

Terms of Business

Spread Betting



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Registered in England and Wales.
Registered No: 05614477
Authorised and regulated
by the Financial Conduct Authority.
FCA Register No: 446677

1. Introduction

1.1 Spread Co Limited (“Spread Co”) is authorised and regulated by the Financial Conduct Authority of 12 Endeavour Square, London, E20 1JN in the United Kingdom for the conduct of investment business. Spread Co’s registered address is: 22 Bruton Street, London, W1J 6QE. Spread Co’s contact details are: telephone: +44(0) 1923 832 600; email: cs@spreadco.com. Spread Co’s FCA registered number is 446677.

1.2 This Agreement between Spread Co and you includes all Schedules, appendices and accompanying documents (including, but not limited to, the Client End User Licence Agreement, Account Opening Form, Execution Policy, Conflicts Policy, Complaints Policy, Fees List, Risk Warning Notices, Elective Professional Client Notice and Privacy Policy) (the “Agreement”). It will come into force on the date we open an Account for you, which will be after you have signified acceptance of the Agreement, either electronically or in writing. It supersedes any previous agreement between you and Spread Co relating to the subject matter of this Agreement.

1.3 This Agreement covers the terms on which Spread Co offers its services to you.

1.4 You will be classified as a Retail Client or a Professional Client. When assessing your classification and thereafter dealing with you Spread Co will (among other things) rely on information provided by you, financial information and information contained on your Account Opening Form. Therefore, if there is any material change in your personal circumstances you must immediately inform Spread Co of the change (in writing) so that Spread Co can consider your classification.

1.5 Except where otherwise mutually agreed in accordance with FCA Rules, we shall treat you as a Retail Client for the purposes of the FCA Rules. You have the right to request a different client categorisation. However, if you do so and we agree to such categorisation, you will lose certain regulatory protections, including, in relation to spread betting trading as follows:

- (a) our obligation to provide appropriate information to you before providing the Services;
- (b) our obligation to consider price as the most important element when we look to achieve best execution in respect of your orders;
- (c) the requirement that you receive from us particular reports on the services provided to you;
- (d) our obligation to place the Retail Client leverage limits on your account;
- (e) our obligation to automatically close out your position/s where your margin falls below 50% of the required amount;
- (f) our obligation to provide an overall guaranteed limit on the losses you can make on your account. This means your losses can exceed the amount deposited. If your account reaches a negative balance, you will be obligated to make immediate payment to Spread Co Ltd in order to resolve the negative balance and settle any outstanding deficit.

1.6 If you have been classified as a Retail Client, then your attention is drawn in particular to the Risk Warning Notice in clause 2 of this Agreement. This sets out certain risks involved in spread trading but is by no means an exhaustive statement of those risks. By entering into this Agreement, you:

- (a) confirm receipt and acceptance of the Risk Warning Notice; and
- (b) warrant that you have read and understood the Risk Warning Notice.

1.7 If you have been classified as a Professional Client, then your attention is drawn to the Professional Client Notice for Spread Trades. This sets out protections under the regulatory system that you will lose as a consequence of being classified as a Professional Client, in particular loss of certain protections mandated by law. If you are a Professional Client, by entering into this Agreement, you:

- (a) confirm receipt of the Elective Professional Client Notice; and

(b) warrant that you have read and understood the Elective Professional Client Notice and that you accept your classification as a Professional Client.

1.8 Spread Co reserves the right in its absolute discretion to review your classification from time to time and (subject to compliance with regulatory requirements) to reclassify you as it thinks fit.

1.9 You will act as principal and not as an agent on behalf of someone else. If you act as an agent, Spread Co will not accept your principal as a client (as defined in the FCA Rules), unless otherwise agreed in writing. You may appoint an Authorised Representative (see clause 4) to take action on your behalf subject to the terms of this Agreement.

1.10 In this Agreement, including the schedules, unless the context otherwise requires, capitalised terms shall have the meanings set out against such terms in schedule 1. Where capitalised terms are not so defined, they will have the meaning ascribed to them in the FCA Rules.

1.11 Any references in this Agreement to:

(a) “buying” a Referenced Investment or to the “purchase” of a Referenced Investment or to a “Buy Trade” are to a wager that the Buy Price of the Referenced Investment will go up within a specified period. Any references in this Agreement to “selling” a Referenced Investment or to the “sale” of a Referenced Investment or to a “Sell Trade” are to a wager that the Sell Price of the Referenced Investment will go down within a specified period. The execution of Trades does not give you any right or interest in the underlying Referenced Investment;

(b) “executing” a Trade, are to opening or closing a Trade, as the case may be;

(c) “Spread Trade” or “Spread Trading” shall, if you are in the United Kingdom or Ireland, be construed as being to a spread bet or spread betting, as such term is defined in the FCA Rules.

2. General warnings

2.1 Spread Co deals on an execution only basis and shall not advise you in connection with any aspect of the placing of any Orders or execution of any Trades by you. The placing of any Order or execution of any Trade by Spread Co or the purchase or sale of any Referenced Investments by/to you shall not be construed as a recommendation by Spread Co as to the appropriateness of placing an Order or executing a Trade. Any statements made to you by us shall not constitute a recommendation to you to enter into or close a Trade in any way.

2.2 Spread trading carries a higher degree of risk than ordinary share dealing. If you have been classified as a Retail Client, by entering into this Agreement you confirm that you have read and understood this Agreement and the risk warnings detailed as follows:

SPREAD TRADING RISK WARNING NOTICE

Spread Co Limited is authorised and regulated by The Financial Conduct Authority (FCA). This notice is provided to you in compliance with FCA requirements because you are proposing to undertake dealings in spread trades. This notice cannot and does not disclose or explain all of the risks and other significant aspects involved in dealing in spread trades.. Please refer to our website for more information: www.spreadco.com/risk-warning.

Spread trades are complicated instruments and come with a high risk of come with a high risk of losing money rapidly due to leverage.

We are required by law to notify you about the percentage of Retail Clients who have lost money spread trading with us during the last 12 months. This disclosure will be made available to you on our website: www.spreadco.com.

Engaging in these types of transactions can carry a high risk. You should not engage in this form of trading unless you understand the nature of the transaction you are entering into and the true extent of your exposure to the risk of loss. Your profit or loss will vary according to the extent of the fluctuations in the price of the “underlying markets”. For many members of the public, these transactions are not suitable; you should, therefore, consider carefully whether they are suitable for you in the light of your circumstances and financial resources. In considering whether to engage in this form of trading, you should be aware of the following:

- a.** The high degree of “gearing” or “leverage” is a particular feature of this type of transaction. This stems from the margining system applicable to such trades which generally involves a comparatively modest deposit or margin in terms of the overall contract value, so that a relatively small movement in the underlying market can have a disproportionately dramatic effect on your trade. If the underlying market movement is in your favour, you may achieve a good profit, but an equally small adverse market movement can very quickly result in a substantial loss. If you are a Retail Client carrying on spread trading then you will be provided with automatic negative balance protection, meaning that you will not lose more than the amount of funds in your Account.
- b.** Financial markets are volatile and prices can rise and fall quickly. This is particularly the case where price changes are driven by current news or events. Rapid price movements in underlying markets will have a direct impact on the profit or loss you make. You should monitor your open positions regularly and where appropriate make use of stop loss facilities (described in 8. below). It is possible that underlying markets may shift from one level to a lower one whilst the market is closed. This will mean that when the market reopens it will do so at a lower price and there will be no opportunity for you to close your open positions before the market reopens.
- c.** Past performance is not a reliable indicator of future performance. The value of your positions can go down as well as up.
- d.** Foreign markets will involve different risks from UK markets. In some cases risks will be greater. The potential for profit or loss from transactions on foreign markets or in foreign currency denominated markets will be affected by fluctuations in foreign exchange rates.
- e.** You may be called upon to deposit substantial additional margin, at short notice, to maintain your trade. If you do not provide such additional funds within the time required, your trade may be closed at a loss. Unless you have been classified as a Retail Client, you will be liable for any resulting deficit.
- f.** Spread trade transactions will not be undertaken on a recognised or designated investment exchange. During normal market hours and outside normal market hours, Spread Co will execute spread trade Orders and Trades at Spread Co’s price. Spread Co acts as a “market maker” in these spread trades in and out of market hours (see Spread Co’s Terms of Business for market hours.) Closing trades will be traded at the price dictated by the spread quoted at the time of closing, irrespective of the spread at the time of the opening trade, which may be larger or smaller. No guarantee is given as to the spread at the time of closing. All spread trades opened with Spread Co must be closed with Spread Co and cannot be closed with any other entity.
- g.** Prior to placing trades, you should ensure that you understand all charges for which you will be liable.
- h.** Spread trades are higher risk investments than ordinary share dealing, as gearing can lead to significant losses, which can be unlimited if you have not been classified as a Retail Client. However, to limit potential losses and bring peace of mind, clients trading through Spread Co have access to both a simple stop loss facility and, where Spread Co offers this, a guaranteed stop loss facility. Both simple and guaranteed stop loss facilities are only available at the absolute discretion of Spread Co. For further detail in relation to stop losses please refer to Spread Co’s Dealing System. A stop loss order

allows you to set a price which if breached will automatically trigger a sell order (for long positions) or buy order (for short positions) to close your current position. This facility is available at Spread Co's discretion when placing the deal either through the Dealing System or over the telephone. With a simple stop loss if the share or index breaches your stop loss then your order will be executed when Spread Co is reasonably able to do so. This may mean the order is executed at less than your stop loss price in the case of a long position or more than the stop loss price in the case of a short position. However you can use a guaranteed stop loss on selected Referenced Investments. As it suggests this is a stop loss order that is guaranteed to be executed at the price you specify; even if the price of the underlying Referenced Investment makes a sudden movement and never actually trades at the price that you specified, your position will still be closed at your chosen price. This may not be the case with a simple stop loss. The guaranteed stop loss facility may be available through Spread Co's on line Dealing System or via telephone on such Referenced Investments as Spread Co determines in its discretion. You will also be required to pay a premium for the guaranteed stop loss facility when placing the deal but many would consider this a small price to pay when compared to the cost of an unpredictable loss. It is important to remember that Spread Co allows you to trade certain products outside of normal market hours. The prices quoted for Index spread trades are Spread Co's prices and are based on market movements. Outside normal market hours the prices are based on the interpretation of how the market may move if it were open. This means simple stop losses and guaranteed stop losses could be triggered outside of normal market hours based on movements in the Spread Co price for the index. For specific information about the Spread Co trading hours for each instrument, please refer to the Dealing System.

i. Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example at times of rapid price movement if the price rises or falls in one trading session to such an extent that trading is restricted or suspended. Where market conditions are highly volatile, Spread Co may not be able to close your positions. Where this is the case, Retail Clients will benefit from our Negative Balance Protection, which means your losses will never exceed the cash balance in your account.

j. Spread Co does not provide advice and is prohibited under its FCA permissions from providing you with investment advice relating to investments or possible transactions in investments or from making investment recommendations of any kind. This prohibition is subject to an exception where advice given amounts to the giving of factual market information or information, in relation to a transaction about which you have enquired, as to transaction procedures, potential risks involved and how those risks may be minimised.

k. Spread Co is required to hold your money in segregated accounts in accordance with the regulations of FCA, but this may not afford complete protection.

l. If you deposit collateral as security with Spread Co, you should ascertain from Spread Co how your collateral will be dealt with.

m. Spread Co's insolvency or default may lead to positions being liquidated or closed out without your consent. In certain circumstances, you may not get back some or all of the money that you have deposited as margin, whether by way of repayment of margin or otherwise.

n. If you have reason to believe that Spread Co is not acting in accordance with representations that it has made to you, the terms of your customer agreement or the rules of the FCA, you should report it to the Financial Conduct Authority Consumer Helpline, 12 Endeavour Square, London, E20 1JN, telephone number 020 7066 1000. We are covered by the Financial Services Compensation Scheme. In the unlikely event that we were to face liquidation and cannot meet our obligations, retail clients may be entitled to compensation from the scheme. Further information about compensation arrangements and limits is available from the Financial Services Compensation Scheme.

2.3 You must rely on your own judgment in deciding to enter into or close a Trade. Spread Co owes you no duty to monitor your trading or to ensure that you only execute Trades which are appropriate for you, whether in respect of size, price or otherwise, save as set out in the Execution Policy.

2.4 In performing your duties and obligations under this Agreement, you undertake to comply with the FCA Rules and all applicable laws and regulations, to observe the standard of behaviour expected of persons in your position and not to take any action which would result in Spread Co failing to observe the standard of behaviour reasonably expected of persons in its position. In particular, you undertake not to take any action or engage in any conduct which is intended to manipulate, alter or distort the underlying market in the Referenced Investments in relation to any Trade contemplated by this Agreement. If Spread Co reasonably considers that you have not so complied, it may terminate this Agreement immediately, without notice.

2.5 You should not engage in spread trading unless you understand the nature of the transaction you are entering into, the risks involved and the true extent of your exposure to the risk of loss. You must familiarise yourself with and understand how you make a profit or loss, the nature of spread trading, how to calculate Margin, the jargon used, the market/exchange/Spread Co spread trading hours, the nature of the deal and any dealing rules before you enter into any position. You are also responsible for monitoring your position and knowing when you are liable to pay Margin. If you are in any doubt, you should seek professional advice.

2.6 Unless you have been classified as a Retail Client, debts incurred through spread trading are legally enforceable and are recoverable at law.

2.7 Spread Trading involves Margin (which is further detailed in clause 8). Trading on Margin presents a higher degree of risk from normal trading. You must think carefully about whether using Margin is suitable for you given your knowledge, experience and financial objectives.

2.8 Only you, or your Appointed Representative, may place Trades or carry out any activity in respect of your account. If any other person performs actions in respect of your account Spread Co may take any action it deems necessary, which may involve terminating the Agreement, or closing or reversing Trades.

2.9 Spread Co shall not provide you with any tax advice or advice as to the tax consequences of the opening or closure of any Trades by you or any other action which you might take pursuant to this Agreement.

2.10 Spread Bet trading does not give you any right to the underlying instrument of the Trade. This means that you do not have the right to purchase any underlying shares in relation to such instruments because the Spread Bets represent a notional value only.

3. Trading with Spread Co

3.1 When executing Trades, or carrying out other actions pursuant hereto, Spread Co will act as principal and not as agent on your behalf.

3.2 Spread Co hereby agrees to allow you to place Orders (as defined below) and to execute Trades on the terms and conditions set out herein.

3.3 The Dealing System will specify the real time Trade Prices of the Referenced Investments at which Spread Co is willing to allow you to place Orders and to execute Trades in such Referenced Investments, as more particularly set out in clause 6 below, as follows:

- (a) the “Buy” price indicated is the price at which you are able to enter into a Trade to buy the relevant Referenced Investment (the Buy Price); and
- (b) the “Sell” price indicated is the price at which you are able to enter into a Trade to sell the relevant Referenced Investment (the Sell Price).

3.4 In order to:

- (a) open a Trade, you are required to enter onto the Dealing System (or to notify Spread Co by telephone of) the quantity of pounds sterling (£), Euros (€), US dollars (\$) or such other currency as we may agree in per point of movement in the price or level of the Referenced Investment that you wish to buy or sell at the Buy Price or Sell Price, as appropriate (the Stake); and
- (b) close a Trade, you are required to enter onto the Dealing System (or to notify Spread Co by telephone of) an opposite Trade to the open Trade that you wish to close, having first selected the position you wish to close or to instruct Spread Co via the Dealing System (or by telephone) to close. Your instructions to open and close Trades will be executed in accordance with clauses 4 and 5 below.

3.5 The level of profits or losses that you incur on a Trade, will be determined in accordance with clause 10 of this Agreement. Spread Co might make a profit on the difference between the Buy Price and the Sell Price (the spread) that apply when you open and close a Trade.

3.6 Save as set out in clause 3.10 below, in addition to entering into Trades in the Referenced Investments which are executed immediately, Spread Co may, in its absolute discretion, permit you to place an order for the relevant Trade to be opened or closed at some time in the future, conditional upon certain criteria having been met (an “Order”). Spread Co will permit you to place the following orders:

- (a) Limit Profit Orders;
- (b) Standard Stop Orders;
- (c) Contingent Orders; and
- (d) One cancels the other Orders, as such terms are generally understood by the market.

All unspecified Orders will be treated as good until cancelled orders, as that term is generally understood by the market.

In addition, Spread Co may permit you to place Guaranteed Stop Orders on Trades at the time of opening a Trade. Guaranteed Stop Orders will not be able to be attached to Trades after they have been executed. An Order will be executed by Spread Co when the conditions for execution that you have specified on the Dealing System (or have notified to Spread Co by telephone, as confirmed on the Dealing System) at the time of placing the Order are satisfied, save as set out herein.

You may, with Spread Co’s prior written consent (which will not be unreasonably withheld), cancel or amend any open Standard Stop Order and Limit Profit Orders prior to their execution. Spread Co will be under no obligation to cancel or amend any Order until it has received and confirmed your instruction to do so and, once the level for an Order has been reached, you may not cancel or amend the Order unless Spread Co expressly agrees to permit you to do so. Spread Co will not be under any obligation to notify you when a Standard Stop Order, Limit Profit Order or other Order has been filled, other than to provide you with an End of Day Statement.

3.7 You acknowledge that although Spread Co will seek to execute your Orders based on the level that might have been achieved had an equivalent order been placed on the underlying market, it may not be possible to determine what that level might have been. Accordingly, Spread Co does not guarantee that your Order will be executed at any such level and your Order may be triggered even though:

- (a) the underlying market never traded at the level of your Order; or

(b) the underlying market did trade at the level of your Order but for such a short period that it would have been impractical to execute an equivalent order in the underlying market.

3.8 When Spread Co executes an Order, it will do so within a reasonable time of the Order being triggered and will seek to execute your Order based on the first attainable price that might have been achieved had a similar order (including as to size) been placed on the underlying market. However, you acknowledge and agree that:

- (a)** the first attainable price may differ from your specified Order level; and
- (b)** that it may not be possible to determine what the first attainable price might have been.

Accordingly, Spread Co does not guarantee that your Order will be executed at your specified level and you acknowledge that the time and level at which Orders are executed will be determined by Spread Co, acting reasonably.

3.9 For the purposes of determining whether any of the conditions that would require Spread Co to act on an Order have been satisfied, Spread Co will be entitled (but not obliged), at its absolute discretion, to disregard any prices quoted by it during any pre-market, post-market or intra-day auction periods in the relevant underlying market, during any intra-day or other period of suspension in the relevant underlying market, or during any other period that in its reasonable opinion may give rise to short term price spikes or other distortions.

3.10 Spread Co may allow you to offer to attach a Guaranteed Stop Order to a Trade. For all Trades with an attached Guaranteed Stop Order:

- (a)** the Trade will be automatically closed when Spread Co's quote for the relevant Referenced Investment reaches or goes beyond the level agreed by Spread Co. The level that Spread Co agrees may differ according to the conditions in the underlying market and/or the size of your Trade;
- (b)** unless the Trade has previously been closed in accordance with this Agreement, Spread Co guarantees that when its quote for the relevant Referenced Investment reaches or goes beyond the agreed Guaranteed Stop Order level, it will close such Trade at exactly the agreed Guaranteed Stop Order level. Provided that, in determining whether the quote has gone beyond the agreed level, Spread Co will be entitled (but not obliged), at its absolute discretion, to disregard any prices quoted by it during any pre-market, post-market or intra-day auction periods in the relevant underlying market, during any intra-day or other period of suspension in the relevant underlying market, or during any other period that in its reasonable opinion may give rise to short term price spikes or other distortions;
- (c)** once you have opened a Trade with an attached Guaranteed Stop Order, you may only change the Guaranteed Stop Order level at which the Trade will be automatically closed if Spread Co permits you to do so in its absolute discretion, however, you will not be able to cancel the Guaranteed Stop Order;
- (d)** once you have opened a Trade with an attached Guaranteed Stop Order, Spread Co reserves the right to amend the Guaranteed Stop level that applies to your position by the size of the adjustment or charge due to any dividend adjustment, financing adjustment, rollover charge, CRB charge or other corporate action; and
- (e)** once you have opened a Trade with an attached Guaranteed Stop Order, we reserve the right to move your guaranteed stop level if your account balance is negative.

3.11 Spread Co will allow you to place Orders and to execute Trades with it on the terms and conditions set out in this Agreement in relation to the following underlying products, as specified on the Dealing System from time to time, and as altered pursuant to clause 3.12 and 3.13 below:

- (a)** a single Security;
- (b)** a basket of Securities of different companies ("Basket");
- (c)** a market index or sector index ("Index");
- (d)** an Exchange Rate between two currencies ("Foreign Exchange");

- (e) a base or precious metal (“Bullion”);
- (f) a commodity (“Commodity”);
- (g) a traded government debt instrument (e.g. Eurodollar, Gilts, EURIBOR) (“IR Instruments”);
- (h) a Cryptocurrency (“Cryptocurrency”) and
- (i) such other products that may be available from time to time (together, the Referenced Investments).

3.12 If you are a Retail Client then we are required by law to limit the amount of leverage you can be exposed to in relation to our spread trading products. The leverage limits for Retail Clients are as follows:

- (a) major currency pairs: 30:1;
- (b) non-major currency pairs, gold and major indices: 20:1;
- (c) commodities other than gold and non-major equity indices: 10:1;
- (d) individual equities and other reference values: 5:1; and
- (e) cryptocurrencies: 2:1.

3.13 Orders and Trades relating to Securities, Baskets and Indices, being based upon the prices and actions of underlying shares, may be subject to special provisions, as set out in schedule 2 of this Agreement, which reflect the features of such underlying shares.

3.14 Spread Co may amend the list of Referenced Investments in which you can place Orders and execute Trades from time to time, by adding or removing products from the product list displayed on the Dealing System as follows:

- (a) additional underlying products may be added to the list of Referenced Investments and Orders may be placed and Trades may be executed in relation to these with effect from the time stated by Spread Co on the Dealing System in relation to such additional underlying products and will thereafter constitute “Referenced Investments” for the purposes of this Agreement; and
- (b) underlying products may be removed from the list of Referenced Investments by Spread Co giving you 10 Business Days’ notice, whereupon you shall no longer be able to place Orders and execute Trades in relation to the relevant Referenced Investment with Spread Co.

3.15 Spread Co will close your Trades pursuant to clause 3.14(b) above at the price determined in accordance with clause 10, save in respect of Outsize Trades, which will be closed at the price which Spread Co determines is reasonable in accordance with the Execution Policy.

3.16 You acknowledge that:

- (a) the Buy Price and Sell Price are set by Spread Co and may not reflect the equivalent prices in any underlying market;
- (b) subject to clause 9.9, there is no limit on how large the Spread may be;
- (c) when you close a Trade, the Spread may be larger or smaller than the Spread quoted when the Trade was opened;
- (d) the Spread may be larger for Trades executed when the relevant underlying market is closed than for Trades executed when that market is open; and
- (e) the Spread may vary according to market conditions and other factors.

4. Instructions for trades

4.1 You may notify Spread Co of those persons permitted to instruct Spread Co to take action on your behalf pursuant to an Authorisation Form (“Authorised Representatives”) by delivering to Spread Co a signed Authorisation Form granting authority to your Authorised Representatives. Your list of Authorised Representatives may be added to from time to time by you. Such amendment to your Authorised Representatives shall take effect upon the later of two Business Days following receipt by Spread Co of such notice, or the date specified therein.

4.2 You and your Authorised Representatives may convey your instructions to place Orders or execute Trades with Spread Co via the Dealing System or by telephone (or in such other manner as determined by Spread Co from time to time). You acknowledge that Spread Co may act upon the basis of Orders or instructions for Trades given or purporting to be given by your Authorised Representative without further enquiry as to the identity or authority of such person, and irrespective of whether the person is in fact an Authorised Representative. It is your responsibility to ensure that only your Authorised Representatives have access to the Security Details to enable them to convey instructions for Orders or Trades pursuant hereto.

4.3 For the purposes of clause 4.2, Orders and instructions to execute Trades submitted using your Security Details shall be deemed to be validly given by you or your Authorised Representatives, without further investigation by Spread Co. You are responsible for all Orders and instructions for Trades, and for the accuracy of all information provided to Spread Co using your Security Details. You agree that you will not disclose these details to any person other than an Authorised Representative. If you suspect that your Security Details have ceased to be confidential then you are required to notify Spread Co immediately.

4.4 You hereby agree to indemnify and hold harmless Spread Co against all losses, damages and liabilities which Spread Co suffers as a consequence of acting on any instructions which are, or appear to be, from you or your Authorised Representatives or from any mistake in any instruction given by you or your Authorised Representatives.

4.5 Once given, you may only revoke or vary instructions for Trades or to close Trades where Spread Co gives its consent to this. You can only cancel any instructions for Trades or to close Trades you have given if Spread Co has not acted upon them and if Spread Co agrees to such cancellation, even if they were sent in error or result in a debit balance on your Account. Instructions for Trades may be acknowledged orally, electronically or in writing, as Spread Co considers appropriate.

4.6 We may cancel any Order or Trade if it transpires that such Order or Trade was not placed by you or an Authorised Representative. In such situations we are under no obligation to pay out any realised or unrealised profit relating to such Orders or Trades.

5. Execution of trades

5.1 Irrespective of whether the underlying market in the Referenced Investment in which you wish to trade is open, Spread Co will permit you to execute Trades in relation to such Referenced Investments between the hours of 10 p.m. on Sunday and 10 p.m. on Friday, local time in London, save where:

(a) such a day falls on a public holiday in the jurisdiction of the underlying market to which the Referenced Investment relates and Spread Co is unable to procure a price from which to determine the Trade Price for the relevant Referenced Investment; or

(b) Spread Co determines in its absolute discretion that the relevant Referenced Investment is one which of its nature, cannot be traded throughout a 24 hour period because, for example, it is a United Kingdom equity tradable only during

London Stock Exchange trading hours (a "Reduced Trading Hours Investment"). The Dealing System will indicate which Referenced Investments are Reduced Trading Hours Investments from time to time by specifying for the Referenced Investment the Reduced Trading Hours during which it can be traded.

5.2 Upon execution of a Trade pursuant hereto, Spread Co shall:

(a) in the case of a Trade executed on the Dealing System, display on the Dealing System and send to you by e-mail, an End of Day Statement in respect of such Trade, with a reference ID number to identify such Trade; and

(b) in the case of a Trade executed on the telephone, provide an oral confirmation of the conclusion of the relevant Trade.

5.3 Transmission via the Dealing System by you or one of your Authorised Representatives of an Order or instructions for a Trade to Spread Co alone does not conclude a binding Trade. A binding Trade will be formed following receipt of an instruction for a Trade made to Spread Co on the Dealing System only when the Dealing System records the relevant Trade as confirmed and sends a Trade Confirmation confirming to you that the relevant Trade has been concluded. It is your responsibility to contact Spread Co to confirm whether the Trade has been concluded if you have not received a Trade Confirmation.

5.4 Spread Co is not obliged to execute any Trade with you when instructed to do so by you or your Authorised Representatives and may also delay acting upon instructions until it considers it practicable to do so, in accordance with its Execution Policy. You acknowledge that Spread Co may, in its absolute discretion:

(a) refuse to permit you to execute a Trade or Trades; or

(b) limit the size of your open Trades, and, in circumstances where Spread Co exercises such discretion, it will do so in accordance with its Execution Policy and it will notify you of this exercise, although it is entitled to withhold reasons for its decision and will not be responsible for any losses you suffer as a result of such delay or refusal.

5.5 You agree to provide any clarification or confirmation in connection with any Order or instructions for a Trade requested by Spread Co as soon as practicable and to promptly deliver to Spread Co any money, documents or property deliverable by you in relation to a Trade, including but not limited to, that required pursuant to clauses 7 and 8 below. If you fail to do so, Spread Co can take any action it considers necessary or desirable in its absolute discretion to protect you or Spread Co, and any costs thereby incurred shall be for your Account.

5.6 In accordance with the FCA Rules, if you have been classified as a Retail Client, Spread Co will comply with its best execution obligation to you. Spread Co's policy for execution is as set out in its Execution Policy, a copy of which has been provided to you.

6. Prices and volume

6.1 The Buy Prices and Sell Prices of the Referenced Investments at which Spread Co will permit you to place Orders and to execute Trades with it (the "Trade Prices") will be specified on the Dealing System by Spread Co from time to time.

6.2 The Trade Prices at which you may place Orders or execute Trades on the terms and conditions set out herein shall be determined by Spread Co pursuant to clause 7 below. The Valuation Prices which apply to determine the profits and losses made on your Account from time to time shall be determined by Spread Co in accordance with clause 10.11 below.

6.3 Subject to clause 3.14 Spread Co will quote Trade Prices for the minimum Stake sizes specified on the Dealing System from time to time for Orders and Trades based on the following:

- (a) single exchange traded Securities (“Single Security Trade”);
- (b) Baskets of Securities (“Basket Trade”);
- (c) an Index (“Index Trade”);
- (d) Foreign Exchange (“FX Trade”);
- (e) Gold and Silver (“Bullion Trade”);
- (f) Commodities (“Commodity Trade”);
- (g) IR Instruments (“Interest Rate Trades”);
- (h) Cryptocurrencies (“Cryptocurrency Trades”); and
- (i) any other instrument which is made available from time to time.

6.4 You have discretion to determine whether to execute Trades at the Trade Prices quoted by Spread Co, except in the circumstances where Spread Co exercises its right to unilaterally close your Trades pursuant to the provisions in clause 9.4, and you acknowledge and agree that the Trade Prices will be set at Spread Co’s reasonable discretion as set out in its Execution Policy and there is no guarantee that the Trade Prices will be equivalent to the market price for the same Referenced Investments.

6.5 Spread Co will only be bound by Orders or Trades entered into with you at the Trade Prices quoted by it over the phone or on the Dealing System at the time of placing the relevant Order or executing the Trade, as adjusted pursuant to clause 6.10, and at no other prices.

6.6 Without prejudice to the generality of clause 16, Spread Co does not make any representation or warranty that the Prices specified on the Dealing System:

- (a) will be uninterrupted or error-free; or
- (b) will be accurate, correct and up to date with no errors, omissions or misrepresentations, and all representations, warranties and conditions whether expressed or implied by statute, common law or otherwise, including but not limited to those in relation to the Prices, are hereby excluded.

6.7 Neither Spread Co nor any of its Connected Persons shall have any liability for any losses, liabilities, damages, costs or expenses which result from any incorrect or interrupted Prices as referred to in clause 6.6 above, save where this results from Spread Co’s fraud or negligence.

6.8 Without prejudice to any rights that either Spread Co or you have at law, where a Trade is concluded on the basis of a Trade Price which, at the time it was entered into, was either known by you or Spread Co to be materially incorrect, or should reasonably have been known by either of us to be materially incorrect, such Trade will not be binding upon Spread Co or you, provided that:

- (a) one party gives to the other notice of the incorrect Trade Price within two days of the date on which the Trade entered into on the basis of the incorrect Trade Price was concluded; and
- (b) Spread Co determines, in its reasonable discretion, that the relevant Trade Price was materially incorrect at the time of execution of the relevant Trade. In determining whether the Trade Price was materially incorrect, Spread Co may take into account any relevant information including, without limitation, the state of the underlying market in the Referenced Investment at the time that the relevant Trade was entered into.

6.9 Subject to clause 6.10, the Trade Prices quoted by Spread Co are the prices at which Spread Co will permit you to place Orders and execute Trades from time to time with a Stake that is larger or equal to the Minimum Size, but smaller than the Maximum Size.

6.10 Where you submit a Trade to Spread Co, Spread Co has discretion to revise the Trade Price quoted on the Dealing System for such Trade where, for example, the requested Trade has a Stake that exceeds the Standard Stake Size for a relevant Referenced Investment, or is in excess of the maximum exposure limit for you in respect of a relevant Referenced Investment specified on the Dealing System (an "Outsize Trade") or where there has been a change in market conditions since the Trade Price was specified on the Dealing System. In such circumstances, Spread Co may, via the Dealing System or on the telephone, provide an amended quote for the relevant Trade which Spread Co considers reflects applicable prices in the relevant market, together with any special conditions to which it is subject.

7. Trade prices

7.1 The Trade Prices specified by Spread Co from time to time will be determined by Spread Co at its discretion subject to this clause 7 and Spread Co's Execution Policy, and adjusted in accordance with schedule 2.

7.2 In the case of:

(a) Spot Single Security Trades that the Dealing System indicates can only be traded during Reduced Trading Hours, Spread Co will determine the Buy Price and Sell Price for such Spot Single Security Trade taking account of the current mid market price of the relevant Security quoted on the relevant exchange;

(b) Forward Single Security Trades that the Dealing System indicates can only be traded during Reduced Trading Hours, Spread Co will determine the Buy Price and Sell Price for such Forward Single Security Trades in accordance with sub-clause (a) above, taking account of the Interest Rate differential to the Expiry Date.

7.3 For all Spot Single Security Trades other than those referred to in clause 7.2(a) above, Spread Co will, save as set out in this clause 7.3, determine the Buy Price and Sell Price for such Spot Single Security Trade, taking account of the current bid/offer price of the relevant Security quoted on any relevant exchange. Where Spread Co is not able to obtain the current bid/offer price to provide a Trade Price quote for a Single Security Trade in this manner, Spread Co will take account of one or more of the following:

(a) the most up to date bid/offer price quoted on any exchange for the Security;

(b) the current price of any other Security;

(c) the points total of any Index, whose price fluctuations Spread Co reasonably considers, are likely to be indicative of fluctuations in the price of the Security to which this clause applies (an "Indicative Security");

(d) the price movements of any Security or Indicative Security in the business sector which the Security to which this clause applies forms part of; or

(e) any other matters that Spread Co considers appropriate.

7.4 For all Forward Single Security Trades other than those referred to in clause 7.2(b) above, Spread Co will determine the Buy Price and Sell Price for such Forward Single Security Trades in accordance with clause 7.3 above, taking account of the Interest Rate differential to the Expiry Date.

7.5 Single Security Trade Prices will only be quoted by Spread Co for Spots and Forwards if the Security in question is part of the relevant Listing in which case the following will be applicable:

(a) the Securities to which the Listing applies will be specified in accordance with criteria displayed from time to time on the Dealing System which may be amended by Spread Co from time to time. Any amendment will be effective immediately, unless it reduces the Listing, in which case it will be effective within 10 Business Days of the date of the amendment;

(b) by amending the list of Securities for which prices are quoted on the Dealing System, Spread Co may, in accordance with (and as soon as reasonably practicable after) any amendment to the equivalent published list of the relevant exchange, amend the list of Securities to which the criteria apply and which are contained on the relevant Listing with immediate effect; and

(c) you are responsible for monitoring the equivalent published list of the relevant exchange and assessing whether the Securities which form the basis of your Orders and open Trades will continue to meet the criteria for the Listing in question.

7.6 Where a Security on which a Spot or Forward Single Security Trade is based is withdrawn from the Listing under clause 7.5 above, Spread Co will procure that the Trade is closed out with effect from close of trading on the relevant exchange on the last Business Day for which the Security was included in the relevant Listing in the manner set out in clause 9.9.

7.7 Information in relation to the pricing of all Referenced investments offered from time to time is maintained on the Dealing System.

7.8 For the avoidance of doubt, in the case of Trades with an attached Guaranteed Stop Order, the Trade Prices set out above will be adjusted to incorporate the premium for the Guaranteed Stop Order attached to these Trades. The adjustment to the Trade Prices will be displayed on the Dealing System deal ticket for the relevant Referenced Investment at the time of entry into this Trade.

8. Margin requirements

8.1 Prior to executing a Trade and throughout the duration of a Trade, you must have deposited in your Account sufficient margin in cleared funds in respect of such Trade, determined in accordance with this clause 8, together with such sums as are due under any Trades, are needed to clear any debit balance on your Account or as are required by way of security ("Margin").

8.2 The Margin required in respect of a particular Trade is determined as follows:

(a) whether you are a Retail Client, in which case particular rules will apply due to law;

(b) for each Trade other than an Equity Trade or a Trade without an attached Guaranteed Stop Order, the Margin shall be the Notional Trade Requirement for the relevant Referenced Investment, multiplied by the Stake for that Trade;

(c) for each Equity Trade, other than an Equity Trade with an attached Guaranteed Stop Order, the Margin shall be a percentage of the current market price of the relevant Referenced Investment multiplied by the CFD quantity. The Margin requirements will vary depending upon the Referenced Investment to which the Trade relates; and

(d) for each Trade with an attached Guaranteed Stop Order, the Margin shall be an amount equal to the maximum amount that it is possible for you to lose by entering into such Trade.

The Notional Trade Requirement for each Referenced Investment is stated on the Dealing System and the Market Information and may be varied by Spread Co from time to time in its absolute discretion, by notifying you in writing (which, for the avoidance of doubt, shall include e-mail or display on the Dealing System).

8.3 Where you have multiple open Trades in respect of your Account, you undertake to maintain sufficient Margin in your Account at all times in respect of all your Net Open Trades for each Referenced Investment, together with all your open Trades with attached Guaranteed Stop Orders at the relevant time and to deposit such additional Margin as is required in respect of any new Trades which are opened, as determined in accordance with this clause 8.

8.4 Your Margin requirements will be aggregated so that your total Margin requirement at any point in time is the aggregate Margin requirement in respect of each of your Net Open Trades for each Referenced Investment at that time, together with the Margin requirement of all your open Trades with attached Guaranteed Stop Orders. Where certain of your open Trades without Guaranteed Stop Orders are in Margin deficit, you will nevertheless be deemed to have sufficient Margin in your Account if the aggregate profit of your open Trades without Guaranteed Stop Orders is greater than the size of the aggregate Margin deficit of those Trades without Guaranteed Stop Orders in Margin deficit. For the avoidance of doubt, the Margin requirement for all Trades with an attached Guaranteed Stop Order cannot be aggregated or net off with the Margin requirement for other Trades, and each such Trades must have sufficient clear Margin at all times in respect of that Trade.

8.5 The amount of Margin that you are required to have deposited in your Account from time to time shall be calculated as if such payments as are due under clauses 10.3 and 10.4 below were calculated and deducted from your Account on an ongoing basis during each day, based upon the current bid/offer price of the relevant Referenced Investment from time to time, and the Dealing System will provide you with adequate information to permit you to calculate your current Margin requirements. Such information can also be provided to you on request via the telephone.

8.6 In order to open an Account, you may be required to place a minimum deposit with Spread Co, as specified by Spread Co from time to time on the Dealing System, or as otherwise notified to you in writing which, for the avoidance of doubt, shall include email.

8.7 You may deposit Margin in your Account by any of the methods set out in clause 11.2. The relevant Margin will be available for trading when it is received in cleared funds and has been credited to your Account. Spread Co may, in its absolute discretion, permit you from time to time to satisfy the Margin requirements for your Account by way of collateral in the form of bank guarantees for the amount of the Margin. Such bank guarantees must be in a form acceptable to Spread Co in its absolute discretion. Spread Co may, from time to time and in its absolute discretion, accept Margin from you by way of other forms of collateral.

8.8 You may place an Order (other than a Guaranteed Stop Order), notwithstanding that you have insufficient Margin in your Account in respect of such Order, provided that the Order will only be executed if, at the time of execution, the amount of Margin in your Account is sufficient in respect of such Order.

8.9 If you are a Retail Client carrying on spread trading, we are obliged to close out one or more of your open spread positions if the total Margin in your spread Account falls below 50% of the minimum amount of money required to open a transaction. This close out will be done at the current market price which may result in a loss to you on the relevant transaction. This clause shall apply in priority to all other parts of this clause 8.

8.10 Where the level of Margin in your Account falls below the required level in respect of all your open Trades, save in respect of Trades with an attached Guaranteed Stop Order, the Dealing System will alert you of this fact ("Margin Call"). When you are on Margin Call you will be prevented from taking any action in relation to your Account, save for:

- (a) depositing further funds into your Account to meet the Margin requirement, subject to clause 8.10 below;
- (b) executing Trades which close any or all of your open Trades, thereby reducing the level of Margin required by you and the value of your Net Open Trades; or
- (c) placing Orders (other than Guaranteed Stop Orders) or closing Trades, in which case, clause 8.8 will apply.

8.11 Where you fail to meet a Margin Call, you acknowledge and agree that Spread Co has authority to take such action as it considers in its absolute discretion to be necessary or desirable in order to reduce or limit your exposure and Spread Co's exposure, as more particularly described in clause 9.4 below.

8.12 Where you are on Margin Call, the Dealing System will specify this and Spread Co may, but is not obliged to, notify you of your Margin Call status by email or otherwise. Where the Dealing System is unable to provide you with access to your Account information, you are responsible for monitoring the available level of funds in your Account which, you acknowledge, may be subject to fluctuations at any time whatsoever, and not simply during the trading hours set out in clause 5.1, and for making sure that you are aware of whether you are on Margin Call.

8.13 The level of Margin required in respect of your open Trades may fluctuate rapidly as a result of various factors, including, rapidly declining or volatile markets, the length of time it will take you to submit cleared funds to Spread Co in order to meet your Margin requirements and varying exchange rates. Spread Co cannot be responsible for keeping you informed as to such issues and the impact that they may have upon the levels of Margin that you are required to have deposited with Spread Co, and where such circumstances arise and your Trades are moving quickly against you, you acknowledge that Spread Co is entitled to close your Trades in the manner set out herein, notwithstanding that Spread Co has not made a Margin Call pursuant to clause 8.11.

8.14 Where Spread Co determines, acting reasonably, that the price of any Referenced Investment on which a Spot or Forward is based has become exceptionally volatile, it may give you notice requesting you to agree to amend the Notional Trade Requirement which applies to the relevant Reference Investment and to any open Trades that you have in such Referenced Investment. Such amendment will also apply to any Trade in the relevant Referenced Investment entered into by you after such date. If you fail or refuse to agree to such amendment, Spread Co is permitted to close your Trades in such Referenced Investments pursuant to clause 9.

8.15 Spread Co will not be liable to you for any loss or damages which you suffer as a result of Spread Co automatically closing any of your open Trades or entering into Opposite Trades to your Open Trades to protect your position or its own position, for omitting to notify you of the fact that you are on Margin Call or for any monies deposited into your Account in error or you trading on such monies.

8.16 You are responsible for monitoring your Margin requirements from time to time and we are not obliged to send you a Margin Call. However, where we do send a Margin Call this may be by any means we deem reasonably acceptable which includes email, post, phone, fax, text or electronic message.

9. Closing positions

INSTRUCTING SPREAD CO TO CLOSE TRADES

9.1 For the purposes of this clause 9, an "Open Trade", shall mean a Trade which has been executed, but which has not been closed.

9.2 You may close an Open Trade, subject to the terms and conditions of this Agreement, by:

- (a)** in the case of an Open Trade which does not have an attached Guaranteed Stop Order, executing with Spread Co an opposite Trade to the Open Trade that you wish to close e.g. by executing a Buy Trade in a Referenced Investment to

close an open Sell Trade in that Referenced Investment (which, in the case of a Forward, must have the same Expiry Date to the Open Trade that you wish to close) (the "Opposite Trade"). You acknowledge that Spread Co will automatically treat you as having closed such an Open Trade where:

- (i) you execute an Opposite Trade which is equal in size to the Open Trade;
- (ii) you execute an Opposite Trade which is larger in size to the Open Trade, in which case Spread Co will automatically close the relevant Open Trade and will open an Opposite Trade to the Open Trade in respect of the amount by which the size of the Opposite Trade exceeds the size of the Open Trade; and
- (iii) you execute an Opposite Trade which is smaller in size to the relevant Open Trade, in which case Spread Co will automatically close that part of the relevant Open Trade which is equivalent to the size of the Opposite Trade, thereby reducing the size of the relevant Open Trade. Where you have multiple Open Trades without an attached Guaranteed Stop Order in respect of the same Referenced Investment, Spread Co will use its discretion to determine which Trade or Trades to close in the event that you execute an Opposite Trade.

(b) in the case of an Open Trade which has an attached Guaranteed Stop Order, instructing Spread Co to close such Open Trade. For the avoidance of doubt, multiple Trades with attached Guaranteed Stop Orders cannot be closed by being netted off.

UNILATERAL CLOSURE OF POSITIONS BY SPREAD CO

9.3 Where you have opted to hold single positions, you may close an Open Trade, subject to the terms and conditions of this Agreement, by instructing Spread Co to close such Open Trade (which Spread Co will do by closing the specified position). You must specify the position you would like to close.

9.4 Spread Co has discretion to close all or part of your position represented by your Open Trades immediately, without giving you any notice, where at least one of the following applies:

- (a) you fail to comply with your obligation to pay the amount of Margin or any other sum due in respect of a particular Trade (including as more particularly described in clause 11.4);
- (b) you fail to meet the Margin requirements for all your Open Trades from time to time;
- (c) Spread Co has reasonable grounds to suspect that you may be in breach of the FCA Rules, insider dealing laws, prohibition on market abuse or any other applicable laws or regulations or that such a step is necessary in order to protect you or Spread Co or is requested by a regulatory authority;
- (d) you are in breach of clause 5.5;
- (e) Spread Co exercises its right to terminate this Agreement pursuant to clause 18 below following an Event of Default;
- (f) you have not executed any Trades and the net open positions in your Account is zero during a continuous three month period;
- (g) an underlying product is removed from the list of Referenced Investments pursuant to clause 3.13(b) above and you have failed to close your open Trades in the relevant Referenced Investment prior to the time set out therein;
- (h) a Security in respect of which you have open Trades is withdrawn from Listing pursuant to clause 7.5 above;
- (i) daily closure of Trades pursuant to clause 9.11 below applies;
- (j) if Spread Co exercises its right to terminate this Agreement in accordance with clause 19 below other than following an Event of Default;
- (k) the circumstances set out in schedule 2 of this Agreement arise, by using its absolute discretion to:

(i) close the relevant Open Trade. In general, Spread Co will close out first the largest Trades in the group which relate to the Referenced Investment with the highest Margin percentage requirement; and/or

(ii) execute Opposite Trades to your Open Trades, which Trades it leaves open, and may do all or any of the above as it sees fit, and you acknowledge that Spread Co is not obliged to do so and that it may exercise its absolute discretion to determine which Trades to close out or to execute and in what amount in accordance with its Execution Policy, and will not be responsible for any losses, liabilities, damages or expenses resulting from the closure or execution of Trades by Spread Co in such circumstances.

(l) where the market in a particular underlying asset falls excessively, or falls to zero.

CLOSING DATE AND CLOSING PRICES

9.5 The date of closing of a Trade pursuant to this clause 9 shall be the "Closing Date".

9.6 In the case of a Forward, you may request Spread Co to provide you with a quote for amending the Expiry Date of such Forward at any time prior to the End of Business on the Expiry Date of such Forward. Where, following receipt of such quote, you instruct Spread Co to proceed to amend the Expiry Date, this shall be implemented as set out in this clause:

(a) you and Spread Co will enter into a swap contract at such price as is agreed between you and Spread Co and such amount will be credited or debited (as appropriate) from your Account;

(b) the relevant Forward will then be closed in accordance with this clause 9;

(c) You will enter into a replacement Forward with Spread Co at the Trade Price then generally being quoted on the Dealing System in respect of such forward.

9.7 Where you close a Spot or Forward Trade pursuant to this section 9, the price at which you close the relevant Trade will be the Trade Price at the time of closing determined in accordance with clause 7 above.

9.8 Where Spread Co closes your open positions pursuant to clause 9.4 above, the price at which Spread Co closes, or executes an Opposite Trade to the relevant Trade shall be equal to the Trade Price determined in accordance with clause 9.9 below.

9.9 The Trade Price for the purposes of the calculating the price in clause 9.8 shall be determined by Spread Co in the manner set out in clause 7 above, subject to a maximum Spread of 20 percent or GBP 0.05 (or currency equivalent), whichever is larger.

9.10 On the Closing Date for a relevant Trade, your profits or losses in respect of such Trade shall be accounted for in the manner set out in clause 10.5 below and all payments due to or from you relating to dates on or after the Closing Date pursuant to clauses 9 or 10 shall be made by Spread Co adjusting your Account at End of Business on the Closing Date.

DAILY ACTIONS

9.11 Your Open Trades will not automatically settle in accordance with market practice but will remain open until closed in accordance with clause 9.2 to 9.4 above or in accordance with your Order to close the relevant Trade.

9.12 You acknowledge that, in order to permit your Spot Open Trades to remain open in accordance with clause 9.11 above, at the End of Business on each Business Day, all Spot Trades that have not been closed pursuant to clauses 9.2 to 9.4 above, or in accordance with your Order to close the relevant Trade, during the relevant Business Day, shall automatically close at the End of Business and be replaced by an equivalent Trade with immediate effect (a "Replacement Trade"). Such Replacement Trade shall be opened at the Trade Value calculated in accordance with clause 10.2(b) below.

9.13 You further acknowledge that, in order to permit your Forward Open Trades to remain open in accordance with clause 9.11 above, subject to clause 9.14 below, a Forward shall close automatically at the Expiry Time on the Expiry Date and such Forward shall be replaced by an equivalent Forward on the same Referenced Investment, for the same market standard period to the replacement Expiry Date. The opening value of such replacement Forward shall be calculated by multiplying the current Trade Price of the replacement Forward by the applicable Stake. The provisions of this Agreement relating to Forwards shall then apply to such replacement Forward.

9.14 The automatic closure and opening of Spot and Forward Trades set out in clauses 9.12 and 9.13 above is subject to the following: In the case of Limited Risk Account Trades or Single Positions Account Trades, where you have two or more Open Trades in respect of a particular Referenced Investment, Spread Co shall, with immediate effect after End of Business on the Closing Date, close the relevant Open Trades and will immediately reopen identical replacement Trades (which, in the case of Forwards, shall have the same Expiry Dates), without aggregating or netting off such Trades (including the calculation of Financing Interest and Rollover Interest pursuant to clauses 10.7 and 10.8 below in the case of Single Position Account Spot Trades), and interest shall be payable on the closure of Spot Trades pursuant to clauses 10.7 and 10.8 below.

9.15 In the event that a situation arises that is not covered by this Agreement, Spread Co will resolve the matter on the basis of good faith and fairness and, where appropriate, by taking such action as is consistent with market practice and in accordance with its Execution Policy.

9.16 Spread Co reserves the right to pass on to you any stock borrowing costs incurred by Spread Co during exceptional market conditions, as reasonably determined by Spread Co and notified in advance to you.

10. Calculation of trading profits and losses

10.1 In order to determine the profits and losses made by you on your Trades and the payments to be made to or from you as a result thereof, Spread Co accounts for your Trades in the manner set out in this clause 10, with effect from End of Business on the date upon which you execute a relevant Trade and with effect from End of Business on each subsequent Business Day during the term of the Trade. Such accounting shall be done in the Principal Currency of your Account.

10.2 For the purposes of this clause 10, Spread Co shall calculate at the relevant time in respect of each Trade:

- (a)** the Valuation Price, which shall be determined in accordance with clause 10.11 below;
- (b)** the Trade Value, which shall be equal to the Valuation Price multiplied by the CFD quantity; and
- (c)** the Initial Value.

10.3 On the date on which each relevant Trade is entered into by the parties:

- (a)** if the Initial Value is greater than the current Trade Value, the Long Entity shall be required to pay to the Short Entity the amount of the difference between the Initial Value and the Trade Value; or
- (b)** if the current Trade Value is greater than the Initial Value, the Short Entity shall pay to the Long Entity the amount of the difference between the Trade Value and the Initial Value.

In each case, the Trade Value being calculated at End of Business on the date of entry into such Trade.

10.4 On each Business Day for which a Trade remains open (other than the opening day of the relevant Trade, to which clause 10.3 applies):

(a) if the Trade Value on the Business Day immediately preceding the Business Day in question exceeds the current Trade Value, the Long Entity shall pay to the Short Entity an amount equal to this excess; or

(b) if the current Trade Value exceeds the Trade Value on the Business Day immediately preceding the Business Day in question, the Short Entity shall pay to the Long Entity an amount equal to this excess.

In each case, the Trade Value being calculated at End of Business relevant date.

10.5 Where a Trade is closed pursuant to clause 9 above, any payments due to or from you on the Closing Date will be calculated immediately.

10.6 Clauses 9 and 10 of this Agreement shall continue to apply in circumstances where a relevant Trade is closed out during a Business Day to regulate:

(a) your positions (both long and short) in the relevant Referenced Investment from the time that the Trade is closed out until End of Business on that Business Day; and

(b) the balance of any outstanding long or short positions which you continue to hold in the Referenced Investment in question with immediate effect following End of Business on that Business Day.

10.7 Prior to closing a Spot Single Security Trade, Basket Trade, Index Trade or Commodity Trade pursuant to clause 9 above, at the End of Business on each Business Day for which a Trade is open overnight interest shall be paid or received in your principal currency as follows:

(a) in circumstances where you are the Short Entity and the Fees List expressly states that interest will be receivable by you, your Account shall be credited by Spread Co on the Dealing System with an amount which is equal to overnight interest to the next Business Day, equal to the Interest Rate multiplied by the Trade Value; or

(b) in circumstances where you are the Long Entity and the Fees List expressly states that interest will be payable by you, your Account shall be debited by Spread Co on the Dealing System by an amount which is equal to the overnight interest to the next Business Day, equal to the Interest Rate multiplied by the Trade Value

Such interest shall be displayed on your Daily Account Statement in accordance with clause 14.2. For the avoidance of doubt, the financing interest paid on Trades with attached Guaranteed Stop Orders may be at a different rate to the Interest Rate for other Trades, and shall be set out in the Fees List from time to time.

10.8 At any time prior to closing a Spot FX Trade or Bullion Trade pursuant to clause 9 above, Spread Co will automatically rollover the Trade to the next Business Day for that Trade and your Account Balance will be adjusted by an amount equal to:

(a) the overnight financing differential between the two currency pairs of the relevant Trade, in the case of an FX Trade; or

(b) the overnight financing differential between the interest rate of the bullion of the relevant Trade and the US\$ overnight interest rate, in the case of a Bullion Trade.

In each case, such amount shall be displayed on your Daily Account Statement in accordance with clause 14.2 on the Business Day following the date on which the Trade reopens. For the avoidance of doubt, the rollover interest paid on Trades with attached Guaranteed Stop Orders may be at a different rate to the Interest Rate for other Trades, and shall be set out on the Dealing System.

10.9 The credit amount or debit amount of the overnight interest referred to in clause 10.7 and 10.8 above shall be paid at the End of Business for each day or part day thereof up to and including the Date of Settlement of a relevant Trade (using the annual rate divided by 360 or 365 depending upon relevant market practice).

10.10 Any payments to be made pursuant to this clause 10 shall be made by the Dealing System adjusting your Account with effect immediately after End of Business on the relevant Business Day (save as otherwise set out in this Agreement).

10.11 The Valuation Prices will be the prices of the Referenced Investments being offered at the time and are calculated as set out on the Dealing System which may be amended from time to time.

11. Payments

11.1 You are required to settle all payments due to Spread Co in respect of your Trades pursuant to clauses 8, 9 and 10 and any other amounts which are payable pursuant to this Agreement, as soon as such payments become due and payable. You will be responsible for monitoring the Dealing System and your Account to determine when payments are due.

11.2 Payments due from you may be made in any of the following manners, as agreed by Spread Co from time to time, or as set out in clause 11.3:

- (a) debit card;
- (b) direct bank transfer; or
- (c) credit card.

Any such payments shall be made to such bank account as Spread Co notifies you from time to time. In each case, such payment will only discharge the relevant obligation to pay when received by Spread Co in cleared funds and any administrative charges levied in respect of such payment by your bank or Spread Co's bank will be for your account. It is your responsibility to ensure that monies sent by you to Spread Co are correctly designated.

11.3 Instead of requiring a payment as is detailed above, where you have sufficient funds in your Account to satisfy the required payments from you at a particular time, you hereby authorise Spread Co, at its option, to automatically deduct such funds from your Account and to adjust the level of available funds in your Account accordingly. Further, you acknowledge and agree that:

- (a) if on any one day the amount owed by you in a particular currency to Spread Co in respect of your Account is the same as the amount in such currency on the same Account owed by Spread Co to you on such day, the obligations of Spread Co and you to pay such amounts shall be set off and treated as automatically satisfied and discharged. For the avoidance of doubt, this right of set off shall only apply to the obligations of the parties under this Agreement and the Trades, and shall not relate to any other obligations of the parties or their Connected Persons or otherwise, under any other agreement or arrangement;
- (b) Spread Co's obligation to pay a relevant amount to you shall be automatically satisfied and discharged where the aggregate amount payable by you to Spread Co in a particular currency is greater than the aggregate amount owed by Spread Co to you in the same currency. In such circumstances, you shall pay the excess to Spread Co; and
- (c) your obligation to pay a relevant amount to Spread Co shall be automatically satisfied and discharged where the aggregate amount payable by Spread Co to you in a particular currency is greater than the aggregate amount owed by you to Spread Co in the same currency. In such circumstances, Spread Co shall pay the excess to your Account.

11.4 If you fail to make any payments due pursuant hereto, you acknowledge that Spread Co is entitled to take any action pursuant to clause 9.4 above to the extent that Spread Co considers necessary in order to satisfy your obligations to make payment and to protect Spread Co.

11.5 Where your Account indicates a credit balance above the Margin requirement or agreed deposit, you may, subject to clause 11.6 below, submit a request in the form notified by Spread Co to you from time to time, to Spread Co to pay to you all or any part of such credit balance. Spread Co shall effect such payment to you as agreed by Spread Co in its absolute discretion:

(a) by bank transfer or by cheque, to the bank account or address, as appropriate, specified in your request to Spread Co to pay the credit balance; or

(b) in the absence of the specification in clause 11.5(a) above, by bank transfer to the account specified in your Account Opening Form, and any administrative charges incurred as a result of Spread Co making such payment shall be for your Account.

11.6 You acknowledge that Spread Co may at its discretion withhold any payment requested pursuant to clause 11.5 above in respect of your Account which has a credit balance (in whole or in part) if:

(a) Spread Co considers in its reasonable opinion that such amount, as a result of underlying market conditions, is or is likely to be needed to meet any current or future Margin requirement on your open Trades;

(b) notional losses are shown on open Trades on your Account;

(c) Spread Co has not received appropriate documents or cleared funds from you in respect of your open Trades; or

(d) Spread Co considers in its reasonable opinion that such amount should be withheld, either until disputes between you and Spread Co have been resolved, or in order to comply with any legal or regulatory obligations.

12. Your account

OPENING AN ACCOUNT

12.1 Where you do not indicate on the Account Opening Form whether you wish to open a Single Position Account or a Consolidated Account, your Account will automatically be designated a Single Position Account. Spread Co may, but is not obliged to, permit you to convert your Account to or from a Single Position Account or Consolidated Account or to open more than one Account with Spread Co from which to conduct your trading business pursuant hereto, upon written request from you to Spread Co. Where Spread Co permits you to open multiple Accounts, it will treat your Accounts as entirely separate unless Spread Co uses its discretion to treat your Accounts as one Account. Balances in one of your Accounts will not be used to off-set balances in other Accounts, unless Spread Co exercises its discretion to use credit balances in one of your Accounts to off-set debit balances in another Account or Accounts. Spread Co may exercise such discretion at any time and without notice in writing to you.

12.2 Spread Co may permit you to pay the funds required pursuant to this Agreement into your Account in various currencies which are acceptable to Spread Co in its reasonable discretion.

12.3 Spread Co is subject to the FCA's client money rules (including segregation). Spread Co does not pay interest on monies held by us, save as set out herein.

INTEREST PAYMENTS

12.4 Save as set out in clause 13.2, interest on the money in your Account will be paid as follows, but not otherwise:

(a) where there is a credit balance in your Account at the End of Business on the relevant day which is in excess of the US\$ amount specified in the Fees List or currency equivalent, Spread Co will pay interest to you at the interest rate set out in clause 12.5 below. Such interest will be payable on the total amount of cleared funds in your Account (which, for Single Spread Bet Accounts, shall include the balance in your cash ledger and open P&L) at the End of Business on the relevant day less Margin required for your open Trades pursuant to clause 8 above, and any other amounts due and owing to Spread Co pursuant to this Agreement; or

(b) where there is a debit balance in your currency balances in your Account, you will pay interest to Spread Co on the entire debit balance existing in your Account at the End of Business on the relevant day at the level set out in clause 12.5 below.

12.5 The interest rate for the calculation of interest payable pursuant to clause 12.4 is as set out in the Fees List, as amended by Spread Co from time to time and notified to you by e-mail or on the Dealing System.

12.6 The net interest payable pursuant to clause 12.4 above will be paid into your Account monthly, in the case of interest payable to you pursuant to clause 12.4(a), or deducted from your Account monthly, in the case of interest payable by you pursuant to clause 12.4(b) above.

CURRENCY PAYMENTS

12.8 As the Dealing System is configured to permit you to place Orders and execute Trades in currencies other than the currency in which you submit funds into the Account, where you place Orders or execute Trades in other currencies, your Account will contain a ledger in respect of each different currency in which you trade (each a "Currency Ledger"). The Currency Ledger in respect of a Trade in a particular currency will remain in your Account until all Trades in the relevant currency have been closed, save where you exercise your right for the currency balance to be converted into the Principal Currency, as set out in clause 12.9 below.

12.9 Spread Co will submit Trade Confirmations, Daily Account Statements and any other confirmations, reports and statements provided to you from time to time, and will report the net balance on your Account and all other sums due to or from you in accordance with this Agreement, in US Dollars (the "Principal Currency") unless you give Spread Co written notice of another currency which you wish to be used as the Principal Currency. Such notice will become effective two Business Days' following receipt of such notice by Spread Co. Where the relevant Trade or amount is incurred in a currency other than the Principal Currency, Spread Co will convert such amount into the Principal Currency at the end of every month at the Exchange Rate.

13. Your money

13.1 All funds which you transfer to Spread Co in connection with your Account will be treated as client money for the purposes of the FCA Rules. This means that such funds will be segregated from Spread Co's money and will not be used by Spread Co in the course of its business. The funds will be placed into either:

(a) A client money bank account at an approved bank in the EEA;

(b) An approved client money bank account, intermediate broker or OTC counterparty outside the EEA. In such circumstances, the local legal and regulatory regime may result in a lower level of protection for you in the event of the insolvency or equivalent event of the entity with whom your money is held, than you would receive in the UK; or

(c) A qualifying money market fund (where the FCA permits this). Where your money is placed into a qualifying money market fund, it will not be held in accordance with the FCA Rules on client money, but in accordance with the FCAs rules on custody. If you do not wish your money to be held in the manner set out in 13.1(b) or (c) above, please notify Spread Co in writing of this.

13.2 As a consequence of the classification of your money as client money pursuant to clause 13.1, clause 12.4 of this Agreement will not apply, and Spread Co will not pay interest on any credit balance in your Account, notwithstanding the FCA's client money rules, except if otherwise agreed in writing.

13.3 If you are a Professional Client or Eligible Counterparty your money will initially be treated as client money for the purposes of the FCA rules and segregated in accordance with 13.1. Spread Co may request at a later date that you sign a Title transfer Agreement permitting that your money will not be treated as client money for the purposes of the FCA Rules, and that full title to and ownership of your money received by Spread Co in connection with your Account is transferred to Spread Co for the purpose of securing or covering your present or future, actual or contingent or prospective obligations. As a result, your money will not be segregated by Spread Co and may be used by Spread Co in the course of its business. You will not have a proprietary claim over these funds and will rank as a general creditor of Spread Co. Spread Co will transfer an equivalent amount of money back to you where it considers, in its sole discretion, that the amount of money you have transferred to Spread Co is greater than the amount required to cover your present and future obligations to Spread Co.

13.4 If there has been no action by you in respect of movement on your Account for a period of at least six years and Spread Co has been unable to contact you, it may cease to treat any money held on your behalf as client money and, accordingly, release it from its client bank accounts and pay it to a charity. Such money will, however, remain owing to you and Spread Co will make and retain records of all balances released from client bank accounts and will undertake to make good any valid claims against any released balances.

13.5 We may transfer client money to a third party as part of transferring all or part of our business. You agree that in case of such transfer we may either obtain your consent to such transfer at the time of the transaction, or otherwise make the transfer in accordance with the requirements in the Client Assets section of the FCA Handbook.

13.6 We may place funds in notice or term deposit accounts with a notice period or term of up to 95 days. Placing client money in notice or term deposit accounts does not in itself affect your ability to deal with or withdraw funds from your account with us. However, in the unlikely event of our insolvency, such amounts may not be immediately available upon request.

14. Record keeping

14.1 Following execution of a Trade:

(a) via the Dealing System, Spread Co will display on the Dealing System, a Trade Confirmation in respect of the relevant Trade as soon as possible; or

(b) via the telephone, Spread Co will send to you a Trade Confirmation by e-mail by End of Business on the Business Day after the date of entry into the relevant Trade.

14.2 Subject to clause 14.3 below, before End of Business on the Business Day after the date of entry into a relevant Trade, and for each subsequent Business Day for which such Trade remains open, the Dealing System will send to you by e-mail a Daily Account Statement showing details of such Trade.

14.3 The relevant Trade, as appropriate, will not be included on the Daily Account Statement at the time set out in 14.2 above if the Trade is concluded after End of Business on any Business Day. In these circumstances, for the purposes of the obligation to deliver Trade Confirmations or Daily Account Statements, the parties will treat such Trade as if it had been effected on the next following Business Day.

14.4 Within 10 Business Days of the end of each calendar month, the Dealing System will send to you by e-mail a monthly statement in respect of each of your Accounts, including any open Trades which you may have as at End of Business on the last Business Day of the relevant month, reported in the Principal Currency (Monthly Statement). All currency balances on the Account will be reported in the Monthly Statement in the currency in which the Trade to which they relate was transacted. Such currency balances will be converted from the transaction currency to the Principal Currency by reference to the month-end Exchange Rate.

14.5 You are responsible for checking the contents of each Trade Confirmation, Daily Account Statement and Monthly Statement which shall, save in the case of manifest error, be conclusive unless one party gives to the other written notification of such error within two Business Days of the time on which the relevant Trade Confirmation, Daily Account Statement or Monthly Statement is displayed on the Dealing System and Spread Co determines, in its reasonable discretion, that the relevant Trade Confirmation, Daily Account Statement or Monthly Statement was incorrect.

14.6 Where there is an inconsistency between any Trade Confirmation and the related Daily Account Statement, the details in the Daily Account Statement will prevail, save in the case of a manifest error of the relevant Daily Account Statement, pursuant to clause 14.5.

14.7 You agree that Spread Co (which for the purposes of this clause, shall include its agents) may record telephone conversations with you without use of a warning tone and retain electronic records of Trades, to ensure that the material terms of a Trade and any other material information relating to a Trade, are promptly and accurately recorded. You further agree that Spread Co may use such recordings (or transcripts thereof) as evidence in any dispute or potential dispute between us. Where such recordings of telephone conversations are made, Spread Co may retain these recordings for a period of no less than five years.

15. Representations and warranties

15.1 You warrant and represent to Spread Co for the duration of this Agreement that:

- (a)** where you are a corporate entity, you are duly incorporated and validly existing under the laws of your jurisdiction of incorporation;
- (b)** you have obtained all necessary consents, powers, licenses and authorisations and have the requisite corporate power and authority to enter into this Agreement, to grant the securities and powers referred to herein and to perform your obligations hereunder;
- (c)** you enter into this Agreement, and you will execute each Trade, as principal and will make Spread Co aware of any Authorised Representative prior to that person taking action on your behalf;
- (d)** this Agreement, each Trade and the obligations created thereunder are binding upon you and enforceable against you in accordance with their terms and you are not subject to any law or regulation which prevents your performance of this Agreement or the Trades;

- (e)** in the case of a corporate entity, the persons entering into this Agreement on your behalf, have been duly authorised by you to do so;
- (f)** you have read and fully understood this Agreement, the Execution Policy and the Conflicts Policy, in the case of Retail Clients, the Risk Warning Notice and in the case of Professional Clients, the Professional Client Notice;
- (g)** all property, cash, other funds and Margin given by you to Spread Co pursuant hereto shall be free from all encumbrances of any nature whatsoever and you shall be the beneficial owner of thereof;
- (h)** the execution and delivery of this Agreement, the Account Opening Form, the Execution Policy, the Client End User Licence Agreement and any Trade, and the performance of any obligations pursuant thereto, does not and will not violate any law, ordinance, charter, by-law, articles or memorandum of association applicable to you;
- (i)** no Event of Default, or any event which may become an Event of Default, has occurred and is continuing and you are in compliance with all laws to which you are subject;
- (j)** the information provided by you to Spread Co in connection with the entry into and performance of this Agreement, any Trades and any obligations to be executed pursuant hereto, is complete, accurate and not misleading in any material respect;
- (k)** in instructing Spread Co to conclude any Trade on your behalf, in respect of such Trade, you have made your own independent judgment and investigation into the risks of such Trade. You have adequate trading experience and knowledge to enable you to determine the risks and benefits of the relevant Trade;
- (l)** you understand and accept that if you are not a UK citizen, not UK domiciled and/or are non-UK resident (and/or if you trade from outside the UK) you may also be subject to laws other than English law (including other tax laws) and that these may differ from English law;
- (m)** you understand that you are responsible for your own tax position and that Spread Co does not provide tax advice.

15.2 You acknowledge that Spread Co has relied on and will continue to rely on the truth, accuracy and completeness of the information provided by you to Spread Co on the date of this Agreement including, but not limited to, the representations and warranties set out in clause 15.1 above and the information contained in your Account Opening Form, and at any time thereafter and you undertake to promptly notify Spread Co of any material or anticipated changes thereto including, but not limited to, your financial circumstances.

16. Limit of liability

16.1 Neither Spread Co nor any of its directors, officers, employees or agents will be liable to you in the absence of bad faith or fraud for any damages (whether direct, indirect, special, incidental, punitive or consequential), expenses, liabilities or costs of any nature whatsoever suffered or incurred by you, regardless of cause, and whether arising directly or indirectly in connection with this Agreement, the Dealing System Software, its use or otherwise, including but not limited to those resulting from:

- (a)** any act or omission of Spread Co under this Agreement or any representation (other than a fraudulent representation) that is not set out in this Agreement;
- (b)** any errors or omissions in the configuration of the Dealing System or the Dealing System Software or any delay in, or failure of the whole or part of, the Dealing System or network links or other means of communication;
- (c)** any computer viruses or similar items introduced into your computer hardware or software via the Dealing System, provided that Spread Co has taken reasonable steps to prevent such occurrence;
- (d)** a delay or change in market conditions before any particular Trade is executed;
- (e)** closure of any of your open Trades in accordance with the terms of this Agreement;
- (f)** any inaccuracies, errors, interruptions, delays or omissions in the Prices or your reliance on an incorrect Price and which you knew, or ought reasonably to have known, to be incorrect;

(g) failure to notify you of the existence or timing of a public holiday in relation to a Referenced Investment, pursuant to clause 5.1(a);

(h) failure to communicate with, or failure to receive communications from, Spread Co, or corruption or delay of Orders or Trades via the Dealing System or otherwise;

(i) errors in instructions given by your Authorised Representatives or Spread Co acting on instructions which appear to be from such persons, except to the extent to which it is unlawful to exclude such liability under applicable law.

16.2 If you are not a UK citizen or are non-UK resident (or if you trade from outside the UK) you may be subject to laws other than English law. Spread Co makes no warranties, that the services contemplated by this Agreement (the "Services") or the availability of the Services in any particular jurisdiction outside the UK is in compliance with any applicable laws or regulations. Accordingly, if it is prohibited to make the Services or any part available in your jurisdiction to you (by reason of nationality, residence or otherwise) such Services or any part are not directed at you. You accept that if you are resident outside the UK, you must satisfy yourself that you are lawfully able to receive the Services. Spread Co accepts no liability for any costs, losses or damages resulting from or related to the availability or content of the Services to persons in jurisdictions outside the UK or to persons who are, or who are nominees of or trustees for, citizens, residents or nationals of other countries. The Services or any part do not constitute an offer or solicitation to sell investments in any jurisdiction.

16.3 Nothing in this Agreement shall exclude or limit any duty or liability owed by Spread Co to you under the Act or the FCA Rules and if there is any conflict between this Agreement and the FCA Rules, the FCA Rules will prevail.

17. Undertakings

You undertake:

(a) to observe and comply at all times with the terms and condition set out herein in relation to the execution and conduct of Trades;

(b) to obtain and comply, and do all that is necessary throughout the duration of this Agreement, to maintain in full force and effect all consents, powers, licenses and authorisations required to permit you to perform your obligations pursuant hereto and to execute Trades;

(c) to promptly notify Spread Co of the occurrence of any Event of Default or potential Event of Default, which may affect the basis upon which Spread Co undertakes business with you; and

(d) to promptly notify Spread Co if you become aware that:

(i) any licence and/or registration granted to you is revoked or subject to new conditions; or

(ii) any regulatory or other authority is contemplating taking action against you which may reasonably be expected to result in the revocation of, or application of conditions to, any licence and/or registration granted to you.

18. Default

18.1 When Spread Co determines that an Event of Default has occurred, it shall be entitled, at its absolute discretion without notice and without any responsibility for the consequences, to:

(a) sell or charge any of your assets, funds and property (including any interest or other payments) as are in Spread Co's possession or control or the possession or control of any of its Connected Persons; and/or

(b) call on any guarantee made in relation to your obligations; and/or

- (c) close out, undo or replace any of your open Trades or execute Opposite Trades; and/or
- (d) terminate this Agreement pursuant to clause 19.1; and/or
- (e) buy, sell, lend, borrow, enter into any Trades or close your Account and decline to enter into further Trades with you; and/or
- (f) retain any sum owed by Spread Co to you against your contingent liabilities, for as long as they continue, in each case, at such times and in such amounts, and with such other action, as Spread Co determines in its absolute discretion is necessary or appropriate in order to satisfy your obligations due under this Agreement or any Trades and to protect Spread Co from any losses, liabilities, costs or expenses incurred.

18.2 Spread Co is entitled to charge you an administrative fee set out in the Fees List in respect of the costs resulting from taking the action set out in clause 18.1 upon the occurrence of an Event of Default.

18.3 You expressly acknowledge and agree that, in addition to the rights set out in this clause 18, Spread Co may, where the Event of Default concerned is the failure to make payment when due, notify any person, organisation or regulator with whom you are associated or to whom such information is relevant, of your failure to pay the required sum and any circumstances surrounding such non-payment, notwithstanding the fact that Spread Co will observe all rules related to confidentiality.

18.4 The rights of Spread Co set out in clauses 18.1, 18.2 and 18.3 are in addition to any other rights which Spread Co or any of its Connected Persons may have against you, whether under this Agreement or as a matter of law.

19. Term

19.1 There is no minimum duration for this Agreement. This Agreement shall commence upon the date on which it is executed and, save as set out in clause 19.3 below, shall continue in full force and effect until terminated by either party giving written notice to the other party to take effect on the expiry of such notice (save that Spread Co shall give no less than 10 Business Days' notice of termination, except as otherwise set out herein). Spread Co may terminate this Agreement immediately in the case of an Event of Default with regard to you as set out in clause 18 above.

19.2 We may close your open Trades and your Account upon notice of your death. Your estate will remain liable for any sums owed to us. We may (but, prior to any grant of representation, are not bound to) act on the instructions of your personal representative(s). Upon the death of a holder of the Joint Account we may provide notices to and take instructions from their survivor(s). Further, the event of death of an Account Holder is an Event of Default and therefore we may take any such actions set out in the Default clause of this Agreement.

19.3 Upon termination of this Agreement:

- (a) all amounts payable by you to Spread Co pursuant hereto will become immediately due and payable;
- (b) you will be required to close out your Trades within 10 Business Days of receipt of notice; and
- (c) where you have failed to close out all your open Trades within the period set out in clause 19.3(b) above, Spread Co may close out any and all remaining Trades without notice pursuant to clause 9, and, for the avoidance of doubt, until all your Trades have been closed pursuant to this clause, this Agreement will continue to regulate the relationship of the parties, save that you will not be permitted to open any new Trades.

19.4 Termination shall not affect the parties' outstanding rights and obligations pursuant hereto, which shall continue to be governed by this Agreement until all obligations have been fully performed.

20. Conflicts of interest

20.1 Spread Co is committed to treating its customers fairly. However, throughout the duration of this Agreement, Spread Co and its Connected Persons may, when dealing with you have interests which are, or may be, in conflict or potential conflict with your own interests or owe duties to third parties which are in conflict or potential conflict with your own interests. Spread Co shall ensure that such transactions are effected on terms which are not materially less favourable to you than if the conflict or potential conflict had not existed. Conflicts, if any, which Spread Co may not be able to manage effectively are disclosed at Appendix 1. Spread Co's Conflicts Policy sets out the types of actual or potential conflicts of interest which affect Spread Co's business and provides details of how these are managed. A copy is available on request.

20.2 By entering into this Agreement, you consent to Spread Co and its Connected Persons, when faced with conflicting interests, acting in the manner set out in the Conflicts Policy and you agree that no liability will attach to Spread Co or any of its Connected Persons as a result of such action taken in the face of conflicting interests.

20.3 We have also detailed the following conflicts that may exist due to the nature of the services provided:

- (a) we may (but are not obliged to) effect hedging strategies or transactions in order to manage risk in relation to trades you make, or may make. This may impact the price at which you enter into Trades and any profits generated by such strategies may be retained by us;
- (b) we may offset your trade with that of another client;
- (c) we may enter into contracts or arrangements with third parties in relation to Trades entered into or to be entered into with you, and may share revenues and charges or receive goods and services or remuneration in consideration for such contracts or arrangements, details of which you may request from Spread Co; and
- (d) we fully deal in underlying markets for which your Trades relate as principal (for our own account).

21. Assignment

21.1 You may not assign, transfer or charge all or any of your rights or obligations under this Agreement, whether in whole or in part, to any third party without Spread Co's prior written consent.

21.2 Spread Co may assign the benefit and burden of this Agreement and any of the Trades to any third party without your consent upon 28 days' written notice to you, provided that the assignee undertakes to comply with the terms and conditions of this Agreement and subject (where applicable) to the approval of the FCA. Where Spread Co elects to make such an assignment, you undertake, if requested by Spread Co or the assignee, to acknowledge in writing that the assignee has assumed the rights and obligations of Spread Co hereunder with respect to the monies owing by you, and agree to permit Spread Co to disclose such information to the assignee relating to your relationship with Spread Co pursuant hereto, as it deems appropriate in its absolute discretion.

22. Third parties

A person who is not a party to this Agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

23. Notices

23.1 Any notice, instruction or other communication to be given by one party to the other under or in connection with this Agreement shall be in writing, including in electronic form. It shall, in the case of notice served to you, be served by sending it to the address, e-mail address or fax number set out in the Account Opening Form and, in the case of notice served on Spread Co, be served to Spread Co Limited, CEO, Argyle House, Joel Street, Northwood, Middlesex HA6 1NW, Fax No: +44 1923 845 308, email: cs@spreadco.com (or as otherwise notified from time to time in accordance with the provisions of this Agreement). Any notice so served by hand, fax, e-mail or post shall be deemed to have been duly given:

- (a) in the case of delivery by hand, when delivered;
- (b) in the case of fax (with a dispatch receipt), at the time of transmission;
- (c) if sent by electronic mail, one hour after sending unless a “not sent” or not received” message is received from the recipient’s electronic mail provider; and
- (d) in the case of prepaid recorded delivery, special delivery or normal post at 10 a.m. on the second Business Day following the date of posting, provided that in each case where delivery by hand or by fax occurs after 6 p.m. on a Business Day or on a day which is not a Business Day, service shall be deemed to occur at 9 a.m. on the next following Business Day. References to time in this clause are to local time in the country of the addressee.

23.2 Either party may notify the other of any change of its address details in accordance with this clause and such notice shall be effective on the date specified in the notice, provided this is no earlier than set out in clause 23.1.

24. Force majeure

24.1 Spread Co shall not be liable to you for any partial or non-performance of its obligations under this Agreement which arise from any cause beyond Spread Co’s reasonable control, or where Spread Co reasonably anticipates that such circumstances are about to occur, including but not limited to:

- (a) breakdown, malfunction or failure of transmission, failure of power supply, communications, computer facilities or other infrastructure including, but not limited to, the Dealing System;
- (b) any act, event or occurrence (including without limitation, any industrial action, riot or civil unrest, terrorism, acts and regulations of any governmental or supra national bodies or authorities) that, in Spread Co’s opinion, prevents it from maintaining an orderly market in one or more of the Referenced Investments;
- (c) the occurrence of an excessive movement in the level of any Trade and/or the underlying market or Referenced Investment, or Spread Co’s reasonable anticipation of the occurrence of such movement;
- (d) the failure of any relevant intermediate broker, agent or principal of a party, custodian, sub-custodian, dealer, exchange, clearing house or regulatory or self-regulatory organisation, for any reason to perform its obligations or the excessive movement, volatility or loss of liquidity in the relevant markets or Referenced Investments; and
- (e) the suspension, closure, liquidation or abandonment of any relevant market or Referenced Investments or the imposition of limits or special or unusual terms in the relevant markets or Referenced Investments.

24.2 Spread Co will inform you as soon as reasonably practicable if it determines in its sole discretion that one of the circumstances in clause 24.1 exists or is about to occur.

24.3 If Spread Co determines that an event set out in clause 24.1 exists or is about to occur then it may (without prejudice to any other rights under this Agreement and at its sole discretion) take such action as it deems necessary or appropriate in the

circumstances, having regard to the position of the parties and their customers, and neither Spread Co nor any of its directors, officers, employees, agents or advisers shall be liable for any failure, hindrance or delay in performing its obligations under this Agreement or for taking or omitting to take any action pursuant to this clause.

25. General

25.1 If any provision of this Agreement is held to be invalid or unenforceable under the laws of any jurisdiction, then such provision shall (so far as it is invalid or unenforceable) be given no effect and shall be deemed not to be included in this Agreement but without invalidating any of the remaining provisions of this Agreement. The parties shall then use all reasonable endeavours to replace the invalid or unenforceable provision by a valid and enforceable substitute provision, the effect of which is as close as possible to the intended effect of the invalid or unenforceable provision.

25.2 You acknowledge that the intellectual property (including, but not limited to, trademarks, copyrights and data base rights) in any information distributed to you (including but not limited to, the Prices) together with the Dealing System Software, Spread Co's brochures and user guides will remain the sole and exclusive property of Spread Co or of any third party identified as being the owner of such rights.

25.3 Spread Co may amend this Agreement, the Fees List and any arrangements made hereunder at any time upon written notice to you. Such amendments will come into effect at the time notified to you and will not apply to Trades opened prior to such date or any legal rights or obligations which have already arisen, unless agreed otherwise, or unless otherwise stated by Spread Co giving you at least 10 business days' notice of this ahead of time. You have the right to close your open Trades or terminate this Agreement, as set out herein.

25.4 You acknowledge that Spread Co may obtain information relating to your credit position from credit reference agencies (who will record details of the search) and the electoral register, which may be used by Spread Co as part of its Account opening and operational procedures. Such information about you and about persons to whom you are linked financially may be used by companies, including Spread Co, if credit decisions are made about you or your family and for money laundering and debt tracing, as well as to permit the management of your Account.

COMPLAINTS

25.5 If you have any complaint relating to, or are dissatisfied with, the performance of Spread Co's obligations under this Agreement, you should notify Spread Co immediately of your concerns. Spread Co will provide you with details of its internal complaints handling procedure and will notify you of the outcome of its investigations into your complaint as soon as is reasonably practicable. Should you be in any way dissatisfied with the resolution of any dispute, you may have the right to refer the matter to the Financial Ombudsman Service. In addition, Spread Co is a member of the Financial Services Compensation Scheme (the "FSCS"). Where Spread Co is unable to meet its liabilities to you, you may be able to claim compensation from the FSCS.

25.6 The FSCS is only available to certain types of claimants and claims. Payments to eligible claimants under the FSCS will vary depending on the type of protected claim (e.g. deposits or investments) the claimants hold with respect to the relevant institution. Payments under the FSCS in respect of investments and deposits are subject to a maximum payment to any eligible claimant. Further and up to date details of the FSCS (and compensation levels) are available on request or at the FSCS's official website at www.fscs.org.uk.

MARKET ABUSE

25.7 Both parties agree that they shall not take any action or enter into any course of conduct, which will or may alter, distort or manipulate the relevant underlying market in relation to any Trade contemplated by this Agreement.

LANGUAGE

25.8 You agree and acknowledge that Spread Co will only communicate with you orally and in writing in English and that you will only communicate with Spread Co orally and in writing in English, unless Spread Co otherwise agrees from time to time.

TAXATION

25.9 You are at all times responsible for:

- (a)** payment of all applicable taxes due (including any future taxes) and all other fees, costs and expenses reasonably incurred by Spread Co in connection with any Trade; and
- (b)** preparing all filings and tax returns, and providing the relevant tax authorities with the information they require in respect of any Trades or profits and losses thereon, and Spread Co shall be entitled to deduct or withhold from any payment made or credited to your Account any tax required by law to be deducted or withheld from any such payment or credit.

25.10 We are responsible for the payment of betting duty in relation to each Trade that you open. As at the date of this Agreement, you are not liable for betting duty and there are no charges or commissions payable by you specifically relating to betting duty. However, we reserve the right to require you to pay, or reimburse, us for betting duty in the event of a change in the basis of taxation. We also reserve the right to require you to pay, or reimburse, us for stamp duty in the event of a change in the law relating to stamp duty.

26. Data protection

26.1 You acknowledge that by opening an account with us and placing trades you will be providing us with personal information within the meaning of the General Data Protection Regulation (679/2016) or any other similar applicable legislation. You consent to us processing all such information for the purposes of performing the contract and administering the relationship between you and us. You acknowledge and agree that this may result in your personal information being sent outside the European Economic Area. You consent to our processing and disclosing such information in accordance with this Agreement and our Privacy Policy as published on our website, as may be updated from time to time. Our privacy policy is available at www.spreadco.com/assets/privacy_policy.pdf

27. Using the dealing system

27.1 If Spread Co makes its services available to you via its website or through a Mobile device, Spread Co will provide you with such software as it deems to be reasonably necessary for you to obtain access to its online dealing services (“Software”). The Software is Spread Co’s property and is licensed to you only for the purposes of accessing Spread Co’s Dealing System electronically. You may not copy, modify, reverse, compile or disassemble Spread Co’s Software or allow anyone else to do so except as permitted by law.

27.2 It will be your responsibility to access the Software from Spread Co’s website (or through any other means by which Spread Co makes the software available) and to ensure that Spread Co’s Software is compatible with your computer or Mobile device and your software.

27.3 Spread Co will not provide you with any training or assistance, but should it do so, such training or advice on the use of Spread Co’s Software will be at your sole risk, and Spread Co will have no liability in the event that you suffer any loss whether in contract or negligence, either directly or indirectly arising from such training.

27.4 Spread Co will reserve the right to suspend or withdraw Spread Co’s Software or Mobile dealing services at any time with or without notice.

27.5 Spread Co will provide you with updates and modifications to its Software as and when these become available. It is your responsibility to install these updates and modifications and Spread Co will operate on the basis that you have done so. You must notify Spread Co immediately if you become aware of a material defect, malfunction or virus in Spread Co’s Software and must stop using its electronic trading facilities provided until you have received permission from Spread Co to resume them.

27.6 In addition to any other provision in this Agreement, Spread Co will have no liability to you in relation to any loss you may suffer in whole or part as a result of any failure of Spread Co’s Dealing System Software or any failure in communication either between your computer and Spread Co’s Software or between Spread Co’s Software and any source of information, data or prices displayed on Spread Co’s Software. In no event will Spread Co be liable to you for any direct, indirect, consequential, punitive, or special forms of damage (including without limitation, loss of business, loss of profit, loss or corruption of data, loss of goodwill or representation or wasted management time or which you may incur or experience as a result of your communicating with Spread Co electronically), even if Spread Co has had prior notice of the possibility of such damage arising. Any limitations or restrictions on Spread Co’s liability in this Agreement shall only apply to the extent permitted by applicable law.

27.7 The use of Spread Co’s website and Software is governed by any legal notice or terms and conditions which appear on it and/or the website. In the event of any inconsistency between these notices and this Agreement, the notices on Spread Co’s website will prevail. Without limitation, information concerning spreads on Spread Co’s Software is not an offer for you to buy or sell, nor is it a guarantee that Spread Co will execute at the prices displayed, or at the price specified in your Order or Trade or at any price at all.

28. Mobile services

28.1 Spread Co may allow you to use its services and access its Dealing System through a Mobile device.

28.2 Our Mobile Services will allow you (amongst other things) to:

- (a) Open and close Trades on your Account;

(b) Place orders on your Account; and

(c) Access other information related to your Account, such as your running profit and loss and cash balance. However, our Mobile Services may not allow the same functionality, access to information and services which are available when not using a Mobile device.

28.3 You acknowledge and agree that Spread Co is entitled to assume that any instruction transmitted via a Mobile device using your account details has been transacted by you or by a person duly authorised by you and is therefore at your risk. You must immediately inform us if you are aware or suspect that a third party has had access to your username, account number or password or if you suspect that any person other than you or any duly authorised third party is dealing on your Account.

28.4 Due to the nature of Mobile devices we do not warrant that the operation of our Mobile Services will be uninterrupted or entirely error-free. For example, due to service connectivity or internet connection difficulties endemic with Mobile applications the Mobile Service may, from time to time, be subject to error or failure, with results that include, but are not limited to, the following:

(a) an inability for you to place Trades or orders;

(b) the Mobile Services delivering inaccurate information including price and/or quote information;

(c) a failure of your mobile device to receive any messages from us;

(d) you erroneously believing that you have placed a Trade or order when our records show that we have not accepted a Trade or order from you or you erroneously believing that a Trade or order request initiated by you has not been accepted by us when our records indicate otherwise; or

(e) you taking actions on the basis of erroneous information displayed through the Mobile Service.

28.5 If as a result of the error or failure of the Mobile Service our internal records are at variance with your Mobile records or own recollection, the version of events supported by our records will prevail and any obligations on either party shall be assessed on the basis that our internal records are correct.

28.6 You understand and accept these risks when trading via the Mobile Service and to the maximum extent permitted by law, we will not be liable in any way for any loss or damage suffered by you through access to or use of the Mobile Service or through any failure by us (or a third party) to provide access to the Mobile Service or through any incompatibility of the Mobile Service with any Mobile device.

28.7 We do not accept any liability for damage to your Mobile device or for any loss of functionality that results from your use of the Mobile Service and we cannot guarantee that any downloads are free from viruses or for any problems you experience with your Mobile device or any other software.

28.8 We are not liable for any charges incurred by you in the use of the Mobile Service, whether the charge is raised by your Mobile supplier or by any other party.

28.9 These Mobile Service terms (detailed in this clause) may be amended at any time by us and you agree to continue to be bound by the modified terms and conditions. We will give notice of any changes via the Mobile Service and we may not provide you with any other individual notification of any changes.

28.10 We have the right to terminate your access to the Mobile Services at any time and at our sole discretion.

29. Governing law

29.1 This Agreement and each Trade entered into between Spread Co and you shall be governed by and construed in all respects in accordance with English law.

29.2 The parties irrevocably agree, for the benefit of Spread Co only, that the courts of England and Wales shall have jurisdiction to settle any disputes which may arise in connection with the creation, validity, effect, interpretation or performance of, or the legal relationships established by this Agreement or otherwise arising in connection with this Agreement and, for such purposes, irrevocably submit to the jurisdiction of the courts of England and Wales.

29.3 Nothing in this clause 29 will prevent Spread Co from bringing proceedings against you in any other jurisdiction.

29.4 If you are situated outside England and Wales, process by which any proceedings in England are begun may be served upon you by being delivered to the address nominated by you for this purpose in the Account Opening Form. This does not affect Spread Co's right to serve process in another manner permitted by law.

Schedule 1

DEFINITIONS

1. In this Agreement, unless the context requires otherwise:

- (a)** references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- (b)** the headings are inserted for convenience only and shall not affect the construction of this Agreement;
- (c)** references to the singular include the plural and vice versa and references to one gender include all genders;
- (d)** any reference to any enactment or statutory provision is a reference to it as it may have been, or may from time to time be, amended, modified, consolidated or re-enacted;
- (e)** the words "including" and "in particular" shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any earlier words;
- (f)** references to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any other legal concept shall, in respect of any jurisdiction other than England, be deemed to include the legal concept which most nearly approximates in that jurisdiction to the English legal term;
- (g)** references to any "statute", "legislation" or "regulation" are references to English statutes, legislation or regulations unless otherwise specified; and
- (h)** references to any times are to the local time in London, unless otherwise specified.

1.2 In this Agreement, the following terms shall have the meanings set out below:

"Account" shall mean the account to be opened by you with Spread Co in accordance with this Agreement, and Accounts shall be construed accordingly;

"Account Opening Form" shall mean the Customer Account Opening and Categorisation Form that Spread Co requires you to submit to it on entry into this Agreement in order to open an Account, of which these Terms of Business form part;

"Act" shall mean the Financial Services and Markets Act 2000 as amended from time to time or its successor;

“Authorisation Form” shall mean the documentation that Spread Co requires you to submit to it to appoint an Authorised Representative, as contained in the Account Opening Form;

“Authorised Representative” shall have the meaning set out in clause 4.1 and Authorised Representatives shall be construed accordingly;

“Bullion” shall have the meaning set out in clause 3.11(e);

“Business Day” shall mean any day on which banks are generally open for business in the United Kingdom (other than a Saturday), save for:

(a) in relation to the Referenced Investments which are not Reduced Trading Hours Investments, in which case a Business Day shall be any day on which any relevant exchange is open for trading; and

(b) Reduced Trading Hours Investments, in which case a Business Day shall be any day on which the exchange on which the relevant Security or each constituent Security has its primary listing, or the exchange on which the Index operates, as appropriate, is open for trading (other than those days where all trading on the exchange in question is suspended or closed);

“Buy Price” shall have the meaning set out in clause 3.3(a); **“Closing Date”** shall have the meaning set out in clause 9.5;

“Client End User Licence Agreement” shall mean the licence to access the Dealing System between Spread Co and you and which forms part of this Agreement;

“Conflicts Policy” shall mean Spread Co’s Conflicts Policy in effect from time to time;

“Connected Persons” shall mean:

(a) a party’s officers, employees, Group Companies, agents and advisers;

(b) officers, employees, agents and advisers of a party’s Group Companies; and

(c) officers, employees and partners of any such agent or adviser or of any Group Company of such agent or adviser;

“Daily Account Statement” shall mean the daily statement of all your trading activity and account balances settled on your Account;

“Dealing System” shall mean the electronic platform via which the placing of Orders and execution of Trades with Spread Co may be effected, which can be accessed via Spread Co’s website or via a Mobile Device;

“Dividend” shall mean, with respect to a particular Security, the cash dividend or distribution per Security that would be received by a holder of the relevant Security, after any tax has been paid or withheld at source by the issuer of that Security (ignoring any tax credit that may attach to the cash dividend or distribution);

“End of Business” shall mean 10 pm local London time on any Business Day;

“European Economic Area” shall mean the member states of the European Union and Norway, Liechtenstein and Iceland;

“Event of Default” shall mean the occurrence of any of the following:

(a) you fail to make any payment (including but not limited to payment of Margin or amounts due pursuant to clause 10 of this Agreement) due to Spread Co;

(b) you default in the performance or observance of any of your obligations under this Agreement or a Trade and fail to remedy such default within one Business Day after Spread Co has served written notice of such default on you;

(c) you are in breach of the terms of the Client End User Licence Agreement;

(d) any representation or warranty made by you or deemed to be made by you pursuant to this Agreement is or becomes untrue or misleading in any material respect;

(e) you die or become of unsound mind or a third party initiates proceedings for your bankruptcy;

(f) a receiver, trustee, administrative receiver or similar officer is appointed in respect of you or any of your assets, or a petition is presented for your administration or winding up;

(g) you make an arrangement or composition with your creditors;

(h) any similar or analogous procedure to those set out in paragraphs (e), (f) and (g) is started in respect of you, including in any other jurisdiction;

(i) any indebtedness of yours is not paid on the due date thereof, or becomes capable at any time of being declared, due and payable under agreements or instruments evidencing such indebtedness, before it would otherwise have been due and payable;

(j) you cease or threaten to cease to carry on business or any substantial part of your business;

(k) Spread Co considers it necessary or desirable to take action in order ensure compliance with the FCA Rules and all other applicable laws and regulations or with good market practice; or

(l) any other circumstances where Spread Co reasonably considers that it is necessary to take action for its own protection, the protection of its Connected Persons or its other clients;

“Exchange Rate” shall mean the exchange rate determined by Spread Co from time to time by reference to the current market rates;

“Execution Policy” shall mean Spread Co’s Execution Policy as agreed by you and which forms part of this Agreement;

“Expiry Date” shall have the meaning set out in the definition of “Forward” below;

“Fees List” shall mean the list of margin percentages, interest rates, dividend payments, charges, fees and other rates applicable hereto, and supplied to you after receipt by Spread Co of a completed Account Opening Form;

“Forward” shall mean any Order or Trade, other than a Spot, which is a contract entered into between you and Spread Co to buy or sell a commodity or financial instrument at a designated future date (the Expiry Date) at a price agreed upon at the initiation of the contract;

“FCA” shall mean the Financial Conduct Authority of the United Kingdom or any replacement authority of the Financial Conduct Authority from time to time;

“FCA Rules” shall mean the articles, regulations, rules, customs and procedures of the FCA or any other relevant regulatory authority from time to time;

“Group Company” shall mean any Subsidiary or Holding Company of Spread Co or you (as the case may be) or any Subsidiary of such Holding Company, and Group Companies shall be construed accordingly;

“Guaranteed Stop Order” shall mean an Order which is attached to a Trade at the time of opening or closing a Trade, which will automatically be executed by Spread Co when the price specified therein is reached in the manner set out in clause 3.10 of this Agreement;

“Holding Company” shall mean, in relation to an undertaking (the subsidiary undertaking), any other undertaking which for the time being directly or indirectly holds or controls either:

(a) a majority of the voting rights exercisable at general meetings of the members of the subsidiary undertaking on all, or substantially all, matters; or

(b) the right to appoint or remove directors having a majority of the voting rights exercisable at meetings of the board of directors of the subsidiary undertaking on all, or substantially all, matters, and any undertaking which is a Holding Company of another undertaking shall also be a Holding Company of any further undertaking of which that other is a Holding Company;

“Index” shall have the meaning set out in clause 3.11(c);

“Initial Value” shall mean, in relation to a Trade, the total value of the Trade as agreed between the parties at the time of execution of the Trade as stated on the Daily Account Statement or as determined in accordance with the terms of this Agreement;

“Interest Rate” shall mean such applicable interest rate as Spread Co may reasonably select from time to time which is appropriate to the currency of the outstanding amount or the Referenced Investment (as applicable) as detailed on the Daily Account Statement;

“IR Instrument” shall have the meaning set out in clause 3.11(g);

“Listing” shall mean, in relation to a Trade on a Security or Basket, the list of Securities upon which Spread Co holds itself out from time to time as willing to quote a price, as amended by Spread Co pursuant to clause 7.5;

“Long Entity” shall mean, in relation to a Trade, the party that has notionally bought the relevant Referenced Investment;

“Margin” shall have the meaning set out in clause 8.1;

“Margin Call” shall have the meaning set out in clause 8.9;

“Maximum Size” shall mean the maximum Stake size in relation to which Spread Co is willing to permit you to place Orders and execution Trades for the relevant Referenced Investment, as specified in respect of the relevant Referenced Investment from time to time on the Dealing System;

“Minimum Size” shall mean the minimum Stake size in relation to which Spread Co is willing to permit you to place Orders and execute Trades for the relevant Referenced Investment, as specified in respect of the relevant Referenced Investments from time to time on the Dealing System;

“Mobile” shall mean any mobile device which you use to download our Software in order to access our Mobile Services;

“Net Open Trades” shall mean, at the relevant time, the aggregate of all open buy Trades of the relevant Referenced Investment (other than those open buy Trades with an attached Guaranteed Stop Order), less the aggregate of all open sell Trades of such Relevant Investment (other than those open sell Trades with an attached Guaranteed Stop Order).

“Notional Trade Requirement” shall mean:

(a) for all Trades other than Equity Trades, the risk factor applied to the relevant Referenced Investment for the purposes of calculating the Margin requirement for a Trade; and

(b) for Equity Trades, a percentage of the current bid/offer market price of the relevant Equity, in each case, as displayed on the Market Information for each Referenced Investment from time to time;

“Open of Business” shall mean 10.01 pm local London time on any Business Day;

“Order” shall have the meaning set out in clause 3.6, and Orders shall be construed accordingly;

“Outsize Trade” shall have the meaning set out in clause 6.10;

“Professional Client Notice” shall mean the Professional Client Notice as sent to you by Spread Co and which forms part of this Agreement;

“Prices” shall mean, together, the Trade Prices and the Valuation Prices, and Price shall be construed accordingly;

“Principal Currency” shall mean US Dollars, or such other currency as selected from time to time pursuant to clause 12.10;

“Reduced Trading Hours” shall mean the hours during which Reduced Trading Hours Investment Trades can be executed pursuant to clause 5.1(b);

“Reduced Trading Hours Investments” shall have the meaning set out in clause 5.1(b);

“Referenced Investments” shall mean the underlying property or index with reference to which the value of a Trade is determined, as set out in clause 3.11, and as amended from time to time in accordance with this Agreement;

“Replacement Trade” shall have the meaning set out in clause 9.12;

“Risk Warning Notice” shall mean the Risk Warning Notice for spread trading as set out in clause 2.2 of this Agreement;

“Security” shall mean a share (or other registered instrument) of a company traded on any exchange, on which a Trade is based, and shall include the constituent shares (or other registered instruments) of a Basket, and Securities shall be construed accordingly;

“Security Details” shall mean all security details required by Spread Co from time to time for you to place an Order or execute a Trade, including but not limited to your username, account number, and password allocated to you by or on behalf of Spread Co;

“Sell Price” shall have the meaning set out in clause 3.3(b);

“Short Entity” shall mean, in relation to a Trade, the party that has notionally sold the relevant Referenced Investment;

“Software” shall have the meaning set out in clause 27.1;

“Spot” shall mean any Order or Trade, other than a Forward;

“Spread” shall mean the difference between the Buy Price and the Sell Price that apply when you execute a Trade;

“Spread Trade” shall mean an investment in the form of a contract for differences (as defined in schedule 2 to the Act and Article 85 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001) that is a gaming contract (as defined in the Gambling Act 2005);

“**Stake**” shall have the meaning set out in clause 3.4;

“**Standard Stake Size**” shall mean the standard stake size for the relevant Referenced Investment quoted on the Dealing System at the time of placing of the relevant Order or execution of the relevant Trade for which Spread Co would normally accept your instructions;

“**Subsidiary**” shall mean, in relation to an undertaking (the holding undertaking), any other undertaking in which the holding undertaking (or persons acting on its behalf) for the time being directly or indirectly holds or controls either:

(a) a majority of the voting rights exercisable at general meetings of the members of that undertaking on all, or substantially all, matters; or

(b) the right to appoint or remove directors having a majority of the voting rights exercisable at meetings of the board of directors of that undertaking on all, or substantially all, matters, and any undertaking which is a Subsidiary of another undertaking shall also be a Subsidiary of any further undertaking of which that other is a Subsidiary;

“**Trade**” shall mean a spread trade entered into between you and Spread Co with the purpose of securing a profit or avoiding a loss by reference to the price of a Referenced Investment, and Trades shall be construed accordingly;

“**Trade Confirmation**” shall mean the confirmation of execution of a Trade and the details of that Trade sent to you by Spread Co;

“**Trade Prices**” shall have the meaning set out in clause 6.1, and Trade Price shall be construed accordingly;

“**Trade Value**” shall have the meaning set out in clause 10.2(b); and

“**Valuation Prices**” shall have the meaning set out in clause 10.11, and Valuation Price shall be construed accordingly.

Schedule 2

SECURITY RELATED REFERENCED INVESTMENTS

As set out in clause 3.12 of this Agreement, Single Security Trades, Basket Trades and Index Trades, being based on a Referenced Investment which is subject to corporate actions and events, are subject to the provisions of this schedule 2, and any adjustments pursuant hereto shall only apply in respect of any events occurring prior to closing of the relevant Trade.

1. LIMITATION OR SUSPENSION

1.1 It may not be possible for Spread Co, in the case of Spot or Forward Single Security Trades, Basket Trades and Index Trades, to determine the Price of the underlying Securities which form the basis of such Trades where the exchange on which the relevant Security trades is suspended or limited. In such circumstances, subject to paragraphs 1.2 and 1.3 below, Spread Co shall use the Price of the relevant Security immediately prior to the relevant limitation or suspension, to determine the Price of the relevant Trade.

1.2 The Price of any Spot or Forward Single Security Trade, Basket Trade or Index Trade which is affected as a result of the limitation or suspension referred to in paragraph 1.1 above, may be revised by Spread Co to such Price as Spread Co deems appropriate in its absolute discretion at any times during the applicable suspension or limitation.

1.3 Where the suspension or limitation of the relevant Security lasts for more than five Business Days, you agree that Spread Co may close any of your open Trades which are based on the underlying Security pursuant to clause 9 of this Agreement, save where such limitation or suspension affects some only, but not all of, the constituent Securities of a Spot or Forward Basket Trade, in which case Spread Co shall not be entitled to close the relevant Basket Trade but only to exclude the Security in question from the Basket going forward and to make such alterations to the Price of the Basket Trade as it deems

appropriate in its discretion, in order to maintain the respective weight of the remaining Securities which comprise the Basket.

1.4 Where a company goes into insolvency or is dissolved:

(a) in the case of a Spot or Forward Single Security Trade relating to the Securities of that company, Spread Co shall close the Spot or Forward Trade on the date of the insolvency or dissolution at a Trade Value determined by Spread Co in good faith; and

(b) in the case of a Spot or Forward Basket Trade, where the relevant Security relates to some only, but not all, of the constituent Securities of the Basket, Spread Co shall exclude that Security from the Basket going forward and alter the Price in the manner set out in paragraph 1.3 above.

1.5 Spread Co shall give you notice, together with reasonable evidence, of the existence of any of the following circumstances:

(a) Spread Co reasonably determines at any time that its ability to hold, borrow or purchase Securities has become, for whatever reason, materially impaired or restricted; or

(b) Spread Co reasonably determines that, for whatever reason, its obligations under a Trade based on a Spot or Forward can no longer be performed on the same economic basis as existed at the time of entry into the relevant Spot or Forward Trade, and, at any time following the giving of such notice, Spread Co may close the Trade based on a Spot or Forward pursuant to clause 9.

1.6 Spread Co reserves the right to pass on to you any stock borrowing costs incurred by Spread Co during exceptional market conditions, as reasonably determined by Spread Co and notified in advance to you.

1.7 Any adjustments to your Account to be made pursuant to this paragraph 1 shall be entered onto your Account immediately after End of Business on the relevant Business Day and shall be conclusive and binding upon you save in the case of manifest error.

2. OTHER CORPORATE ACTIONS

2.1 If at any time a take-over offer (as defined in the City Code on Takeovers and Mergers in the United Kingdom, or in the equivalent take-over code in the relevant jurisdiction, where such code exists) is made in respect of a Security, so that it will no longer be possible for Spread Co to quote Prices and to trade Referenced Investments in the relevant Security, Spread Co will give you notice and if you have not closed the Trade prior to the closing date of the takeover offer:

(a) in the case of a Spot or Forward Single Security Trade, Spread Co may close the relevant Single Security Trade pursuant to clause 9 of this Agreement; or

(b) in the case of a Spot or Forward Basket Trade, Spread Co may amend the constituents of the Basket to exclude the relevant Security, and adjust the Price of the relevant Basket Trade in such a manner as it considers fair, reasonable and representative.

2.2 You acknowledge that Spread Co will adjust the Trade Price and/or the Account Balance and/or the Stake of open Single Security Trades, Basket Trades and Index Trades where it considers in its absolute discretion that this is necessary in order to maintain your economic position of the relevant Trade based on a Spot or Forward following any of the events set out in paragraph 2.3 below.

2.3 The events to which paragraph 2.2 refers are the declaration by the issuer of the Security of the terms of any of the following:

(a) subdivision, consolidation or reclassification of the Security, or a free distribution of shares to existing holders by way of bonus, capitalisation or similar issue;

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

(c) any event in respect of the shares analogous to (a) or (b) above or otherwise having a diluting or concentrative effect on the market value of the Security.

2.4 Any adjustments to your Account to be made pursuant to this paragraph 2 shall be entered onto your Account immediately after End of Business on the relevant Business Day and shall be conclusive and binding upon you save in the case of manifest error.

2.5 No adjustments shall be made in relation to any Spot or Forward Trade in respect of events occurring after the closing of the Spot or Forward.

3. DIVIDENDS

3.1 Subject to paragraph 3.5 below, where a Dividend is paid to the actual holders of a Security in respect of which you have an open Spot and Forward Single Security Trade, Basket Trade or Index Trade at End of Business on the date on which the price stated on the relevant exchange is marked as being “ex-dividend” (the “Ex- Dividend Date”), your Account will be adjusted to reflect the payment of such Dividend.

3.2 Where you have opened the Spot and Forward Single Security Trade, Basket Trade or Index Trade, as appropriate, by notionally buying the relevant Security in which the Dividend is declared, the Dealing System will credit your account at Close of Business on the day preceding the Ex-Dividend Date by an amount as specified in paragraph 3.8 below (or such other percentage of the Dividend).

3.3 Where you have opened the Spot and Forward Single Security Trade, Basket Trade or Index Trade, as appropriate, by notionally selling the relevant Security in which the Dividend is declared, the Dealing System will debit your account at Close of Business on the day preceding the Ex-Dividend Date by an amount equal to the Dividend as specified in paragraph 3.8 below (or such other percentage of the Dividend).

3.4 In the case of a Basket Trade or Index Trade where the Dividend relates to constituent Securities which comprise the relevant Basket or Index, the Account Balance adjustment referred to in paragraphs 3.2 and 3.3 above shall be proportionate to the weighting of the relevant Security in the Basket or Index, as appropriate.

3.5 Spread Co may, by written notice to you, alter the amount of the Dividend adjustment made pursuant to paragraphs 3.2 to 3.3 above with immediate effect, in circumstances where Spread Co considers, in its absolute discretion, that a change in laws or regulations, or the interpretation thereof, results in a change in the level of Dividends payable to holders of the relevant Security.

3.6 For the avoidance of doubt, references in this Agreement to “Dividends” shall be to notional dividends only and not to actual dividends that are payable to actual holders of the underlying Referenced Investments.

3.7 Spread Co's Dividend charge will vary depending on local tax arrangements of the Spot and Forward Single Security Trade, Basket Trade or Index Trade being traded. Dividend adjustments on your Account may vary to reflect Dividend adjustments made by Spread Co's hedging partners.

3.8 Any Spot Single Equity Trade, Basket Trade or Index Trade held on your account at the close of business the day prior to the ex-dividend date, will reflect the following dividend adjustments:

	Long	Short
UK Equities	90%	100%
US Equities*	85%	100%
Other Equities	Please contact the Dealers	

* US Equity, US ETF and ADR CFDs & Spread betting long positions will incur a 30% charge as part of withholding tax under IRS rule 871(m) to ensure non-US holders of US equity derivatives are charged as per physical asset holders. This is reduced to the standard 15% on Submission of a W-8BEN form for UK Clients due to existing tax treaty in place, other jurisdiction account holders will be charged 30%.

Appendix 1

CONFLICTS OF INTEREST

The list below sets out those conflicts of interest which Spread Co is unable to manage effectively:

- (a) the conflict of interest which exists because Spread Co acts as counterparty and takes the other side of Trades you execute in your Account and quotes the prices of the Referenced Investments to you;
- (b) the conflict of interest which exists because Spread Co may enter into contracts or arrangements with third parties in relation to Trades entered into or to be entered into with you, and may share revenues and charges or receive goods and services or remuneration in consideration for such contracts or arrangements; and
- (c) the conflict of interest which exists because Spread Co deals as principal for its own account.