflect future performance.
- 6.3.6 For the avoidance of doubt, our third party providers are not responsible for and have not participated in the determination of our Prices and they exclude all warranties, undertakings or representations (either express or implied) relating to your use of the Platform, our Website or the Elements. Without limiting the foregoing, in no event whatsoever will our third party providers be liable for any loss, regardless of whether they are aware of such loss and whether such liability is based on breach of contract, tort or otherwise.
- 6.3.7 Save in the event of our negligence, wilful default or fraud, 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 the Platform or Website or to your downloading of any material posted on it, or on any website (including our Website) linked to it.



- 6.3.8 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 AMENDMENTS AND TERMINATION

This clause 7 explains our rights to make amendments to the Agreement and what can happen to your use of our Products and Services if we exercise those rights.

### 7.1 Amendments to the Agreement in general

- 7.1.1 We may amend any part of the Agreement, at any time by giving you notice, subject to the balance of this clause 7.1.
- 7.1.2 Subject to any agreement we have made with you, 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. We may give you less than ten (10) Business Days' notice if the amendments to the Agreement are required in order to comply with Applicable Law or where you expressly accept amendments in writing at our request. If you do not accept the amendment, you will be free to close your Account(s) and/or terminate the Agreement in accordance with clause 7.5 before the amendment takes effect.
- 7.1.3 For the avoidance of doubt, we may provide you the amended Agreement, including the PDS and/or OMI, by the following methods:
- (a) **(email)** sending a weblink to the amended Agreement via electronic mail;
  - (b) **(post)** sending notice of the amended Agreement via post; or
  - (c) **(platform notification)** publishing a notice of the amended Agreement on the Platform.

### 7.2 Amendments to Margin Rates, Margin requirements, Commissions, Close-Out Level, Reset Level and other costs

- 7.2.1 We may from time to time make amendments to the Margin Rate, other Margin requirements applicable to a Product or your Account, Commission, Close-Out Level, Reset Level and other costs. If you have an open Trade, the method of this amendment may take the form of closing your existing Trade and reopening a new Trade with the new Margin Rate. We will, where possible, provide you with:
- (a) three (3) Business Days' notice of increases to the Margin Rate, other Margin requirements and/or Commission;
  - (b) one (1) Business Day's notice of decreases to the Commission;
  - (c) ten (10) Business Days' notice of amendments to the Close-Out Level and/or Reset Level, and
  - (d) three (3) Business Days' notice for the imposition of, or changes to, other costs,

but we reserve the right to make any amendment under this clause 7.2 on shorter notice or without any notice, where we have a valid reason to do so. We reserve the right, at any time and without prior notice to you, to decrease the Margin Rate and/or other Margin requirements. For the avoidance of doubt, we are not obliged to provide you with any notice under this clause 7.2 if your Account is not impacted by the amendments specified in this clause 7.2.

- 7.2.2 Following any amendment to Margin Rates, other Margin requirements, Commissions, Close-Out Level, Reset Level and/or other costs, it is your responsibility to ensure that you have sufficient Account Value and/or sufficient Cash and/or reduce your Positions to satisfy your obligations to us under the Agreement. Any failure to do so may result in Account Close-Out.

### 7.3 Amendments to Prices, GLSO Premiums, Variable Rates, Premiums and other Attributes

- 7.3.1 Subject to clause 7.2, we will amend Prices, GLSO Premiums, Variable Rates, Premiums and Attributes through our Platform in real time and such amendments will take effect immediately as and when they are made, even if they are not displayed on the device that you use to access the Platform. We may make changes to the way the Price of a Product or GSLO Premium is calculated and such amendments will take effect immediately as and when they are made.

7.3.2 Our Platform will 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.

7.3.3 Where we notify you of a change to a limit in relation to an Attribute, you may be required to close any affected Trades within three (3) Business Days.

### **7.4 Removal of Products**

7.4.1 Subject to clause 7.8, we may, at any time and in our sole discretion, remove any Product(s) from the Platform and/or remove your ability to place Trades on a particular Product. If you have a Position on the Product in question, we will provide you with reasonable notice in writing, where possible, that we intend to remove that Product. We aim to provide you with at least ten (10) Business Days' notice in which to close any Position that you may hold on such a Product. However, where in our reasonable opinion it is necessary and fair to do so, including in the event of a Circumstance Outside Our Control, Corporate Action or Adjustment Event, we reserve the right to provide a shorter notice period or no notice at all.

7.4.2 It is your responsibility to cancel any Pending Orders and/or close any Positions in respect of a Product that is being removed before the time specified in our notice. If you do not do this, we will cancel any Pending Orders and close any Positions in respect of that Product at the time and in the manner specified in the notice.

7.4.3 We may set any Product that is being removed in accordance with this clause to Reduce Only.

### **7.5 Closing your Account(s) or terminating the Agreement**

7.5.1 You may close any Account held by you and/or terminate the Agreement by giving us notice in writing, which will take effect up to one (1) Business Day after it is received by us, subject to the condition precedent that no notice designating an Early Termination Date has been given by us. You should cancel any Pending Orders and close any Positions on the relevant Account(s) and then withdraw any money due to you before giving us notice. If you do not do this, we will cancel any Pending Orders and close any Positions as soon as possible after we receive your notice and then attempt to return any money due to you, but there may be a delay in doing so.

7.5.2 We may close any Account and/or terminate the Agreement by giving you notice in writing, which will take effect on the date specified being no less than ten (10) Business Days after the date of the notice. Unless our notice specifies otherwise and/or we have set your Account to Unauthorised To Trade, you will be allowed to cancel any Pending Orders and/or close any Positions yourself during the time between when we give you the notice and the time when your Account is due to close and/or the Agreement is due to terminate. If you do not do this or giving notice is not possible, we will cancel any Pending Orders and close any Trades on the Account and then attempt to return to the money due to you.

7.5.3 If we have serious grounds or valid reasons for doing so, we may terminate the Agreement with less than ten (10) Business Days' notice, including immediately where you have no Positions. We will cancel any Pending Orders or set an Account to Reduce Only or Unauthorised To Trade and close any Positions at the time and the manner specified in the notice.

7.5.4 Unless otherwise agreed, the Agreement will automatically terminate following the closure of all of your Accounts by you or us. When you or we close your Account(s) and/or terminate the Agreement we may exercise any right that we have under the Agreement to make a Deduction or to exercise our right of Set-Off.

### **7.6 Specified Events**

7.6.1 Should a Specified Event occur, be reasonably likely occur, or when we become aware of a Specified Event, we may take a Reserved Action, provided it is fair and reasonable in the circumstances (see clause 7.8). A Specified Event includes, but is not limited to instances where:

- (a) you, or any Authorised Person appointed by you are the subject of or have been found guilty or at fault in any criminal proceedings or relevant investigation carried out by the appropriate authorities 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, is otherwise impaired;
- (d) you breach any of the terms of this Agreement, including but not limited to, any Improper Use;

- (e) you fail to make any payment due to us under the Agreement or any other agreement in place between you and us or for any of our Associates;
- (f) any of the declarations and assurances provided by you pursuant to clause 6.1, or becoming incorrect or misleading in any material respect, as determined by us;
- (g) an Error occurs;
- (h) a Corporate Action occurs in relation to the underlying asset of a Product or in relation to the issuer of an underlying asset; or
- (i) 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.

### 7.7 Circumstance Outside Our Control

7.7.1 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 which prevents us from performing any of our obligations under the Agreement and includes:

- (a) changes in Applicable Law or any action taken by an appropriate authority;
- (b) events or circumstances that impair or remove the ability of the Platform to operate on a normal and orderly basis, including any errors, failures or disruptions in our systems or any other infrastructure (including infrastructure controlled by third parties);
- (c) acts or omissions of any third party for whatever reason, including where we and/or any of our Associates are unable or it is impractical for us and/or any of our Associates, 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 and/or any of our Associates’ price risk relating to Trades;
- (d) natural disasters, natural emergencies and acts of God;
- (e) man-made emergencies, including, but not limited to fire, explosions, criminal acts, riots, war, armed conflict, imposition of sanctions and terrorist attack;
- (f) a change in the volatility and/or liquidity in the relevant Underlying Market which impacts our ability to determine or continue to determine a fair and reasonable Price for a Product; or
- (g) any other exceptional event or circumstance over which we have no control.

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

- (a) any failure by us to perform our obligations under the Agreement caused by a Circumstance Outside Our Control will not be a breach of the Agreement;
- (b) we will give you notice of such determination as soon as it is practicable and in accordance with Applicable Law;
- (c) we will use all reasonable endeavours to resume our provision of the Platform, Services and/or performance of our obligations under the Agreement as soon as possible; and
- (d) provided it is fair and reasonable, we may take an appropriate Reserved Action under clause 7.8.

7.7.3 Where we are able to resume our provision of the Platform, Services 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 occurrence of a Circumstance Outside Our Control that remains open will be determined by the Price as at the time we are able to resume our provision of the Platform, Services and/or performance of our obligations under the Agreement;
- (b) we may act on any instructions to transmit any Order in relation to a Trade received immediately before the Circumstance Outside Our Control, provided it is possible to do so; and
- (c) you are responsible for re-instating any Order affected by a Circumstance Outside Our Control.

## 7.8 Reserved Actions

- 7.8.1 If we are required to do so under Applicable Laws, or a Specified Event or Circumstance Outside Our Control has occurred, or is reasonably likely to occur, or we have valid reasons for doing so, we may in our sole discretion take any action, including any of the following actions, that is fair and reasonable in the circumstances (“**Reserved Actions**”):
- (a) open, combine, correct or close any Trade or cancel or suspend any Orders on your Account;
  - (b) prohibit you from accessing or using your Account;
  - (c) suspend or in any way limit or restrict your ability to place any Order or Trade or declining to action any instruction received from you in relation to an Account;
  - (d) amend any Margin, Independent Margin, Attributes, Prices, Variable Rates and Premiums, including those relevant to your Trades or Orders;
  - (e) refuse or delay giving effect to your request for a withdrawal of money from your Account;
  - (f) cancel any Trades (as if they had never been entered into in the first place) and the effect of such Trades on your Account;
  - (g) carry out Roll-Overs where applicable to the Product;
  - (h) impose special terms in relation to any Order or Trade which, by virtue of its size, is deemed by us to be abnormal by reference to the relevant Product or its volatility or its liquidity;
  - (i) close any Account, make any Account Unauthorised To Trade or set an Account to Reduce Only;
  - (j) exercise any right of Set-Off, make a Deduction or credit, or 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/quotation of Prices and/or the execution of Orders by the Platform in respect of any Product; and/or
  - (m) remove any Product from the Platform and/or remove your ability to place Trades on a particular Product from an Account.
- 7.8.2 If we have taken or decide to take any Reserved Action then we will attempt to notify you of this as soon as reasonably practicable, unless an Applicable Law prevents us from doing so. When taking any Reserved Action, we may, in our sole discretion, take into account any prior instructions you have provided to our Client Management Team.

## 7.9 Assignment

- 7.9.1 If you are in default of any of your obligations under the Agreement, we will be entitled (without prejudice to any other rights we may have) to assign to any Person with immediate effect, our rights in respect of money you owe to us under the Agreement, as well as any security or other remedies available to us in respect of such money. If such assignment is made, then you will, if required by CMC Markets and the assignee, acknowledge in writing that the assignee has assumed the rights and obligations of CMC Markets under the Agreement in relation to the relevant money you owe.
- 7.9.2 You authorise us to take any or all of the steps described in this clause, and we will provide reasonable written notice to you if we do. You acknowledge that we will not be responsible for any consequences of our taking such steps provided they are in accordance with Applicable Laws. The rights described in this clause are in addition to any other rights which CMC Markets, its Associates or other Persons connected with us may have against you.

## 7.10 Commission and other charges

- 7.10.1 We may impose and/or vary additional fees, commissions (including but not limited to our Commission), costs or charges from time to time in respect of Pending Orders, Trades, Positions or your Account where we have a valid reason for doing so.
- 7.10.2 Where we have notified you in accordance with these Terms of a change to our Commission, then Amounts calculated in accordance with the applicable Commission will be due and payable to us immediately upon execution of an Order 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 due in full, and failure to do so will be a Specified Event and may result in Account Close-Out.

## 8 ORDER EXECUTION POLICY

In this clause 8 we summarise the process by which the Platform executes your Orders.

When you trade, or instruct us to trade on your behalf through the Platform you consent to your Orders being executed in the manner described below.

### 8.1 Key points

- 8.1.1 We are the sole execution venue for your Orders. This means that your Orders are executed exclusively via a bilateral Trade with us as the counterparty to your trades, through the Platform, and not through a trade on any exchange, multilateral trading system or other external execution venue.
- 8.1.2 Our Platform is fully automated for pricing and Order execution. By placing an Order, you are giving the Platform an instruction to place that Order on your Account on the basis of the Prices generated electronically by the Platform.
- 8.1.3 The Prices of the Products are generated electronically by the Platform. As such, the Prices at which you open and close Trades may be different to any current exchange or market price, or another financial provider's price, for the relevant Underlying Reference Instrument or index and are exclusive to the Platform. You should not expect our Prices to exactly match prices you may see elsewhere.
- 8.1.4 You must contact our Client Management Team to enter into or close a Position relating to a Manual Product. The Platform displays multiple Buy Prices and Sell Prices, via the Price Depth and Price Ladder, for different sized Orders.
- 8.1.5 As a result of rapid price movements, the Price at which our Platform executes an Order for a Trade may be less or more favourable to you than the Price displayed on our Platform when you place the Order.

### 8.2 How the Platform handles the different types of Orders

- 8.2.1 This clause outlines the basis upon which the Platform will execute different types of Orders, subject to factors outlined in the PDS and the other clauses in these Terms.
- 8.2.2 There may be times when we reject a Market Order as a result of the way in which you trade, for example the speed and volume at which you are trading, or as a result of an invalid price following a price check undertaken by us. For the avoidance of doubt, this applies whether you trade directly through the Platform or through an Application Programming Interface (**API**) and may be more likely when you trade via an API.

#### 8.2.3 **Market Order**

- (a) A Market Order is an instruction to buy or sell a Trade at the first available Buy Price or Sell Price. Market Orders can be used to open or close a Trade.
- (b) During the Trading Hours for a Product, the Platform will execute a Market Order to **sell** at the **first available Sell Price** (for the relevant size of the Order) and a Market Order to **buy** at the **first available Buy Price** (for the relevant size of the Order) as soon as possible after the Order is accepted. The Sell Price or Buy Price at which any Market Order will be executed will always reflect its size and the corresponding Price on the Price Ladder at the time of execution.
- (c) The Price at which the Order will be executed **may be less favourable** to you than the Price you see on the Platform when you place the Order (for instance, due to market movements between the time you submit your Order and the time the Platform and/or the Client Management Team executes your Order).
- (d) The Platform will automatically cancel (and not execute) a Market Order if the first available Sell Price or Buy Price (as relevant and taking into account the size of the Order) is outside of any Boundary (if applicable) that you have set.

#### 8.2.4 **Roll-Over**

- (a) Roll-Over is the process of closing a Trade on a particular Forward and entering into an equivalent Trade on a Forward with the same Underlying Reference Instrument but with the next available Expiry Date.

- (b) An Auto Roll-Over on a **sell** Trade on any particular Forward will be carried out by the Platform automatically executing a Market Order to buy the number of Units for that Trade at the **Level 1 Buy Price** (regardless of the size of the Order) and this Order will be executed (if possible) after the Last Roll-Over Date but on or before the Expiry Date. The Platform will then immediately execute a Market Order to sell the same number of Units on a Forward based on the same Underlying Reference Instrument(s) but with the next available Expiry Date, at the **Level 1 Mid-Price**.
- (c) An Auto Roll-Over on a **buy** Trade on any particular Forward will be carried out by the Platform automatically executing a Market Order to sell the number of Units for that Trade at the Level 1 Sell Price (regardless of the size of the Order), and this Order will be executed (if possible) after the Last Roll-Over Date but on or before the Expiry Date. The Platform will then immediately execute a Market Order to buy the same number of Units on a Forward based on the same Underlying Reference Instrument(s) but with the next available Expiry Date, at the **Level 1 Mid-Price**.
- (d) A Manual Roll-Over on a **sell** Trade on any particular Forward will be carried out on your instructions by the Platform executing a Market Order to buy the number of Units for that Trade at the **Level 1 Buy Price** (regardless of the size of the Order), as soon as possible after the Manual Roll-Over is accepted by the Platform (provided that this is before the Last Roll-Over Date). The Platform will then immediately execute a Market Order to sell the same number of Units on a Forward based on the same Underlying Reference Instrument(s) but with the next available Expiry Date, at the **Level 1 Mid-Price**.
- (e) A Manual Roll-Over on a **buy** Trade on any particular Forward will be carried out on your instructions by the Platform executing a Market Order to sell the number of Units for that Trade at the **Level 1 Sell Price** (regardless of the size of the Order), as soon as possible after the Manual Roll-Over is accepted by the Platform (provided that this is before the Last Roll-Over Date). The Platform will then immediately execute a Market Order to buy the same number of Units on a Forward based on the same Underlying Reference Instrument(s) but with the next available Expiry Date, at the **Level 1 Mid-Price**.
- (f) Any Pending Orders on a Forward on which a Trade is being closed as part of a Roll-Over will automatically be cancelled by the Platform, and an equivalent Pending Order with an equivalent Target Price will be placed automatically by the Platform on any Forward (based on the same Underlying Reference Instrument(s) but with the next available Expiry Date) on which a new Trade is being entered into as part of the Roll-Over.
- (g) A Roll-Over on any Trade on any particular Forward will not be carried out by the Platform if a Forward based on the same Underlying Reference Instrument(s) but with a later Expiry Date is not available to be traded on the Platform at the time the Roll-Over would otherwise have been carried out. In such circumstances, where the Trade reaches the Expiry Date, the Trade will be closed and settled on the Cash Settlement Date, and any Pending Order on the relevant Forward will be cancelled automatically by the Platform on the Cash Settlement Date.

### 8.2.5 **Limit Order**

- (a) A Limit Order is an instruction to buy or sell a Product at a Target Price that is more favourable than the Level 1 Price.
- (b) A Limit Order to **buy** at a Target Price will be executed at the Target Price or lower when the Buy Price is **equal to or lower** than the Target Price. A Limit Order to **sell** at a Target Price will be executed at the Target Price or higher when the Sell Price is **equal to or higher** than the Target Price.
- (c) Commencing with the opening price, price improvements will not be passed onto you during market hours.

### 8.2.6 **Stop Entry Order**

- (a) A Stop Entry Order is an instruction to buy or sell a Product at a Target Price that is less favourable than the Level 1 Price.
  - Standard Triggers
- (b) Unless you elect otherwise:
  - (i) A Stop Entry Order to buy at a Target Price will be executed when the Level 1 Buy Price is equal to or higher than the Target Price. However, the Stop Entry Order will be executed at the first available Buy Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Order.

- (ii) A Stop Entry Order to sell at a Target Price will be executed when the Level 1 Sell Price is equal to or lower than the Target Price. However, the Stop Entry Order will be executed at the first available Sell Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Order.
- (c) Stop Entry Orders are not guaranteed and may be subject to Gapping.
  - Alternate triggers
- (d) Alternatively, you can elect to use the Level 1 Mid-Price or the opposite Level 1 Price as the trigger for your Stop Entry Order.
- (e) Where you elect to use the Level 1 Mid-Price Price as the trigger for your Stop Entry Order:
  - (i) A Stop Entry Order to **buy** at a Target Price will be executed when the **Level 1 Mid-Price is equal to or higher** than the Target Price and will be executed at the first available Buy Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Order.
  - (ii) A Stop Entry Order to **sell** at a Target Price will be executed when the **Level 1 Mid-Price is equal to or lower** than the Target Price and will be executed at the first available Sell Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Order.
- (f) Where you elect to use the opposite Level 1 Price as the trigger for your Stop Entry Order:
  - (i) A Stop Entry Order to **buy** at a Target Price will be executed when the **Level 1 Sell Price is equal to or higher** than the Target Price and will be executed at the first available Buy Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Order.
  - (ii) A Stop Entry Order to **sell** at a Target Price will be executed when the **Level 1 Buy Price is equal to or lower** than the Target Price and will be executed at the first available Sell Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Order.
- (g) In each case, whether you use a standard trigger or one of the alternative triggers:
  - (i) The Platform will automatically cancel (and not execute) a Stop Entry Order if the first available Sell Price or Buy Price (as applicable) that corresponds to the size of your Order at the time the Platform would otherwise execute the Order, is outside of any Boundary (if applicable) that you have set.
  - (ii) The Price at which the Order will be executed may be less favourable to you than the Target Price.
- (h) A Limit Order or Stop Entry Order will remain available for execution until the date you have selected the Order to be valid to, or it is cancelled by you or CMC Markets.
- (i) The Price at which the Order will be executed may be less favourable to you than the Target Price.

### 8.2.7 Stop Loss Order

- (a) An instruction to buy or sell a Product at a Target Price. Stop Loss Orders are linked to a Trade and can only be used to close a Trade, not open a new one.
  - Standard Triggers
- (b) Unless you elect otherwise:
  - (i) A Stop Loss Order to **buy** at a Target Price will be executed when the **Level 1 Buy Price is equal to or higher** than the Target Price. However, the Stop Loss Order will be executed at the first available Buy Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Stop Loss Order.
  - (ii) A Stop Loss Order to **sell** at a Target Price will be executed when the **Level 1 Sell Price is equal to or lower** than the Target Price. However, the Stop Loss Order will be executed at the first available Sell Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Stop Loss Order.
- (c) Stop Loss Orders are not guaranteed and may be subject to Gapping.

### Alternate triggers

- (d) Alternatively, you can elect to use the Level 1 Mid-Price or the opposite Level 1 Price as the trigger for your Stop Loss Order.
- (e) Where you elect to use the Level 1 Mid-Price as the trigger for your Stop Loss Order:
  - (i) A Stop Loss Order to **buy** at a Target Price will be executed when the **Level 1 Mid-Price is equal to or higher** than the Target Price and will be executed at the first available Buy Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Stop Loss Order.
  - (ii) A Stop Loss Order to **sell** at a Target Price will be executed when the **Level 1 Mid-Price is equal to or lower** than the Target Price and will be executed at the first available Sell Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Stop Loss Order.
- (f) Where you elect to use the opposite Level 1 Price as the trigger for your Stop Loss Order:
  - (i) A Stop Loss Order to **buy** at a Target Price will be executed when the **Level 1 Sell Price is equal to or higher** than the Target Price and will be executed at the first available Buy Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Stop Loss Order.
  - (ii) A Stop Loss Order to **sell** at a Target Price will be executed when the **Level 1 Buy Price is equal to or lower** than the Target Price and will be executed at the first available Sell Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Stop Loss Order.
- (g) In each case, whether you use a standard trigger or one of the alternative triggers the Price at which the Order will be executed may be less favourable to you than the Target Price.

### 8.2.8 Trailing Stop Loss Order

- (a) A Trailing Stop Loss Order is an instruction to buy or sell a Product at a Target Price. The Target Price is automatically adjusted by the Platform to trail the Level 1 Price in the direction of your Trade at a distance you set. Trailing Stop Loss Orders are linked to a Trade and can only be used to close an existing Trade, not open a new one.

### Standard Triggers

- (b) Unless you elect otherwise:
  - (i) A Trailing Stop Loss Order to **buy** at a Target Price will be executed when the **Level 1 Buy Price is equal to or higher** than the Target Price. However, the Trailing Stop Loss Order will be executed at the first available Buy Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Trailing Stop Loss Order.
  - (ii) A Trailing Stop Loss Order to **sell** at a Target Price will be executed when the **Level 1 Sell Price is equal to or lower** than the Target Price. However, the Trailing Stop Loss Order will be executed at the first available Sell Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Trailing Stop Loss Order.
- (c) Trailing Stop Loss Orders are not guaranteed and may be subject to Gapping.

### Alternate triggers

- (d) Alternatively, you can elect to use the Level 1 Mid-Price or the opposite Level 1 Price as the trigger for your Trailing Stop Loss Order.
- (e) Where you elect to use the Level 1 Mid-Price as the trigger for your Trailing Stop Loss Order:
  - (i) A Trailing Stop Loss Order to **buy** at a Target Price will be executed when the **Level 1 Mid-Price is equal to or higher** than the Target Price and will be executed at the first available Buy Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Trailing Stop Loss Order.



- (ii) A Trailing Stop Loss Order to **sell** at a Target Price will be executed when the **Level 1 Mid-Price is equal to or lower** than the Target Price and will be executed at the first available Sell Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Trailing Stop Loss Order.
- (f) Where you elect to use the elect to use the opposite Level 1 Price as the trigger for your Trailing Stop Loss Order:
  - (i) a Trailing Stop Loss Order to **buy** at a Target Price will be executed when the **Level 1 Sell Price is equal to or higher** than the Target Price and will be executed at the first available Buy Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Trailing Stop Loss Order.
  - (ii) a Trailing Stop Loss Order to **sell** at a Target Price will be executed when the **Level 1 Buy Price is equal to or lower** than the Target Price and will be executed at the first available Sell Price on the Price Ladder corresponding to the size of your Order at the time the Platform executes the Trailing Stop Loss Order.
- (g) In each case, whether you use a standard trigger or one of the alternative triggers:
  - (i) the Prices at which the Order will be executed may be less favourable to you than the Target Price.
  - (ii) the Target Price of a Trailing Stop Loss Order is adjusted in the direction of your Trade by the Platform and is calculated from the most favourable Price in respect of that Trade since that Order was last modified plus/minus (as relevant) the Stop Distance, as set by you.

### 8.2.9 **Guaranteed Stop Loss Order**

- (a) A Guaranteed Stop Loss Order will only be executed at the Target Price but will have different Margin requirements (Prime Margin) and will incur a GSLO Premium.
- (b) A Guaranteed Stop Loss Order to **buy** at a Target Price will be executed when the **Level 1 Buy Price is equal to or higher** than the Target Price and will be executed at the Target Price.
- (c) A Guaranteed Stop Loss Order to **sell** at a Target Price will be executed when the **Level 1 Sell Price is equal to or lower** than the Target Price and will be executed at the Target Price.
- (d) In each case:
  - (i) The Guaranteed Stop Loss Order will only ever be executed at the Target Price.
  - (ii) The Target Price for any Guaranteed Stop Loss Order must meet the GSLO Minimum Distance at the time the Guaranteed Stop Loss Order is placed (including by modifying another type of Pending Order), unless it is a Pending Order on a Forward and the Trade is being placed automatically by our Platform as part of a Roll-Over (in which case clause 8.2.4 will apply).

### 8.2.10 **Take Profit Order**

- (a) A Take Profit Order is an instruction to buy or sell a Product at a Target Price. A Take Profit Order is linked to a Trade and can only be used to close a Trade, not open a new one.
- (b) A Take Profit Order to **buy** at a Target Price will be executed at the Target Price or lower, when the **Buy Price is equal to or lower** than the Target Price.
- (c) A Take Profit Order to **sell** at a Target Price will be executed at the Target Price or higher, when the **Sell Price is equal to or higher** than the Target Price.
- (d) Commencing with the opening price, price improvements will not be passed onto you during market hours.
- (e) More information on the different types of Orders can be found on our Website.

### 8.2.11 **Aggregation of Orders**

The Platform may aggregate: (i) any Stop Loss Order, Trailing Stop Loss Order or Stop Entry Order to sell the same Product; or (ii) any Stop Loss Order, Trailing Stop Loss Order or Stop Entry Order to buy the same Product; which are triggered by the same Price and which are due to be executed by the

Platform at the same time, in which case each relevant Stop Loss Order, Trailing Stop Loss Order or Stop Entry Order will be executed at the first available Buy Price or Sell Price (as applicable) on the Price Ladder corresponding to the size of the aggregated Stop Loss Order, Trailing Stop Loss Order or Stop Entry Order.

### 8.3 How the Platform handles different types of orders for Option CFDs

8.3.1 This clause outlines the basis upon which the Platform will execute different types of Orders for Option CFDs, subject to the factors outlined elsewhere in these Terms.

#### 8.3.2 **Limit Immediate or Cancel Order**

A Limit IoC Order is an Order to buy or sell an Option CFD as soon as possible after it is transmitted to the Platform with a specific Price limit set by you provided that the Limit IoC Order is submitted during Trading Hours and the Platform is available at the time the Order is made. A Limit IoC Order will be filled in accordance with the specified limit price immediately, either fully or partially, or cancelled if it cannot be filled. If a partial fill occurs then a partial cancellation of the unfilled portion of the Order will occur.

#### 8.3.3 **Protected Market IoC Order**

A Protected Market Order is an Order to buy or sell an Option CFD as soon as it is transmitted to the Platform provided that the Protected Market IoC Order is submitted during Trading Hours and the Platform is available at the time the Order is made. The intent of the “protected” aspect of the Order is that it limits the level of slippage that you may be subject to, but this is not guaranteed. When placing a buy Order, a price set by the Platform and detailed on the Order ticket will be the maximum price at which any portion of the Protected Market IoC Order will be executed (the “**Maximum Execution Price**”). When placing a sell Order, a Price set by the Platform and detailed on the Order ticket which will be the minimum Price at which any portion of the Protected Market IoC Order will be executed (the “**Minimum Execution Price**”). Once the Order is submitted and accepted by the Platform, it will convert into a Limit IoC Order with either the Maximum Execution Price or Minimum Execution Price as the limit Price.

#### 8.3.4 **Market IoC Order (may only be placed by CMC Markets)**

A Market IoC Order is an Order to buy or sell a closing Order on an Option CFD as soon as possible after it is transmitted to the Platform provided that the Market IoC Order is submitted during Trading Hours and the Platform is available at the time the Order is made. This order type will be used for risk management purposes including where the Platform or the Client Management Team carries out an Account Close-Out. This means that there are no specified Price limits in relation to this Order type. If a partial fill occurs, a partial cancellation of the unfilled portion of the Order may occur.

### 8.4 Factors we consider when determining best execution

8.4.1 When executing Orders, we will take all sufficient steps to obtain the best possible result for you taking into account the type of financial instrument the Order relates to, and other execution factors.

8.4.2 We will take into account the following execution factors when executing your Order, ranked in order of importance from highest to lowest:

- (a) Price
- (b) other costs including the Currency Conversion Rate;
- (c) speed of execution;
- (d) likelihood of execution and settlement; and
- (e) size of your Order.

### 8.5 Prices generated by the Platform

8.5.1 The best possible result when executing your Order will be determined in terms of the total consideration (i.e. the price of your Order and costs related to execution).

8.5.2 The Prices of the Products are generated electronically by the Platform. Whilst these Prices will take into account market data from various sources in order to enable us to check whether our Prices are fair and

we are delivering on our best execution obligation, you should note that they are not taken directly from any one source, and therefore may not match prices that you see elsewhere (including prices quoted on stock exchanges). Prices include our reasonable Margin.

- 8.5.3 Market fluctuations and technical conditions, in addition to Circumstances Outside Our Control, may mean that the Prices you see on your device and/or which are provided by our Client Management Team when you place an Order, may not be identical to the Price at which the Trade is executed. If changes occur in the applicable Price between the time the Order is placed by you and the time the Order is received by us or the Order is executed by the Platform, the Order is generally executed at the Price applicable when the Order is executed by the Platform. This may either be to your advantage or disadvantage.
- 8.5.4 In addition, there will be times when circumstances may prevent the Platform from generating Prices or affect the Prices being generated.
- 8.5.5 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. Alternatively, you may place a Limit Order.

## **8.6 CMC Currency Conversion Rates generated by the Platform**

- 8.6.1 When you enter into Trades or place Orders with us, all calculations will be undertaken in the currency in which the Product is denominated, the Product Currency, before being converted into your Account Currency at the CMC Currency Conversion Rate and applied to your Account.
- 8.6.2 As with Prices, the CMC Currency Conversion Rate for any particular currency pair is generated electronically by the Platform and may not match currency conversion rates that you see elsewhere (including official currency conversion rates and the currency pairs on our Platform).
- 8.6.3 Where relevant, we will provide you with the CMC Currency Conversion Rate used to convert amounts in a Product Currency into your Account Currency.

## **8.7 Size, Speed and likelihood of execution**

- 8.7.1 The Platform executes Orders (except Orders for Manual Products) on an automated basis and does not rely on any manual intervention or dealing. However, Orders for Manual Products are executed by our Client Management Team.
- 8.7.2 The Platform will, apart from limited number of exceptions, execute Orders as soon as practicable following receipt and, only during Trading Hours. The Platform will accept or reject Orders or the modification of Pending Orders in accordance with their respective Attributes and the PDS and subject to whether your Account Revaluation Amount would be insufficient to cover your Total Margin or where your Account Revaluation Amount is below the applicable Close-Out level or where you have insufficient Cash to pay any applicable Commission or GSLO Premium (if applicable).
- 8.7.3 If the Platform has accepted an Order, there may still be circumstances which prevent or otherwise affect the execution of an Order, for instance, where doing so would breach a Position Limit and/or an Order Cluster Limit, where market restrictions apply, where you have or would have an insufficient Account Revaluation Amount to cover your Total Margin (if applicable) or where your Account Revaluation Amount is below the applicable Close-Out Level or any circumstance under the clauses 4.2 ("Accessing the Platform"), 7.7 ("Circumstance Outside Our Control") and 4.19 ("Corporate Actions and Adjustments") in these Terms.
- 8.7.4 The Platform, via the Price Depth, automatically takes into account the size of your Order at the point of execution.

## **8.8 Factors not taken into account when executing Orders**

- 8.8.1 Except as described above, the Platform and/or our Client Management Team do not differentiate between the different types of Orders. Any Commission or Holding Costs that are incurred will not be taken into account when the Platform executes an Order.
- 8.8.2 We are the sole execution venue for all Orders. We will not use any other execution venues to execute your Orders. Accordingly, this Order Execution Policy does not include a list of other execution venues.

## 8.9 How your Trades are closed without instructions from you

- 8.9.1 There are some circumstances where the whole or a portion of your Trades will be closed without instructions from you. This includes, but is not limited to, circumstances where you have failed to ensure that your Account Revaluation Amount exceeds the Close-Out Level, where you fail to reduce any Position to below the applicable Position Limit within the relevant time limit specified by us or where we exercise our rights to close your Trades and/or Positions when you have breached the Agreement. Please refer to clauses 4.17.3 (“
- 8.9.2 Account Close-Out”) and 7.8 (“Reserved Actions”) for more information.
- 8.9.3 Unless closed by you or us beforehand (whether through a Roll-Over or otherwise), any Trade on a Forward will be closed and settled by the Platform automatically on the Cash Settlement Date (and any Pending Order on the relevant Forward will also be cancelled on the Cash Settlement Date).
- 8.9.4 Where all or a portion of your Trades are to be closed without instructions from you or Account Close-Out is to occur in accordance with the elections you have made on your Account, certain procedures will apply. Further information on these procedures can be found in the Platform.
- 8.9.5 We reserve the right to aggregate any Trades in the same Product being closed at or around the same time, and to execute the relevant Orders to close those Trades at the corresponding Price on the Price Ladder for an Order of the size of the aggregated Trades.

## 8.10 Instructions

- 8.10.1 If you provide us with instructions on how to execute your Order, complying with that instruction may prevent us from taking the steps that we set out in this Order Execution Policy to obtain the best possible result for the execution of your Order. In those circumstances, our execution in accordance with your specific and complete instruction will be deemed best execution.
- 8.10.2 Since there is no external market for Products, your Orders can only be executed on the Platform and/or through our Client Management Team. Any instruction to execute your Order on a different execution venue will lead to rejection of your Order.

## 8.11 Trading through our Client Management Team

- 8.11.1 In addition to entering into Trades through the Platform you may contact our Client Management Team to place an Order in respect of a Manual Product. We may in our sole discretion refuse any request to enter into any Trade or Order in relation to a Manual Product, regardless of whether or not you have previously entered into Trades or placed Orders on that particular Manual Product.

## 8.12 Manual Products

- 8.12.1 Information on any Manual Product will only be available through the Product Library once you have contacted our Client Management Team in order to commence trading in that Manual Product.
- 8.12.2 Information about an executed Trade with respect to Manual Products will be available once it has been input by our Client Management Team.

### 8.12.3 *Manual Orders and Order Execution*

- (a) You must contact our Client Management Team to enter into or close a Trade in relation to a Manual Product or a Trade which requires a Manual Order. Our Client Management Team can also place Orders on your behalf through the Platform on Products which are not Manual Products and/or which do not require a Manual Order. Unlike Trades you place on the Platform for Products which are not Manual Products, Trades in Manual Products are not fully automated.
- (b) When you place an Order through our Client Management Team to enter into or close a Trade in relation to a Manual Product or which otherwise requires a Manual Order, the member of the Client Management Team will quote the relevant Price and other related terms for that Order which you will be free to accept or reject.
- (c) An Order (including a Pending Order and a Manual Order) placed through our Platform (whether by you directly or through a member of the Client Management Team) 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 or the time it takes for our Client Management Team to input the Order into the Platform on your behalf).

- (d) To enter into or close a Trade on a Manual Product or which requires a Manual Order, you must contact our Client Management Team. You will need to specify the Product and agree with the member of the Client Management Team whether you wish to enter into a buy Trade or sell Trade, the type of Order, the Price at which you wish to buy or sell (as applicable), the number of Units (which may be calculated by the member of the Client Management Team based on the amount you specify), any Boundary (if relevant) and the Stop Loss Order and/or Take Profit Order that you wish to apply to that Trade (if any) along with any other information relevant to the Order. Once a member of our Client Management Team has accepted and/or executed your Order, the member of our Client Management Team will input the relevant information onto the Platform.
- (e) A Manual Order will be deemed to be received when the relevant member of the Client Management Team has confirmed the Order in writing or verbally to you. Manual Orders may only be modified or cancelled through our Client Management Team. Trades on Manual Products which require a Manual Order to be closed can only be closed through our Client Management Team. Orders and/or Trades placed and/or entered into through our Client Management Team (including Limit Orders which may be placed outside of Trading Hours) will generally also be executed on a 'first come, first served basis'.
- (f) The Price at which an Order will be executed may be less favourable to you than the Price displayed on our Platform and/or the Price provided by our Client Management Team when you placed the Order (for instance due to market movements between the time you and/or our Client Management Team, acting on your behalf, submit the Order and the time that the Platform executes your Order).
- (g) Order Cluster limits may, in our sole discretion, be waived for Manual Orders placed or Trades entered into through our Client Management Team.

### 8.12.4 Account Close-Out – Manual Products

- (a) Manual Products that require a Manual Order to close may not be included in the automatic Account Close-Out process and accordingly the Full Account Close-Out and Alternative Account Close-Out processes will generally exclude Manual Products. A member of the Client Management Team will take the necessary action to close out Trades in a Manual Product at their discretion and in accordance with any relevant instructions provided by you where commercially reasonable in the circumstances.
- (b) If following any Account Close-Out, your Account Revaluation Amount for an Account is still at or below the Close-Out Level, our Client Management Team will initiate Manual Product Account Close-Out.
- (c) As an alternative to Account Close-Out and Manual Product Account Close-Out, our Client Management Team may agree with you that if and when your Account Revaluation Amount for an Account falls below the Close-Out Level for that Account, the Client Management Team will be able to suspend or override any Account Close-Out initiated by the Platform and initiate Manual Account Close-Out, if they see fit in their sole discretion. In the event of a Manual Account Close-Out, our Client Management Team will manually close all or a portion of the Trades and/or Positions on the Account (in relation to any Product, including Manual Products) as far as they see fit in their sole discretion taking into account any prior instructions you have given regarding the sequence of closure(s) of Trades and/or Positions on the Account.
- (d) We will aim to provide you with at least ten (10) Business Days' notice in which to close any Trade in relation to a Manual Product, if we decide (at any time in our sole discretion) to cease offering the ability to trade via the Client Management Team. We may in our reasonable opinion if it is necessary and fair to do so, provide a shorter notice period or no notice at all.
- (e) Unless our notice specifies otherwise, you will be allowed to cancel any Pending Orders and/or close any Trades in respect of any Manual Product during the time between:
  - (i) when we give you the notice; and
  - (ii) when your Account status is due to be changed and/or your access to the Client Management Team for the purpose of offering the ability to trade via the Client Management Team is due to terminate in accordance with the notice.
- (f) If you do not do this or giving you notice is not possible, we will cancel any Pending Orders or close any Trades in respect of that Manual Product, at the time and in the manner specified in the notice (if applicable) and, as far as our Client Management Team see fit in their sole discretion taking into account any prior instructions you have provided.

## 8.12.5 **Manual Product Account Close-Out**

- (a) If your Account Revaluation Amount for an Account falls to an Amount at or below the Close-Out Level at any point in time, and our Client Management Team have previously agreed with you that they may suspend or override any Account Close-Out initiated by the Platform, our Client Management Team may, as they see fit in their sole discretion, take any or all of the following actions (referred to collectively as “**Manual Account Close-Out**”):
- (i) suspend or override any Account Close-Out initiated by the Platform;
  - (ii) manually close all or a portion of the Trades and/or Positions on your Account in respect of any Tradable Products (including Manual Products) at the applicable Price (the “**Initial Manual Close-Out**”);
  - (iii) subject to clauses 8.12.6 and 8.12.7 below, as and when a Product that was not previously Tradable becomes Tradable, close all or a portion of any remaining Trades and/or Positions at the applicable Price, (each one or both of these actions being a “**Subsequent Manual Close-Out**”); and
  - (iv) subject to clauses 8.12.6 and 8.12.7 below, repeat the Subsequent Manual Close-Out until there are no remaining Trades on your Account.

## 8.12.6 **Suspension of Manual Product Account Close-Out – Standard Trades**

- (a) If your Account Revaluation Amount for the Account increases above the Standard Close-Out Level following an Initial Manual Close-Out or any Subsequent Manual Close-Out, whether as a result of:
- (i) the Manual Account Close-Out;
  - (ii) any change to your Net Unrealised Profit or Loss; or
  - (iii) the combined effect of (i) and (ii) above,

then, following the completion of any Initial Manual Close-Out or Subsequent Manual Close-Out (as applicable) that is underway at the time of such an increase in your Account Revaluation Amount (if applicable), our Client Management Team may, as they see fit in their sole discretion, stop the Manual Account Close-Out in respect of Standard Trades. However, please note that, subject to clause 8.12.7, Subsequent Close-Outs in respect of GSLO Trades may continue.

## 8.12.7 **Suspension of Manual Product Account Close-Out – GSLO Trades**

- (a) If your Account Revaluation Amount for the Account increases above the Absolute Close-Out Level or the Prime Close-Out Level (as applicable) following an Initial Manual Close-Out or any Subsequent Manual Close-Out, whether as a result of:
- (i) the Manual Account Close-Out;
  - (ii) any change to your Net Unrealised Profit or Loss; or
  - (iii) the combined effect of (i) and (ii) above,

then, following the completion of any Initial Manual Close-Out or Subsequent Manual Close-Out (as applicable) that is underway at the time of such an increase in your Account Revaluation Amount (if applicable), our Client Management Team may, as they see fit in their sole discretion, stop the Manual Account Close-Out in respect of GSLO Trades. However, please note that, subject to clause 8.12.6, Subsequent Close-Outs in respect of Standard Trades may continue.

## 8.12.8 **General**

- (a) Trades relating to the same Products may be aggregated by our Client Management Team during the Initial Manual Close-Out and/or any Subsequent Manual Close-Out.
- (b) Please note that an increase in your Account Revaluation Amount however caused, resulting in a suspension of Account Close-Out, will not affect any Trades that have already been closed during the Manual Account Close-Out.

- (c) For the avoidance of doubt, even if your Account Revaluation Amount increases above the Close-Out Level following an Initial Manual Close-Out or any Subsequent Manual Close-Out, our Client Management Team may, as they see fit in their sole discretion, continue the Manual Account Close-Out and close all or a portion of any remaining Trades and/or Positions on your Account.
- (d) Our Client Management Team may in their sole discretion modify any aspect of the Account Close-Out Process in respect of Manual Products where you have notified us of your preferences (for example in relation to the order in which your Trades are to be closed). However, we do not guarantee that we will be able to meet any or all of your preferences. If you have not specified any preferences our Client Management Team will close your Trades and/or Positions in such manner and sequence as they see fit in their sole discretion.

## 9 GENERAL PROVISIONS

### 9.1 Data Protection

9.1.1 We will require you to provide personal information in the course of transacting with us. CMC Markets collect, maintains, uses and discloses personal information in the manner described in our Privacy Statement. Our Privacy Statement is available on our Website or by calling our Client Management Team.

9.1.2 For the purposes of this Agreement, “personal information” means recorded information we hold about you from which you can be identified. It may include your name, address, e-mail address, phone number, financial information, personal description and other personal information. “Sensitive personal information” means personal information about race, ethnicity, gender or sexual orientation, sex life, health, disability, age, religious, cultural or political beliefs. “Processing” means any action taken in relation to personal information, including collection, use, disclosure and storage. We will usually only process your personal information where it is lawful to do so or where you have given your consent, where necessary for the performance of this Agreement, to comply with our legal obligations or where we have a legitimate interest to do so. We will only process personal sensitive information if we meet the specific legal requirements in the Privacy Act 2020. By completing the Application and entering into the Agreement, you consent to us:

- (a) processing your personal information (including sensitive personal information) which we will use for the following purposes:
  - (i) assessing your Application, including determining the appropriateness of you entering into the Agreement;
  - (ii) administration of the Platform;
  - (iii) administration of the relationship between you and us;
  - (iv) carrying out our obligations under the Agreement;
  - (v) assessing our operational and financial risk in relation to you;
  - (vi) improving the Website and/or Platform and developing our products and services;
  - (vii) providing third party market data or similar information to you to assist you in your use of our Website and/or Platform;
  - (viii) seeking legal advice in relation to a matter connected to our business;
  - (ix) dealing with our auditors and other professional advisers;
  - (x) creating anonymised statistical data and client profiling (including but not limited to targeting advertisements and creating lookalike audiences);
  - (xi) disclosing your personal information to any authority to whom we are required to disclose such information by law;
- (b) disclosing your personal information to the following entities for the same purposes listed at clause 9.1.2(a) above:
  - (i) our subcontractors and service providers who process your personal information on our behalf (these include ID and sanctions checking and credit reference agencies) or who provide services on our behalf;
  - (ii) our Associates; and

- (iii) if applicable, any Joint Account Holder or any person who is an Authorised Person or reasonably appears or purports to be an Authorised Person;
  - (c) disclosing your personal information to your introducing broker, money manager or other third-party intermediary if you have appointed one, who has been agreed and accepted by us, in connection with this Agreement and the services provided to you by your introducing broker, money manager or other third-party intermediary;
  - (d) acting in accordance with the preferences indicated by you when using your personal information for the purposes of marketing our relevant products and relevant products of our Associates, introducing broker, money manager or any specified third parties. You have the right to ask us not to process your personal information for such purposes and may notify us at any time if you wish to change your personal information preferences by updating your settings on the Platform, contacting our Client Management Team at [clientmanagement@cmcmarkets.com](mailto:clientmanagement@cmcmarkets.com) or sending us a letter by post; and
  - (e) transferring, storing and processing your personal information outside of New Zealand for the purposes set out in clauses 9.1.2(a), 9.1.2(b), and 9.1.2(c) above, where the level of protection afforded to data may not be the same as within New Zealand. We will take all steps reasonably necessary to ensure that your personal information is treated securely and in accordance with this Agreement and the Privacy Act 2020 in respect of any such transfer, storage or processing.
- 9.1.3 You have the right to access information that we are holding about you. Where permissible, we reserve the right to charge a fee.
- 9.1.4 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 the 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 will retain records of all telephone conversations for the duration required by Applicable Law.
- 9.1.5 You agree that we may disclose any information we hold about you or your Account (including any personal information that is subject to data protection laws) to any official body if required by that official body or Applicable Law.
- 9.1.6 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.

## 9.2 Intellectual Property

- 9.2.1 We or our licensors own all Elements. Except as expressly granted in the Agreement, you do not acquire any rights, title or interest in or to our Platform, our Website or the Elements.
- 9.2.2 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 and our Website for the limited purpose of trading or speculating in accordance with the Agreement. No other rights are granted in respect of our Platform or Website. In the event you do or attempt to do any of the prohibited matters set out in clause 9.2.3 or we reasonably suspect that you have done or attempted to do any of these prohibited matters, this licence and the Agreement will be immediately revoked without further notice to you and you will have no further rights in or to our Platform, our Website or any of the Elements.
- 9.2.3 You must not:
- (a) copy, reproduce, translate, duplicate, use, modify, adapt, alter, enhance, reverse engineer, decompile, decode, disassemble or reverse assemble the operation of, or create derivative works of, our Platform, Website or any of the Elements (or cause or permit any other person to do any of the foregoing) except as expressly provided for in the Agreement;
  - (b) create or develop any hyperlink or other form of internet weblink to our Platform or Website except with our express prior written consent;
  - (c) distribute, re-distribute, sell, re-sell, transmit, re-transmit, publish, make available, 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);
  - (d) 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;



- (e) download or copy account information relating to any other Client;
- (f) 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;
- (g) with the exception of application programming interfaces (APIs) which are not used for any Improper Use:
  - (i) use any software, algorithm, robot, applications, tools, codes, computer, electronic devices or equipment on our Platform for non-human and/or high frequency trading; or
  - (ii) make use of our Platform or any of the Elements for automated purposes;
- (h) 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:
  - (iii) 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;
  - (iv) damages, disrupts, impairs, erases or adversely affects the normal operation of our Platform or any of the Elements;
  - (v) assists in or enables theft or alteration of data or content from our Platform or any of the Elements; or
  - (vi) provides unauthorised access to our Platform or any of the Elements;
- (i) permit or cause unauthorised access or attempt to gain unauthorised access to our Platform or any of the Elements, including the servers on which our Platform or any of the Elements is stored or any servers, computer or database connected to our Platform or any of the Elements;
- (j) attack our Platform via a denial-of-service attack or a distributed denial-of-service attack;
- (k) use our Platform, our Website, any of the Elements or any of the materials provided by us in relation to the Agreement (either whole or in part) in any way which would constitute (in our reasonable opinion) Improper Use; or
- (l) 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 7.6 and 7.8).

9.2.4 We may, upon prior written notice, audit your use of market data or similar information made available to you on the Platform to ensure compliance with this Agreement. You agree to fully cooperate with us in connection with any audit and to promptly supply any information that we request.

### **9.3 Outsourcing**

9.3.1 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.

### **9.4 Provisions becoming illegal, invalid or incapable of application**

9.4.1 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.

### **9.5 Transfer or delegation of rights and obligations**

9.5.1 You may not transfer any of your rights or delegate any of your obligations under the Agreement or grant any use or benefit of any right to any person (including an Authorised Person or Joint Account Holder) without our prior written consent.

9.5.2 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).

9.5.3 We may transfer or delegate any of our rights and/or obligations under the Agreement, 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. We will use reasonable endeavours to provide you with not less than thirty (30) calendar days' notice of such transfer or delegation, although we reserve the right to 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.

### **9.6 Rights and remedies**

9.6.1 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.

### **9.7 Delay or inaction in exercising rights under the Agreement**

9.7.1 Any delay or failure on your or our behalf to exercise a particular right or take a particular action under Applicable Law or under the Agreement, does not mean that you or we will be unable to exercise that right or take any such action at a later stage.

### **9.8 Rights of third parties**

9.8.1 Nothing in this Agreement is intended to confer on any Person (including an Authorised Person) other than you or CMC Markets (or its Associates) any right to enforce any term of the Agreement except that our claims against you under the Agreement may be assigned to third parties that may independently assert these claims against you.

### **9.9 Labour standards and environmental, social and ethical considerations**

9.9.1 We do not take labour standards, or environmental, social or ethical considerations into account when offering Products.

### **9.10 Governing Law and Jurisdiction**

9.10.1 This Agreement and any non-contractual obligations arising out of or in connection with the Agreement are governed by, and interpreted in accordance with, the laws of New Zealand.

9.10.2 The courts of New Zealand will have non-exclusive jurisdiction to hear all and any disputes or claims (including non-contractual disputes or claims) arising out of or in connection with the Agreement. Nothing in this clause 9.10 will limit our right to commence 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.

### **9.11 The meaning of certain other words in the Agreement**

9.11.1 Any reference in the Agreement to a particular provision of Applicable Law is deemed to include a reference to that provision as amended from time to time, and any equivalent, similar or analogous provision under Applicable Law.

9.11.2 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.

9.11.3 Any reference to 'including' or 'includes' in the Agreement is deemed to be a reference to 'including but not limited to'.

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

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

9.11.6 Unless the context otherwise requires, words in the singular will include the plural and in the plural will include the singular.

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

9.12.1 Clause 4.33.5, clauses 6.3, 9 and 0 will continue to apply after closure of your Account and/or termination of the Agreement.

## 10 GLOSSARY

10.1.1 Unless otherwise stated, words and expressions that begin with a capital letter in these Terms have the meaning set out below.

Absolute Close-Out Level	The Amount displayed on the Platform, as further described in clause 4.18.1.
Account	Any account for trading Trades that you hold with us, including any Joint Account.
Account Close-Out	The process described in clause 4.17 in which the Platform may close the whole or a portion of your Trades and/or Positions and includes Full Account Close-Out and Alternative Account Close-Out.
Account Currency	The currency in which your Account is denominated and in which all Deductions and credits will be made in accordance with the Agreement.
Account History	The history of Orders, Trades and other adjustments to your Account available on the Platform.
Account Netting	Except in relation to Option CFDs, the default function on your Account that automatically combines any Trades on your Account that would otherwise be open at the same time in respect of the same Product into one single net Trade.  In respect of Option CFDs, the function on your account that automatically combines any Option CFDs on your Account that have the same Underlying Reference Instrument, Expiry Date, Strike Price and are of the same type that would otherwise be open into one single net Option CFD.
Account Revaluation Amount	The sum of your Cash and any Net Unrealised Profit Or Loss (Mid-Price), which is displayed on the Price Ladder or Order Book on the Platform and updated in real time and calculated as further described in clause 4.15.
Account Sign-In Details	Has the meaning given to that expression in clause 3.2.
Account Value	The sum of your Cash and any Net Unrealised Profit or Loss (as applicable), where the Net Unrealised Profit or Loss is calculated using the first Buy Price or Sell Price (as applicable) displayed on the Price Ladder or Order Book on the Platform, that is displayed on our Platform and updated in real time.
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 given to that term in clause 1.1.3.
Alternative Account Close-Out	The closing of the whole or a portion of your Trade Positions in an Account by the Platform in accordance with the Account Close-Out preferences set by you on the Platform.
Amount	An amount of money in the Account Currency.
Application	Any Application and Account opening documentation you have completed and submitted to CMC Markets, whether electronically or in hard copy.
Applicable Law	(a) Applicable provisions of laws and regulations including all relevant rules of government agencies, exchanges, trade and clearing associations and self-regulatory organisations, that apply to you and CMC Markets, this Agreement, our Website and the Platform, and the transactions contemplated by this Agreement;  (b) Applicable laws, procedures, standards and codes of practice that apply in relation to you and CMC Markets, this Agreement and the transactions contemplated by this Agreement, including the Companies Act 1993, the Financial Markets Conduct Act 2013, the Anti-Money Laundering and Counter-Financing of Terrorism Act 2009 and any successor legislation; and

## Next Generation Terms and Conditions of Trading

	(c) Applicable rules, regulations, customs and practices from time to time of any exchange, licensed financial market, clearing house, licensed clearing and settlement facility, or other organisation or market involved in the conclusion, execution or settlement of a Trade or CFD and any exercise by any such exchange, clearing house or other organisation or market of any power or authority conferred on it.
Associates	Any Related Company of CMC Markets.
Attributes	The various limitations and restrictions and features that apply to Orders and/or Trades in respect of each Product, which we may amend from time to time in accordance with clause 7.3. Attributes include, but are not limited to, trade limits (including Product Limits, Order Cluster Limits, GSLO Cluster Limits and GSLO Limits) and tier sizes, minimum distances, minimum trade sizes, Trading Hours, Expiry Dates, Expiry Times, Spreads, Option CFD type, Strike Type, pricing methodology, intrinsic value of an Option CFD including “in the money” and “out the money”, composition of basket Products and key dates.
Authorised Person	Means any one or more Person(s) appointed by you in accordance with clause 4.36.
Auto Roll-Over	The process by which a Trade on a particular Forward (and any pending Order attached to that Forward) is closed automatically by our Platform and/or our Client Management Team and an equivalent 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 Reference Instrument(s) and the next arising Expiry Date, as described more fully in the applicable Order Execution Policy.
Available Equity	The Amount that is calculated in accordance with clause 4.13.
Available Cash	The lower of your Cash or your Available Equity on an Account, which will be displayed on the Platform.
Boundary	In respect of any Market Order or Stop Entry Order, the price level you have specified when placing the Order which would result in the Order being automatically cancelled by the Platform if the Price of the relevant Product at the time the Order would otherwise be executed is:  (a) in the case of an Order to buy, greater than the price level you have specified; or (b) in the case of an Order to sell, less than the price level you have specified.
Business Day	Any day that is not a Saturday, Sunday, public holiday or bank holiday in Auckland, New Zealand
Buy Price	The Price at which a buy Trade (including a long Option CFD) is entered into and at which a sell Trade (including a short Option CFD) is valued and closed.
Cash	An Amount calculated in accordance with clause 4.10.
Cash Settlement Date	The date and time at which any 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 from you to us or from us to you.
CFD	A contract for difference, including any cash settled contract the purpose or intended purpose of which is to secure a profit or avoid a loss by reference in fluctuations in:  (a) the value or price of property of any description; or (b) any index or other factor designated for that purpose in the contract.
Circumstance Outside Our Control	Has the meaning given to that expression in clause 7.7.
Cleared Funds	Funds that have been deposited with CMC Markets (and which are immediately available to CMC Markets) and have been applied to your Account.
Client	A client of CMC Markets or the CMC Markets Group.

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Client Management Team	The CMC Markets team which answers Client queries. The Client Management Team can be contacted by calling 0800 26 26 27 (only in New Zealand) or emailing <a href="mailto:support@cmcmarkets.co.nz">support@cmcmarkets.co.nz</a> .
Close-Out Level	In relation to any Account, the applicable level calculated in accordance with clause 4.18.1 at which the Platform may close all or a portion of your Trades, as necessary.
Close-Out Percentage Level	The percentage that may be displayed on a Platform that is used to calculate your Close Out Level (if applicable) in accordance with, clause 4.18.1.
Close-Out Price	In respect of a Trade being closed as a result of Account Close-Out, the first Price available for a Market Order at the relevant time for the relevant Product (taking into account the size of the Position) provided that in respect of a Guaranteed Stop Loss Order, such Price shall not be worse than the Target Price for that Guaranteed Stop Loss Order.
Close-Out Warning Level	Has the meaning given in clause 4.18.10.
CMC Markets	CMC Markets New Zealand Limited. Company registration number 1705234.
CMC Markets Group	CMC Markets Plc (Registered number 05145017) and its Associates.
CMC 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.
Commission	An amount charged when opening and closing a Position as specified in the relevant Product Library and which we may amend from time to time in accordance with clause 7.3.
Confirmation	A form of notification, which will be provided through the Platform. We will not send you any confirmations of Orders or Trades by any other means, including by post or e-mail.
Corporate Action	Any action or event, whether temporary or otherwise, in relation to an Underlying Reference Instrument of a Product, or in relation to the issuer of such Underlying Reference Instrument, which would have an effect on the value, legal characteristics or ability to trade the Underlying Reference Instrument or a financial derivative based on or referencing such Underlying Reference Instrument including: distributions or the grant of entitlements to existing holders of rights in the underlying asset of a Product, dividend payments, the granting of rights to purchase, subscribe or receive any 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 an underlying asset of a Product, subdivisions, splits, reductions (including share buy-backs), consolidations, reclassifications, restructurings, cancellation or suspension of listing of an underlying asset of a Product or the issuer of an underlying asset of a Product, 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 an underlying asset of a Product.
Deduction	Has the meaning set out in clause 4.24.
Early Termination Date	A date designated as such by us in accordance with clause 4.23.
Elements	All Intellectual Property Rights in our Platform, our Website and all of its software, algorithms, design, text, content, data (including market data, which is owned by third parties and 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 Platforms, together with all technical documentation and information necessary for the use of any of the above.
Error	Has the meaning set out in clause 4.22.
Event of Default	The occurrence of any of the events listed in clauses 7.6.1(a) to 7.6.1(f) above.
Expiry Date	The last possible date at which any Trade or Pending Order in relation to a particular Forward will automatically expire, as specified in the Product Library.
Expiry Time	The last possible time at which any Trade or Pending Order in relation to a particular Forward will automatically expire, as specified in the Product Library.
Forward	A Product with a fixed Expiry Date.

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FMA	The Financial Markets Authority.
Full Account Close-Out	The closing of Trades on an Account by the Platform in accordance with the preferences set by you as described in clause 4.18.3.
Gapping	The exposure of loss from failure of market price or rates to follow a 'smooth' or continuous path due to external factors such as world, political, economic and specific corporate events.
Guaranteed Stop Loss Order	An instruction to place an Order in accordance with the relevant conditions set out in clause 8.2.9.
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 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.
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:  (a) 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  (b) 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 Trade	Has the meaning set out in clause 4.8.6.
Hege/Hedged/Hedging	An investment made in order to reduce the risk of adverse price movements in a financial instrument, by taking an offsetting position in a related financial instrument.
Holding Cost	The Amount charged or paid for a holding a Position open at the of each calendar day (i.e. 5pm New York Time, with the local time equivalent varying depending on daylight savings, except for Products that relate to shares listed on the New Zealand Exchange where the Amount will be calculated based on Positions held at 9am (NZST)) and applied to your Account at the end of each calendar day, calculated by the Platform as follows:  On a buy Trade  Holding Cost= $\frac{(\text{Units} \times \text{Level 1 Mid Price}^* \times \text{Holding Rate Buy})}{365} \times \text{CMC Currency Conversion Rate}$  On a sell Trade  Holding Cost= $\frac{(\text{Units} \times -1 \times \text{Level 1 Mid Price}^* \times \text{Holding Rate Sell})}{365} \times \text{CMC Currency Conversion Rate}$  *Level 1 Mid Price is not required for Trades in Products where the Underlying Reference Instrument relates to a currency.  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 these Terms.
Holding Rate Buy	With respect to a Product for which a Holding Cost applies, the rate that is applied in respect of buy Trades that are held at the Holding Time, specified in the Product Library.

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Holding Rate Sell	With respect to a Product for which a Holding Cost applies, the rate that is applied in respect of sell 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.
IB Fees	Has the meaning set out in clause 4.35.
Independent Margin	The amount we specify from time to time which: (a) you are required to hold in your Account over and above your Total Position Margin (a positive Independent Margin); or (b) reduces the Amount which you are required to hold in your Account to less than your Total Position Margin (a negative Independent Margin), at any given time, as shown on the Platform.
Index CFD	A CFD where the Underlying Reference Instrument relates to a share index future.
Invested Capital	The sum of any successfully received money paid by you to us plus all Realised Profits less the Amount of any money you have withdrawn.
Initial Alternative Close-Out	The initial closing of Trades by the Platform during an Alternative Account Close-Out, as described in clause 4.18.5.
Initial Close-Out	The initial closing of Trades by the Platform during either an Initial Alternative Account Close-Out or an Initial Standard Account Close-Out.
Initial Full Close-Out	The initial closing of Trades by the Platform during a Standard Account Close-Out, as described in clause 4.18.3.
Initial Manual Close-Out	The initial closing of Trades in any Products by our Client Management Team during any Manual Account Close-Out as described in clause 8.12.4 of these Terms.
Initial Manual Product Close-Out	The initial closing of Trades in any Manual Products by our Client Management Team during any Manual Account Close-Out as described in clause 8.12.4 of these Terms.
Insolvency Event	(a) the appointment of a receiver, administrator, manager, administrative receiver or similar officer in relation to you; (b) if any encumbrancer takes possession of or sells, all or any part of your assets or business; (c) you are deemed unable to pay your debts as they become due; (d) 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; (e) if you are a body corporate, a resolution is passed or an order is made for your winding up, dissolution or administration; or (f) if you become bankrupt or insolvent or any event that is analogous to those set out in paragraph (a), (b), (c), (d) or (e) of this definition applies to you. If you are a partnership or have a Joint Account, the occurrence of any of the events listed in (a) to (f) above in relation to any one partner or Joint Account Holder shall constitute an Insolvency Event.
Intellectual Property Rights	Any and all: (a) 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, semiconductor 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; (b) 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

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	(c) 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.
Introducing Adviser	Any intermediary who offers a financial service to enable you to trade with CMC Markets.
Improper Use	Any use or suspected use of our Platform or our Website or activity in relation to an Order (including a Pending Order) or a Trade that amounts to: <ul style="list-style-type: none"> <li>(a) an unlawful act or a breach of Applicable Law, whether directly or indirectly;</li> <li>(b) a breach of the Agreement;</li> <li>(c) a failure to observe reasonable commercial standards of fair dealing; or</li> <li>(d) dishonesty or malice.</li> </ul>
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.
Last Roll-Over Date	The last possible date and time at which a 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 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 Trades in the relevant Forward may be cancelled or closed after this date.
Level 1 Buy Price	The first Buy Price displayed on the Price Ladder or Order Book, 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 or Order Book in relation to a Product.
Limit IoC Order	Has the meaning given to that term in clause 8.4.2.
Limit Order	An instruction to place an Order to open a Trade in accordance with relevant conditions as set out in clause 8.2.5.
Manual Account Close-Out	The closure of the whole or a portion of your Trades and/or Positions in any Products (including Manual Products) by our Client Management Team as described in clause 8.12.4 of these Terms.
Manual Order	An Order: <ul style="list-style-type: none"> <li>(a) in relation to a Manual Product; or</li> <li>(b) which requires the consent of our Client Management Team to vary the terms of the Agreement in relation to that Order (including Pending Orders) or Trade and, in particular, to vary any of the Attributes or the Price generated by the Platform.</li> </ul>
Manual Price	The Buy Price or Sell Price (as applicable) quoted to you by a member of our Client Management team in relation to a Manual Order, which may differ from the relevant Buy Price or Sell Price generated by the Platform for an identical Order.
Manual Product	A Product in respect of which we will only accept Orders or allow you to enter into Trades through our Client Management Team.
Manual Product Account Close-Out	The closure of the whole or a portion of your Trades and/or Positions in Manual Products by our Client Management Team, as described in clause 8.12.4 of these Terms.
Manual Roll-Over	The process by which a Trade on a particular Forward (and any Pending Order on that Forward) is closed by the Platform and/or our Client Management Team at your specific request and an equivalent Trade is entered into (and an equivalent Pending Order, except any Limit Order or Stop Entry Order, is placed) on a Forward with the same Underlying Reference Instrument(s) but with the next available Expiry Date as described more fully in clause 8.2.4.



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Margin	The amount of money you are required to pay us or hold in your Account in order to place an Order for a Trade.
Margin Rate	With respect to any Product, the percentage rate applicable to each Tier of a Trade, as specified in the Product Library from time to time, or in respect of an Option CFD, the percentage rates used to calculate the Margin requirement for any given Order for an Option CFD.
Market IoC Order	Has the meaning given to that term at clause 8.4.4.
Market Order	An instruction to place an Order for a Trade only in accordance with relevant conditions as set out in clause 8.2.
Net Unrealised Loss	An Amount that is the aggregate of Unrealised Profit Or Loss for all Trades on your Account and which you would owe us if those Trades were closed at that time.
Net Unrealised Profit	An Amount that is the aggregate of Unrealised Profit Or Loss for all Trades on your Account and which we would owe you if those Trades were closed at that time.
Net Unrealised Profit Or Loss	An Amount that is the aggregate of the Unrealised Profit Or Loss for all Trades on your Account, based on the Level 1 Price. This 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.
Net Unrealised Profit or Loss (Mid Price)	An Amount that is the aggregate of the Unrealised Profit Or Loss for all Trades on your Account, where the Trade Revaluation Price is calculated by reference to the Level 1 Mid-Price. This 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.
Netting Gain	Has the meaning given to it in the definition of "Netting Loss".
Netting Loss	<p>The amount that we reasonably determine in good faith to be our total losses or costs in connection with Outstanding Trades as of the Early Termination Date (or, if that is not reasonably practicable, as of the earliest date thereafter as is reasonably practicable). That amount includes any loss of bargain, cost of funding or any loss or cost incurred as a result of terminating, liquidating, obtaining or re-establishing any hedge or related trading position and taking into account any Margin requirements pursuant to the Agreement.</p> <p>If we determine that we would gain a benefit in such circumstances rather than incur a Netting Loss, this will be referred to as a "Netting Gain". No amount will be included more than once in calculating any Netting Loss or Netting Gain.</p> <p>We will determine our Netting Loss or Netting Gain by reference to relevant rates or prices (including, without limitation, any Prices) from the Platform. If the Platform is unavailable, we will determine our Netting Loss or Netting Gain by reference to quotations of relevant rates or prices from the relevant underlying market from one or more third parties including, without limitation, dealers in the relevant markets, information vendors, brokers and other sources of market information.</p>
Offset	The adjustment that may be made to the Holding Rates applicable to Products.
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.
Other Material Information Document or OMI	The Other Material Information document available on our Website or from the Client Management Team.
Option CFD	<p>A CFD where the Underlying Reference Instrument is an option. It is not a traded option and cannot be exercised by or against you or result in the acquisition or disposal of any Underlying Reference Instrument to or by you.</p> <p>For further details please see section 2.4 of the PDS.</p>
Order	An offer submitted by you or on your behalf through a Platform, including through our Client Management Team, to enter into or to close a Trade. Unless specified or the context suggests otherwise, all references to Orders include Orders for Manual Products, Manual Orders and Pending Orders.
Order Book	The portion of an Order ticket that displays the multiple Buy Prices and Sell Prices for an Option CFD, to reflect the Price Depth for different sized Orders in that Product, as generated by our Platform from time to time. Your Order may execute at Prices across multiple levels of the Order Book depending on the size of your Order.
Order Cluster Limit	The maximum permitted size of an Order Cluster, as specified in the Product Library.

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Order Execution Policy	The Next Generation Order Execution Policy under which we execute orders, set out in clause 8 of these Terms.
Over the Counter or OTC	OTC Products (which include Trades) are not traded on an exchange but are negotiated between two parties.
Outstanding Trade	Has the meaning set out in clause 4.23.
Payment Date	Has the meaning set out in clause 4.23.
PDS or Product Disclosure Statement	The Product Disclosure Statement available on our Website or from the Client Management Team.
Pending Order	An order with a Target Price that has not been executed since that Target Price was specified.
Person	Any reference to a person includes bodies corporate, unincorporated associations, trusts, partnerships and individuals.
Platform	The CMC Markets Next Generation electronic investment platform as amended and varied from time to time.
Position	The net sum of all Trades in a particular Product in an Account at any given time.
Position Limit	The maximum buy or sell Position (as applicable) permitted by the Platform for the relevant Product, as specified in the Product Library.
Position Margin	This is a term referred to on the Platform and is the Amount you are required to pay us or hold in your Account to place a Standard Trade or short Option CFD.
Position Margin Rate	The rate expressed as a percentage and shown on our Platform, that is calculated in accordance with clause 4.8.5.
Premium	The amount you are required to pay us to place an Order for a long Option CFD or you are entitled to receive when you place a sell Order for a short Option CFD.
Price	<p>The Buy Price or Sell Price of a Product, which is generated by our Platform and/or provided by our Client Management Team (and may be indicated as "Price", "CMC Price" or other similar variations) from time to time, including for Trades only by reference to the Order size and Price Depth.</p> <p>The Price at which an Order for a Trade may be executed by our Platform may be less favourable to you than the Price displayed on our Platform and/or provided by our Client Management Team when you place the Order (for instance, due to market movements between the time you submit your Order and the time our Platform and/or our Client Management Team executes your Order). A reference to 'Price' includes a 'Manual Price'.</p>
Prime Close-Out Level	This term is referred to on the Platform and means, in relation to any Account, the applicable level at which our Platform may close the whole or a portion of your GSLO Trades, as necessary.
Price Depth	The feature of our Platform that provides multiple Prices for a particular Product, to reflect the different Prices for different sized Orders in that Product, or, in the case of Option CFDs, different portions of an Order, which may be displayed on our Platform via the Price Ladder or such other Platform feature made available from time to time.
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 for Trades in that Product, as generated by our Platform from time to time.
Pricing Error	An event in relation to the underlying asset of a Product which prevents our Platform from determining a Price.
Prime Margin	This term is referred to on the Platform and is the amount of money you are required to pay us or hold in your Account to place a GSLO, being the Amount calculated in accordance with the clause 4.8.6.
Prime Margin Requirement	With respect to GSLO Trades, an Amount equal to Total Prime Margin plus Independent Margin (if any) as further described in clause 4.18.1.
Prime Reset Level	In relation to an Account with GSLO Trades, upon an Alternative Account Close-Out method being selected, the target level for your Account Revaluation Amount during any Alternative Account Close-Out which is an amount equal to the sum of your Prime Margin Requirement multiplied by the percentage displayed on the Platform at any given time.

Privacy Statement	The Privacy Statement of CMC Markets, which explains how we collect personal information and maintain, use and disclose that information. It also includes some information about your rights.
Product	An instrument generated by us upon or in relation to which you enter into Trades. Details of all Products on which we may accept Orders are listed in the Product Library. A reference to a 'Product' includes a 'Manual Product'.
Product Currency	The currency that a particular Product 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 the 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, Positions and/or Pending Orders that could result in opening a new Position that you can have on your Account at any given time, as specified in the Product Library.
Protected Market IoC Order	Has the meaning given to that term at clause 8.4.3.
Realised Loss	With respect to a Trade, an Amount equal to the Unrealised Profit or Loss at the time at which such Trade is closed, where the Amount is negative.
Realised Profit	With respect to a Trade, an Amount equal to the Unrealised Profit or Loss at the time at which such 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 Positions. You will be permitted only to place Orders to close Trades and/or cancel any Pending Orders.
Related Company	Has the meaning given to that term in the Companies Act 1993.
Relevant Interest Rate	The interest rate calculated with reference to the interbank overnight cash borrowing rate applicable to the currency that a Product is valued in.
Reset Level	In relation to any Trades on an Account, upon an Alternative Account Close-Out method being selected, the target level for your Account Revaluation Amount during any Alternative Account Close-Out which is a percentage of your Total Margin multiplies by the percentage displayed on the Platform at any given time.
Reserved Action	An action described in clause 7.8.
Roll-Over	Any Auto Roll-Over or Manual Roll-Over.
Sell Price	The Price at which a sell Trade (including a short Option CFD) is entered into and at which a buy Trade (including a long Option CFD) is valued and closed.
Set-Off	Has the meaning set out in clause 4.25.
Settlement Amount	The amount calculated by us being the sum of:  (a) the aggregate of our Netting Loss or Netting Gain in respect of each Outstanding Trade; and  (b) any Unpaid Amounts owing to us; minus any Unpaid Amounts owing to you.
Settlement Price	In respect of an Option CFD, the reference price used to determine the Realised Profit or Realised Loss, which is displayed or described on our Platform and will be based on relevant indices or, where such indices are not available, via a Price determined by us acting reasonably.
Services	The services to be provided by CMC Markets under the Agreement.
Share CFD	A CFD where the Underlying Reference Instrument is a security of a company.
Shield Mode	An Account setting with the features described in clause 4.29. Shield Mode cannot be enabled for Option CFDs.
Spread	In respect of a particular Product, the difference between the Buy Price and the Sell Price at any given time.
Specified Event	An event as set out in clause 7.6.
Standard Close- Out Level	This is a term referred to on the Platform and means, in relation to any Account, the applicable level at which the Platform may close the whole or a portion of your Standard Trades, as necessary.

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Standard Trade	Any whole and/or partial Trade that is not covered by a Guaranteed Stop Loss Order.
Stop Distance	In respect of a Trade to which a Trailing Stop Loss Order is attached, the distance, as you have specified, between the most favourable Price in respect of that Trade and the Target Price, as modified by the Platform and/or our Client Management Team.
Stop Entry Order	An instruction to place an Order to open a Trade in accordance with the relevant conditions as set out in clause 8.2.6.
Stop Loss Order	An instruction to place an order to close a Trade in accordance with the relevant conditions set out in clause 8.2.7.
Strike Price	In respect of an Option CFD, the price at which the Underlying Reference Instrument may be bought or sold.
Subsequent Alternative Close-Out	Any closing of the whole or a portion of your Trade Positions on an Account by the Platform during any Alternative Account Close-Out that is subsequent to the Initial Alternative Close-Out, as further described in clause 4.18.5.
Subsequent Close-Out	Any closing of the whole or a portion of your Trade Positions on an Account by the Platform during any Subsequent Full Close-Out or any Subsequent Alternative Close-Out.
Subsequent Full Close-Out	Any closing of Trades by the Platform during any Standard Account Close-Out that is subsequent to the Initial Standard Close-Out, as further described in clause 4.18.3.
Subsequent Manual Close-Out	Any closing of Trades in any Products by our Client Management Team during any Manual Account Close-Out that is subsequent to the Initial Manual Close-out, as further described in clause 8.12.4 of these Terms.
Subsequent Manual Product Close-Out	Any closing of Trades in Manual Products by our Client Management Team during any Manual Product Account Close-Out that is subsequent to the Initial Manual Close-out, as further described in clause 8.12.4 of these Terms.
Take Profit Order	An instruction to place an Order to close a Trade in accordance with the relevant conditions set out in clause 8.2.10.
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	Has the meaning given in clause 1.1.1.
Tier	With respect to any Product, the range(s) of Units as specified in the Product Library from time to time.
Total Margin	An Amount that is the sum of your Total Position Margin, your Total Prime Margin and any Independent Margin.
Total Prime Margin	The sum of the Prime Margin required for all GSLO Trades.
Total Position Margin	The sum of the Position Margin required for all Trades on an Account at any given time.
Tradable	In respect of any Product, or any Trade in respect of that Product, means that the relevant Product is within its applicable Trading Hours and is not otherwise suspended.
Trade	A CFD on a Product, which seeks to confer similar economic benefits to an investment in the relevant underlying asset, entered into between you and us through our Platform on an Account. An Option CFD is a type of Trade.
Trade Margin	With respect to a Trade in any Product, the increase or decrease in your Position Margin resulting from a Trade.
Trade Revaluation Price	In respect of a Trade, the Price at which the Trade is valued at any given time which will be the Level 1 Mid-Price where the Net Unrealised Profit or Loss (Mid-Price) is being calculated, otherwise shall be the Level 1 Sell Price in the case of a buy Trade or the Level 1 Buy Price in the case of a sell Trade.
Trading Hours	In respect of any Product, the times during which our Platform generates Prices and/or our Client Management Team provides Prices and Price Depth and during which you may give instructions or place Orders on that Product, as specified in the Product Library from time to time. For any particular Forward, the Trading Hours shall apply subject to the Key Dates for the relevant Product set out in the Product Library.
Trailing Stop Loss Order	An instruction to place an Order in accordance with the relevant conditions set out in clause 8.2.8.

Unauthorised to Trade	A restriction placed on an Account which suspends your ability to place any Order or Trade or to give any instruction in relation to that Account.
Underlying Market	The underlying market in which the Underlying Reference Instrument is traded.
Underlying Reference Instrument	The asset, security, commodity, futures contract, index or sector, with reference to which the value of a Product is determined.
Units	The number of CFDs that are the subject of a Trade.
Unpaid Amount	With respect to an Early Termination Date, the sum of:  (a) in respect of all Outstanding Trades, the aggregate of any amounts that became payable on or prior to the Early Termination Date and which remain unpaid as at the Early Termination Date; and  (b) any other amounts due pursuant to this Agreement that became payable on or prior to the Early Termination Date and which remain unpaid as at the Early Termination Date.
Unrealised Profit or Unrealised Loss	The Amount calculated in accordance with the information provided on our Platform.
Variable Rates	The rates that vary automatically from time to time in accordance with clause 7.3, without notice being given to you, and which apply to Trades entered into on that Product, that is, the Relevant Interest Rate, the CMC Currency Conversion Rate, Holding Rates, the Offset Threshold and any Offset.
We, us, our	References to 'we', 'us' or 'our' should be treated as references to CMC Markets New Zealand Limited.
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