

CMC SPREADBET PLC

Sales Trader Order Execution Policy Summary

for Financial Betting

March 2016

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CONTENTS

1.	Key points. ....	3
2.	How we handle the different types of Orders for Bets. ....	4
3.	How our Platform handles Orders for Digital 100s.....	11
4.	How our Platform handles Orders for Countdowns .....	12
5.	Prices generated by our Platform and/or quoted or provided by our client management team.....	13
6.	Size and speed and likelihood of execution. ....	14
7.	Factors not taken into account when executing Orders. ....	15
8.	How your Bets, Digital 100s and Countdowns are closed without instructions from you.....	15
9.	How your Digital 100s are closed without instructions from you.....	15
10.	How your Countdowns are closed.....	16
11.	Specific instructions.....	16
12.	Monitoring and review.....	16

## CMC Spreadbet Plc - Sales Trader Order Execution Policy Summary for Financial Betting

(March 2016)

CMC Spreadbet Plc (referred to below as “we”, “us” or “our”) is committed to treating you fairly and acting in your best interests when we execute your Orders. In this document we summarise the process by which our Platform and/or our client management team will execute your Orders. When you enter into a Bet, Digital 100 and/or Countdown through our Platform and/or our client management team you consent to your Orders being executed in the manner described below.

The words and expressions in this document that begin with capital letters have the meanings set out in Schedule 4 of our Financial Betting Sales Trader Terms of Business.

### 1. Key points.

This section identifies the key points of this Sales Trader Order Execution Policy Summary.

- 1.1 You must contact our client management team to enter into or close a Bet in relation to a Manual Product or which requires a Manual Order. Our client management team can also place Orders for Bets, Digital 100s and/or Countdowns on your behalf through the Platform on Products which are not Manual Products and/or which do not require a Manual Order.
- 1.2 Your Orders are executed exclusively via a bilateral transaction with us through our Platform, or, for Manual Orders only, through our client management team, not through a transaction on any exchange, multilateral trading system or other external execution venue.
- 1.3 Our Platform is fully automated for pricing and Order execution for Products which are not Bets on Manual Products. When you place an Order to enter into or close a Bet and/or a Digital 100 and/or enter into a Countdown through the Platform (whether by you directly or through our client management team acting on your behalf), you are giving our Platform an instruction to place an Order on your Account on the basis of the Prices and/or Settlement Prices (as applicable) generated by our Platform.
- 1.4 When you place an Order through our client management team to enter into or close a Bet in relation to a Manual Product or which otherwise requires a Manual Order, a member of our client management team will provide the relevant Price and other related terms for that Order which you will be free to accept or reject.
- 1.5 The Prices and Settlement Prices of the Products are generated electronically by our Platform and/or for Bets are quoted or provided by our client management team. As such, the Prices at which you open and close Bets and/or Digital 100s and the Settlement Prices which determine whether or not you have won or lost a Digital 100 or Countdown as applicable may be different to any current exchange or market price, or another financial product provider’s price, for the relevant underlying asset(s). The Prices at which you open and close Bets will also differ from the Prices at which Digital 100s are opened on our Platform and may differ from the Settlement Prices generated for Countdowns and/or Digital 100s.
- 1.6 Placing an Order (including through our client management team) does not guarantee that a Bet, Digital 100 and/or Countdown will be entered into. Please refer to clauses 4.1.2, 4.2.1 and 8.2 and paragraphs 3.3 to 3.5 of Schedule 1 and/or paragraphs 3.5, 4.4, 4.5, 5.2, 7.1 and 8.1 of Schedule 2 and paragraphs 3.2, 3.4, 5.3 and 7.1 of Schedule 3 (as applicable) of the Financial Betting Sales Trader Terms of Business for more information.

- 1.7 Our Platform displays and/or our client management team quotes multiple Buy Prices and Sell Prices, via the Price Depth and Price Ladder, for different sized Orders for Bets.
- 1.8 In accordance with clause 3.2.6 of the Financial Betting Terms of Business, where you have appointed an introducing broker, 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, if the Authorised Person decides to place a single, aggregated order for Bets for multiple clients in respect of a Product and then allocate a portion of that order to you to represent your Order, the Platform will have executed your Order at the corresponding Price on the Price Ladder for an order of the size of the aggregated order. The Authorised Person may decide to place such orders for various reasons, for example, to ensure timely execution. This aggregation and allocation may operate to your disadvantage.
- 1.9 The Prices at which a Digital 100 will be opened will be generated by and displayed on the Platform. Where the Price of a Digital 100 is nearer to 100 it means the event is more likely to happen, and nearer to 0 the event is less likely to occur. All Digital 100s that run to the end of their Digital 100 Expiry will be settled at a Price of one hundred (100) if the event occurs; and a Price of zero (0) if the event does not occur.
- 1.10 All Countdowns will be settled against the Settlement Price of the relevant Product at the expiration of the relevant Countdown. For the avoidance of doubt, the Settlement Price is relevant only for determining whether you have won or lost a Countdown and not for determining the amount of your profit or loss.
- 1.11 The Price at which an Order for a Bet and/or Digital 100 is executed may be less favourable to you than the Price displayed on our Platform and/or quoted by our client management team at the time of placing the Order (for instance, due to market movements occurring during the period between the time the Order is placed and the time it is executed by our Platform or our client management team).

## 2. How we handle the different types of Orders for Bets.

This section, which should be read in conjunction with the rest of this document, outlines the basis upon which our Platform and/or our client management team will execute different types of Orders for Bets.

### 2.1 Market Order

A Market Order to sell will be executed 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 by either the Platform or our client management team. 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. The Price at which the Order will be executed **may be less favourable to you** than the Price you see on our Platform and/or quoted by our client management team when you place the Order (for instance, due to market movements between the time you and/or our client management team submit your Order and the time our Platform executes your Order). Our Platform will automatically cancel (and not execute) a Market Order placed through the Platform (either directly by you, or on your behalf by a member of our client management team) 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.

## 2.2 Limit Order

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.

## 2.3 Roll-Over

An Auto Roll-Over on a **sell Bet** on any particular Forward will be carried out by our Platform automatically executing a Market Order to buy 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. Our Platform will then immediately execute a Market Order to enter into a sell Bet on a Forward based on the same underlying asset(s) but with the next available Expiry Date, at the **Level 1 Mid-Price**.

An Auto Roll-Over on a **buy Bet** on any particular Forward will be carried out by our Platform automatically executing a Market Order to sell 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. Our Platform will then immediately execute a Market Order to enter into a buy Bet on a Forward based on the same underlying asset(s) but with the next available Expiry Date, at the **Level 1 Mid-Price**.

A Manual Roll-Over on a **sell Bet** on any particular Forward will be carried out on your instructions by our Platform or, where applicable, our client management team, executing a Market Order to buy 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 our Platform or our client management team (provided that this is before the Last Roll-Over Date). Our Platform or, where applicable, our client management team, will then immediately execute a Market Order to enter into a sell Bet on a Forward based on the same underlying asset(s) but with the next available Expiry Date, at the **Level 1 Mid-Price**.

A Manual Roll-Over on a **buy Bet** on any particular Forward will be carried out on your instructions by our Platform or, where applicable, our client management team, executing a Market Order to sell 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 our Platform or our client management team (provided that this is before the Last Roll-Over Date). Our Platform or, where applicable, our client management team, will then immediately execute a Market Order to enter into a buy Bet on a Forward based on the same underlying asset(s) but with the next available Expiry Date, at the **Level 1 Mid-Price**.

Any Pending Orders on a Forward on which a Bet is being closed as part of a Roll-Over will automatically be cancelled by our Platform or our client management team, and an equivalent Pending Order with

an equivalent Target Price will be placed automatically by our Platform or our client management team on any Forward (based on the same underlying asset(s) but with the next available Expiry Date) on which a new Bet is being entered into as part of the Roll-Over.

A Roll-Over on any Bet on any particular Forward will not be carried out by our Platform or our client management team if a Forward based on the same underlying asset(s) but with a later Expiry Date is not available to be traded on our Platform and/or through our client management team at the time the Roll-Over would otherwise have been carried out. In such circumstances, where the Bet reaches the Expiry Date, the Bet will be closed and settled on the Cash Settlement Date and any Pending Order on the relevant Forward will be cancelled automatically by our Platform or, where applicable, our client management team, on the Cash Settlement Date.

## 2.4 Stop Entry Order

### Standard triggers

Unless you elect otherwise:

- a Stop Entry Order to buy at a Target Price will be executed **when the Buy Price for the Level 1 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 our Platform or, where applicable, our client management team, executes the Order; and
- a Stop Entry Order to **sell** at a Target Price will be executed **when the Sell Price for the Level 1 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 our Platform or, where applicable, our client management team, executes the Order.

### Alternate triggers

Alternatively, you can elect to use the Level 1 Mid-Price as the trigger for your Stop Entry Order. In this case:

- 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 our Platform or, where applicable, our client management team, executes the Order; and
- 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 our Platform or, where applicable, our client management team, executes the Order.

Alternatively, you can elect to use the opposite Level 1 Price as the trigger for your Stop Entry Order. In this case:

- 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 our Platform or, where applicable, our client management team, executes the Order; and
- 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 our Platform or, where applicable, our client management team, executes the Order.

In each case, whether you use a standard trigger or one of the alternate triggers:

- our Platform or our client management team 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 our Platform or, where applicable, our client management team, would otherwise execute the Order, is outside of any Boundary (if applicable) that you have set;
- the Price at which the Order will be executed may be less favourable to you than the Target Price; and
- our Platform or our client management team 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 or, where applicable, our client management team, 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 Orders.

## 2.5 Stop Loss Order

### Standard triggers

Unless you elect otherwise:

- a Stop Loss Order to **buy** at a Target Price will be executed **when** the **Buy Price for the Level 1 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 our Platform or, where applicable, our client management team, executes the Stop Loss Order; and
- a Stop Loss Order to **sell** at a Target Price will be executed **when** the **Sell Price for the Level 1 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 our Platform or, where applicable, our client management team, executes the Stop Loss Order.

### Alternate triggers

Alternatively, you can elect to use the Level 1 Mid-Price as the trigger for your Stop Loss Order. In this case:

- 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 our Platform or, where applicable, our client management team, executes the Stop Loss Order; and
- 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 our Platform or, where applicable, our client management team, executes the Stop Loss Order.

Alternatively, you can elect to use the opposite Level 1 Price as the trigger for your Stop Loss Order. In this case:

- 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 our Platform or, where applicable, our client management team, executes the Stop Loss Order; and
- 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 our Platform or, where applicable, our client management team, executes the Stop Loss Order.

In each case, whether you use a standard trigger or one of the alternate triggers:

- the Price at which the Order will be executed may be less favourable to you than the Target Price; and
- our Platform or our client management team 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 or, where applicable, our client management team, 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 Orders.

## 2.6 Trailing Stop Loss Order

### Standard triggers

Unless you elect otherwise:

- a Trailing Stop Loss Order to **buy** at a Target Price will be executed **when** the **Buy Price for the Level 1 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 our Platform or, where applicable, our client management team, executes the Trailing Stop Loss Order; and
- a Trailing Stop Loss Order to **sell** at a Target Price will be executed **when** the **Sell Price for the Level 1 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 our Platform or, where applicable, our client management team, executes the Trailing Stop Loss Order.

### Alternate triggers

Alternatively, you can elect to use the Level 1 Mid-Price as the trigger for your Trailing Stop Loss Order. In this case:

- 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 our Platform or, where applicable, our client management team, executes the Trailing Stop Loss Order; and
- 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 our Platform or, where applicable, our client management team, executes the Trailing Stop Loss Order.

Alternatively, you can elect to use the opposite Level 1 Price as the trigger for your Trailing Stop Loss Order. In this case:

- 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 our Platform or, where applicable, our client management team, executes the Trailing Stop Loss Order; and
- 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 our Platform or, where applicable, our client management team, executes the Trailing Stop Loss Order.

In each case, whether you use a standard trigger or one of the alternate triggers:

- the Prices at which the Order will be executed may be less favourable to you than the Target Price;
- our Platform or our client management team 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 or, where applicable, our client management team, 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 Orders; and
- the Target Price of a Trailing Stop Loss Order is adjusted in the direction of your Bet by our Platform or, where applicable, our client management team, and is calculated from the most favourable Price in respect of that Bet since that Order was last modified plus/minus (as relevant) the Stop Distance, as set by you.

## 2.7 Guaranteed Stop Loss Order or GSLO

A Guaranteed Stop Loss Order to **buy** at a Target Price will be executed **when** the Buy Price for the Level 1 Price on the Price Ladder (regardless of the size of your Order) is equal to or higher than the Target Price and will be executed **at** the Target Price.

A Guaranteed Stop Loss Order to **sell** at a Target Price will be executed **when** the Sell Price for the Level 1 Price on the Price Ladder (regardless of the size of your Order) is equal to or lower than the Target Price and will be executed **at** the Target Price.

In each case:

- the Guaranteed Stop Loss Order will only ever be executed at the Target Price.
- 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 Bet is being placed automatically by our Platform as part of a Roll-Over (in which case paragraph 2.3 of this Order Execution Policy will apply).

2.8 Take Profit Order      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.

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.

More information on the different types of Order for Bets can be found on our Website ([www.cmcmarkets.co.uk/en/trading-platforms/executing-a-trade](http://www.cmcmarkets.co.uk/en/trading-platforms/executing-a-trade)).

### 3. How our Platform handles Orders for Digital 100s

- 3.1. For the avoidance of doubt, clause 2 of this Sales Trader Order Execution Policy Summary is not applicable to Digital 100s. To enter into a Digital 100, you must place an Order on our Platform that identifies the Product **and** specifies the type of Digital 100 (which will identify the event that will dictate whether you have won **or** lost a Digital 100 that runs to end of the Digital 100 Expiry), whether you wish to enter into a buy Digital 100 **or** sell Digital 100, the Digital 100 Expiry, the Strike Price and the Size.
- 3.2. The Price at which a Digital 100 may be executed will determine the amount of your profit or loss and is expressed as a Sell Price (represented by the lower figure) followed **by** a Buy Price (represented by the higher figure). The Buy Price and the Sell Price are generated by and displayed on the Platform and are always set between 0 - 100. Where the Price of a Digital 100 is nearer to 100 it means the event is more likely to happen, and nearer to 0 the event is less likely to occur.
- 3.3. An Order to **buy** a Digital 100 will be opened at the Buy Price and closed at the Sell Price if closed by you prior to the end of the Digital 100 expiry. An Order to **sell** a Digital 100 will be opened at the Sell Price and closed at the Buy Price if closed by you prior to the end of the Digital 100 expiry. All Digital 100s left to run to the end of their Digital 100 Expiry will be settled at a Price of one hundred (100) if the event occurs; and a Price of zero (0) if the event does not occur.
- 3.4. The Settlement Price is the reference price used to determine whether the particular event applicable for the relevant Digital 100 has happened. It will be described or displayed on our Platform and is relevant only for determining whether or not you have won or lost a Digital 100 and not for determining the amount of your profit or loss (which is determined by the Buy Price and Sell Price as described above).
- 3.5. The Platform will display the Strike Price(s) (i.e. the target Settlement Price(s) which will be the subject of any Digital 100 you enter into) available for a Product and the Strike Price(s) you have selected when opening any particular Digital 100.
- 3.6. The particular event that determines whether you have won or lost a Digital 100 will vary with the type of Digital 100 entered into. At the date of this Sales Trader Order Execution Policy Summary, the four different types of Digital 100 are:

- 3.6.1. Ladder - A Digital 100 that allows you to speculate on whether the Settlement Price will be at or above a specified level (Strike Price) at the end of the Digital 100 Expiry. If the Settlement Price is at or above the Strike Price at the end of the Digital 100 Expiry, the outcome of the event will be a 'yes'.
- 3.6.2. Up/Down - This Digital 100 works the same as a Ladder (as described above) but is displayed differently on the Platform.
- 3.6.3. OneTouch – A Digital 100 that allows you to speculate on whether the Settlement Price will reach a specified level (Strike Price) before or at the end of the Digital 100 Expiry. If the Settlement Price reaches the Strike Price at any time before the end of the Digital 100 Expiry or at the end of the Digital 100 Expiry the outcome of the event will be a 'yes'.
- 3.6.4. Range - A Digital 100 that allows you to speculate on whether the Settlement Price will be within a specified range (at or above the lower range strike and below the upper range strike) at the end of the Digital 100 Expiry. If the Settlement Price is at or above the lower Strike Price but below the upper Strike Price at the end of the Digital 100 Expiry the outcome of the event will be a 'yes'.

More information on the different types of Digital 100 can be found on our Platform.

- 3.7. Orders used to enter Digital 100s of the same type, in the same Product and with the same Digital 100 Expiry will, if and when executed:
  - 3.7.1. open a new Digital 100, even if there is already an open Digital 100 in the same direction;  
or
  - 3.7.2. if there is one or more open Digital 100s in the opposing direction, reduce the Position by closing the Digital 100s on a first in, first out basis.

#### **4. How our Platform handles Orders for Countdowns**

- 4.1. For the avoidance of doubt, clause 2 of this Sales Trader Order Execution Policy Summary is not applicable to Countdowns. To enter into a Countdown, you must place an Order on our Platform that identifies the Product and specifies the Stake, the length of time before the Countdown expires and whether you expect the Settlement Price to be above or below the Countdown Opening Price at the end of the time period.
- 4.2. The only criteria for determining whether you win or lose a Countdown is whether, corresponding with or against your prediction, the Settlement Price of a Product at the point of time of expiry of the Countdown is above, below or equal to the relevant Countdown Opening Price. The Countdown Opening Price and Settlement Price are not however relevant for determining the amount of your profit or loss. Your potential loss for any individual Countdown is limited to the size of the Stake. The potential profit for any individual Countdown will be specified in the Product Library and will be unchanged over the life of the Countdown.
- 4.3. The Platform will display the Countdown Opening Prices available for any Product and the Countdown Opening Price you have selected when opening any particular Countdown.

- 4.4. The Settlement Price is the reference price used to determine whether the particular event applicable for the relevant Countdown has happened. It will be described or displayed on our Platform. All Countdowns will be settled against the Settlement Price of the relevant Product applicable at the expiration of the relevant Countdown.
- 4.5. All Countdowns open on the same Product at the same time on an Account are aggregated and subject to netting for the purposes of calculating the size of your Position in the relevant Product.
- 4.6. Orders used to enter Countdowns in the same Product will, if and when executed, open a new Countdown, even if there is already an open Countdown in the same Product in the opposing direction.

## 5. Prices generated by our Platform and/or quoted or provided by our client management team.

This section provides you with information about Prices, which are given the highest importance in relation to the operation of our Platform and our client management team.

- 5.1. The Prices and Settlement Prices of Products are generated electronically by our Platform and/or are quoted or provided by our client management team. These Prices will take into account market data from various sources, and therefore may not match prices that you see elsewhere (including prices quoted on stock exchanges).
- 5.2. The Prices and/or Settlement Prices you see through your device and/or the Prices for Bets which are quoted by our client management team when you place an Order may not be identical to the Price at which the Bet and/or Digital 100 is executed and/or the Settlement Price used to determine whether you have won or lost a Countdown or Digital 100. We attempt to generate Prices and Settlement Prices on a continuous basis and to have the currently applicable Prices and/or Settlement Prices displayed or described on our Platform and/or available to our client management team as quickly as possible. However, technical conditions (e.g., in respect of Prices and/or Settlement Prices displayed on the Platform, the transfer rate of data networks or the quality of your internet connection, as well as rapid market fluctuations) may lead to a change in the applicable Price and/or Settlement Price (as applicable) between the time an Order is placed by you and/or submitted on your behalf by our client management team and the time the relevant Order is received by us or the Order is executed by our Platform. Such changes to the applicable Price and/or Settlement Price are due to fluctuations in the financial markets rather than on arbitrary interventions made by us. If changes occur, the Order is generally executed at or by reference to the Price or Settlement Price applicable when the Order is executed or settled by our Platform. Such movements in the Prices and/or Settlement Prices may either be to your disadvantage or have a favourable impact. In addition, Digital 100s are subject to rapid price movements. As such, if the Price at which a Digital 100 will be executed differs from the Price displayed on our Platform when you place the Order by more than the tolerance set by CMC in our discretion the Order may be rejected. Depending on the direction of movement of the Price, this may be to your advantage or disadvantage.
- 5.3. In addition, there will be times when circumstances may prevent our Platform from generating Prices and/or Settlement Prices or affect the Prices and/or Settlement Prices being generated, or prevent our client management team from quoting or providing Prices or affect

the Prices that they quote. Please refer in particular to clauses 4.2.1 (“Accessing our Platform”) and 8.2 (“Circumstances Outside Our Control”) as well as paragraph 10 of Schedule 1 (“Corporate Actions, Adjustments and Insolvency”) of our Financial Betting Sales Trader Terms of Business for more information.

- 5.4. Please refer to the Sales Trader Risk Warning Notice for Financial Betting for further information on the factors which may affect Prices.

## 6. Size and speed and likelihood of execution.

This section provides you with information about the speed at which our Platform and, where applicable, our client management team, executes Orders for Bets, Digital 100s and Countdowns, the likelihood of execution and size of Orders for Bets, all of which are given high importance.

- 6.1. Our Platform executes Orders on an automated basis. However Bets, Digital 100s and/or Countdowns on Manual Products or which require a Manual Order are executed by our client management team.
- 6.2. Apart from in a limited number of exceptions, our Platform will execute Orders (including Orders placed through the Platform on your behalf by the client management team) as soon as practicable following receipt. Our Platform will only execute Orders during Trading Hours. Orders and/or Bets, Digital 100s and/or Countdowns placed and/or entered into through our client management team (including Limit Orders on Bets which may be placed outside of Trading Hours) will generally be executed on a ‘first come, first served basis’.
- 6.3. Our Platform will accept or reject Orders or the modification of Pending Orders in accordance with their respective Attributes and our Financial Betting Sales Trader Terms of Business, including if any applicable Product Limits, Position Limits, Order Cluster Limits, GSLO Limits and/or GSLO Cluster Limits would be breached and/or you have or would have an insufficient Account Revaluation Amount to cover your Total Margin, your Stake for a Countdown or Digital 100 Amount (as applicable), where your Account Revaluation Amount is below the applicable Close-Out Level(s) or you have insufficient Case to pay any GSLO Premium (if applicable). With the exception of any applicable Position Limits, our client management team may, in their sole discretion and with your consent, waive these limits for Manual Orders.
- 6.4. If our Platform and/or our client management team 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 (and the Cluster Limit has not been waived by our client management team), where you have or would have an insufficient Account Revaluation Amount to cover your Total Margin, your Stake for a Countdown or Digital 100 Amount (as applicable) or where your Account Revaluation Amount is below the applicable Close-Out Level(s) or any circumstance under clauses 4.2.1 (“Accessing our Platform”) and 8.2 (“Circumstances Outside Our Control”) and paragraph 10. of Schedule 1 (“Corporate Actions and Adjustments”), paragraph 8 of Schedule 2 or paragraph 7 of Schedule 3 (“Pricing Errors”) (as applicable) of our Financial Betting Sales Trader Terms of Business.

- 6.5. Our Platform and/or our client management team, via the Price Depth, automatically takes into account the size of your Order for Bets at the point of execution.

## **7. Factors not taken into account when executing Orders.**

This section outlines the factors our Platform and/or our client management team do not take into account when executing Orders for Bet, Digital 100s and Countdowns..

- 7.1. Except as described in section 2 above for Orders for Bets, our Platform and/or our client management team do not differentiate between the different types of Orders.
- 7.2. We are without exception the execution venue for all Orders.

## **8. How your Bets, Digital 100s and Countdowns are closed without instructions from you.**

- 8.1. There are some circumstances where the whole or a portion of your Bets and/or Bet Positions will be closed without instructions from you. This includes where you have failed to ensure that your Account Revaluation Amount exceeds the applicable Close-Out Level and Account Close-Out, Manual Product Account Close-Out and/or Manual Account Close-Out occurs, where you fail to reduce any Bet Position to below the applicable Position Limit within the relevant time limit specified by us or where we exercise our rights to close your Bets and/or Bet Positions. Please refer to our Financial Betting Sales Trader Terms of Business for more information.
- 8.2. Unless closed by you or us beforehand (whether through a Roll-Over or otherwise), any Bet on a Forward will be closed and settled by our Platform and/or our client management team automatically on the Cash Settlement Date (and any Pending Order on the relevant Forward will also be cancelled on the Cash Settlement Date).
- 8.3. Where the whole or a portion of your Bets and/or Bet Positions are to be closed without instructions from you, our Platform or our client management team (if applicable) will use a Market Order and will normally treat such Orders in the same way as it treats other Market Orders placed by you. We reserve the right to aggregate any Bets in the same Product being closed at or around the same time and execute the relevant Market Orders to close those Bets at the corresponding Price on the Price Ladder for an Order of the size of the aggregated Bets. Where we have notified you that you may instruct our Platform to conduct an Alternative Account Close-Out in relation to your Account(s) and you have elected to do so, we will close any Bets and/or Positions as set out in paragraphs 11.10 to 11.15 of Schedule 1 of our Financial Betting Sales Trader Terms of Business. Notwithstanding the foregoing, if you have a Position that exceeds an applicable maximum Bet size, our Platform will always conduct an Alternative Account Close-Out and close any Bets and/or Bet Positions on a 'last in, first out' basis (described in paragraph 12.13.1 of Schedule 1 of our Sales Trader Terms of Business).

## **9. How your Digital 100s are closed without instructions from you.**

- 9.1. Unless closed by you or us beforehand, all Digital 100s will be closed and settled by our Platform automatically at the end of the relevant Digital 100 Expiry.
- 9.2. Digital 100s will not be closed during Account Close-Out.

## **10. How your Countdowns are closed.**

- 10.1. Once a Countdown has been entered into, it cannot be closed by you. All Countdowns will be closed and settled by our Platform automatically on expiration of the Countdown.
- 10.2. Countdowns will not be closed during Account Close-Out.

## **11. Specific instructions.**

- 11.1. Since there is no external market for our products, your Orders for Bets, Digital 100s and/or Countdowns can only be executed on our Platform and, in relation to Bets on Manual Products or which require a Manual Order only, through our client management team. Any instruction to execute your Order on a different execution venue will lead to rejection of your Order.
- 11.2. If you provide us with instructions on how to execute your Orders (including how you wish us to “work” an Order), complying with those instructions may prevent us from taking the steps that we set out in this Sales Trader Order Execution Policy Summary for Financial Betting to obtain the best possible result for the execution of your Order. In those circumstances, our execution in accordance with your instructions will be deemed best execution.

## **12. Monitoring and review.**

- 12.1. We will regularly monitor and review our policies and procedures and associated arrangements in order to ensure we comply with our regulatory obligations, making appropriate amendments if necessary.
- 12.2. You can always find the latest version of the information in this document on our Website.
- 12.3. We will notify you in writing of any material changes to this document.