

14 Telephone dealing

- 14.1 The provisions of this clause 14 set out the basis on which we will provide you with the facility to enter into Transactions and to access Financial Market Information via telephone. We will accept orders or allow you to access Financial Market Information by telephone only when the Trading Platform is unavailable.
- 14.2 When this clause 14 applies, you may give us instructions by telephone. We shall not be obliged to confirm such instructions.
- 14.3 When you give us instructions by telephone, you will be required to provide your Security Information for identity verification and security purposes. You shall keep safe and confidential all Security Information relating to your account and you shall not disclose such information to anyone. Accordingly, if you are aware or suspect that any Security Information is no longer confidential you must inform us immediately.
- 14.4 In the case of companies or other organisations, you may from time to time advise us of the identity of any employees authorised to give notices and communications to us on your behalf in accordance with and for the purposes of these Terms. Any such notice shall be in writing and shall set out the names and specimen signatures of the employees so authorised. Any such authority may be revoked by notice in writing. Such revocation shall only be effective upon written confirmation by us of our receipt of such notice. We shall not be bound by any such variation and/or revocation until written notice is actually received by us.
- 14.5 We shall be entitled to act upon the instructions of any Attorney or any person authorised under the provisions of clause 14.4 or instructions given by such a person quoting the Security Information relating to you. You will be bound by any agreement entered into by us on your behalf in reliance on such instructions.
- 14.6 We may require confirmation from you of any order or instruction if:
- (a) we consider that such confirmation is desirable or that an order or instruction is ambiguous; or
 - (b) the instruction is to close your account.
- 14.7 We will provide a confirmation of the details of a Transaction by Electronic Means upon execution of the Transaction.
- 14.8 We will record all telephone and electronic communications that result or may result in the placing and/or conclusion of a Transaction. A copy of such telephone or electronic communications will be available to you on request.

15 Transactions relating to CFDs

- 15.1 The provisions of this clause shall apply to all Transactions in CFDs.
- 15.2 We will open and close a CFD under the terms of this clause 15 on any Business Day within the market hours of the Exchange if relevant. On any Business Day when you wish to enter into a CFD, you will notify us (by Electronic Means or otherwise) of that fact, specifying the name of the Underlying Product and the Contract Quantity.
- 15.3 We will be entitled at our discretion to accept or reject any Underlying Product as the basis for any Transaction. If we accept the Underlying Product then we will notify you of the Opening Price. You will be entitled to accept or reject the Opening Price and subject to clause 15.4, acceptance by you will give rise to a binding Transaction between you and us and which shall be subject to the provisions of these Terms.
- 15.4 We shall open a CFD subject to you having available and sufficient free equity in your account.

15.5 A Transaction shall be deemed executed at the Opening Price at the time Confirmation is provided by us through either Electronic Means or orally in the case of telephone trading.

15.6 You acknowledge and agree that:

- (a) the purpose of each CFD is to secure a profit or avoid a loss by reference to fluctuations in the price of the Underlying Product and it is not intended that such profit is to be obtained or loss avoided by taking delivery of any Underlying Product; and
- (b) each Transaction shall not confer on you any right, title or interest in any Underlying Product or entitle or oblige you to acquire, receive, hold, deliver or dispose of any Underlying Product. For the avoidance of doubt, all Transactions relating to CFDs shall be cash settled.

16 Payments for differences

16.1 Commencing on the first Business Day after we have entered into the CFD, and on each Business Day thereafter during the term of the CFD, CCC will be responsible for determining the Contract Value of the CFD.

16.2 If, on any Business Day during the term of the CFD, the current Contract Value is higher than the close of business Contract Value of the preceding Business Day, then the Short Party shall be liable to pay to the Long Party such difference.

16.3 If, on any Business Day during the term of the CFD, the current Contract Value is lower than the close of business Contract Value of the preceding Business Day, then the Long Party shall be liable to pay to the Short Party such difference.

16.4 All payments to be made in respect of any Transaction shall be made in accordance with the account details specified in the relevant confirmation or as otherwise agreed between you and us.

17 Dividend

17.1 In the case of an underlying reference Security which pays a dividend, where you are the Buyer you will be paid the net percentage of the synthetic value of the gross dividend attributable to the underlying product on the ex-dividend date. For the avoidance of doubt, the "net percentage of the synthetic value of the gross dividend" shall reflect the percentage of withholding or deduction of taxes at source by or on behalf of any applicable authority.

17.2 In the case of an underlying reference Security which pays a dividend, where you are the Seller you will be charged the synthetic value of the gross dividend attributable to the underlying product on the ex-dividend date. For the avoidance of doubt, the 'gross dividend' shall reflect a sum before withholding or deduction of taxes at source by or on behalf of any applicable authority.

17.3 In the event that we determine, at our sole discretion, that there has been any change in the interpretation or application by any court, governmental or other authority of any applicable law or regulation which has the effect of reducing or increasing the amount of the ordinary cash dividend per Security payable to a UK tax-resident holder of the Security, we will vary the synthetic value of the dividend amount with immediate effect by notice in writing to you.

18 Closing a Transaction

18.1 Before the close of business on any Business Day, you may give us a Closing Notice to close any CFD (whether in whole or in part) specifying the relevant Transaction, the Underlying Product and the proportion of such CFD that you wish to close.

18.2 Any amounts payable by you to us or vice versa will be reflected in your account balance immediately.

24.5 Any payment required to be made by you under these Terms, which is not made when due, shall bear interest at a rate of 2 per cent per annum above the current 3 month LIBOR rate or such other rate that we shall notify to you from time to time. Such interest shall accrue and be calculated daily from the due date until the date of payment.

25 Default and termination

25.1 At any time after we have determined, in our absolute discretion, that you have not performed (or may not be able to perform) any of your obligations to us, we shall be entitled without prior notice to you:

- (a) to close out, replace or reverse any transaction, or refrain from taking, such other action at such time and in such manner as, at our sole discretion, we consider necessary or appropriate to cover our loss or liability under any of your contracts, positions or commitments; and
- (b) to treat any Transactions then outstanding as having been repudiated by you, in which event our obligations under such Transaction(s) shall thereupon be terminated.

25.2 Either party may terminate these Terms by giving five Business Days' written notice of termination. We may terminate these Terms immediately if you fail to observe or perform any provision of these Terms, in the event of our or your insolvency or in order to comply with Applicable Regulations.

25.3 Upon terminating these Terms, all amounts payable by you to us will become immediately due and payable including (but without limitation):

- (a) all outstanding fees, charges and commissions; and
- (b) any dealing expenses incurred by terminating these Terms; and
- (c) any losses and expenses realised in closing out any transactions or settling or concluding outstanding obligations incurred by us on your behalf.

25.4 Termination shall not affect then outstanding rights and obligations and Transactions which shall continue to be governed by these Terms until all obligations have been fully performed.

26 Suspension or withdrawal of Electronic Services

In addition to and without limitation to our rights under these Terms, we reserve the right to suspend or withdraw temporarily or permanently all or any part of the Electronic Services, immediately at any time if:

- (a) we suspect or become aware of unauthorised use or misuse of any Security Information;
- (b) you are in breach of any of the provisions of these Terms, the provisions of any additional terms relating to Third Party Providers or any Applicable Regulations;
- (c) in our opinion, your or any Authorised User's connection to the Trading Platform is for any reason endangering the operation of it; or
- (d) we are unable to provide access through Electronic Means due to any defect in or failure of network, communication or computer systems owned or operated by us or you or any Third Party Providers.

27 Limitation of liability and indemnity

27.1 Neither we nor our directors, officers, employees or agents shall be liable:

- (a) to you for the non-performance of our obligations under these Terms or the failure to execute any Transaction in accordance with your instructions by reason of any cause beyond our reasonable control;

- (b) for any loss sustained as a result of any Transaction executed or course of action followed by you or otherwise;
- (c) for any direct or indirect losses, damages, costs or expenses incurred or suffered by you or your business under these Terms (including where we have declined to enter into a proposed Transaction);
- (d) for any act or omission of an intermediate broker or agent; or
- (e) for any other loss, damage or expense arising in connection with these Terms or the provision of our services under it, except to the extent that such loss is caused by our negligence, wilful default or fraud.

27.2 Nothing in these Terms shall exclude or restrict any duty we may owe to you under the Act.

27.3 You shall, indemnify us and keep us indemnified from and against all liabilities, damages, losses and costs (including legal costs) or commissions incurred or suffered by us in the proper performance of our services or the enforcement of our rights under these Terms and in particular, without prejudice to the generality of such indemnity, against all amounts which we may certify to be necessary to compensate us for all costs, expenses, liabilities and losses sustained or incurred by us with respect to any of your accounts or any Transaction in order to fulfil our obligations under these Terms as a result of:

- (a) any default in payment by you of any sum under these Terms or any Transaction when due;
- (b) us doing and taking all and any actions and steps whatsoever to carry out the terms of any instructions from or purporting to be from a person duly designated or authorised by you for such purpose pursuant to clause 12 or 14;
- (c) us exercising our rights under these Terms to close out all or any part of any Transaction before its applicable value date;
- (d) any act or omission by any person obtaining access to the Internet by using the Security Information (whether or not you have authorised such access); or
- (e) us exercising our rights to terminate these Terms.

27.4 We shall not be obliged to take or refrain from taking any action which is or will be beyond our power to take or refrain from taking wholly or partly as a result of an event or state of affairs which is or was beyond our control to prevent and the effect of which is beyond our power to avoid.

27.5 We shall not be in breach of our obligations under these Terms if there is any total or partial failure of or delay in performance of our duties and obligations occasioned by any act of God, fire, act of government or state, war, civil commotion, insurrection, embargo, failure of any computer dealing or settlement system, prevention from or hindrance in obtaining any energy or other supplies, labour disputes of whatever nature, late or mistaken delivery or payment by any bank or counterparty or any other reason beyond our control.

27.6 The indemnities in this clause 27 shall survive termination of these Terms and our certificate as to the amounts due under this clause 27 shall, save for manifest error, be conclusive.

28 Suspension and market disruption

28.1 If an Exchange takes any action which affects a Transaction, then we may take any action which we, in our reasonable discretion, consider desirable to correspond with such action or to mitigate any loss incurred as a result of such action. Any such action shall be binding on you.

- (a) the provision of Electronic Services is dependent upon computer and communication systems which may be susceptible to malfunction and may not be completely reliable or secure;
- (b) the combination of password and/or user identification code does not result in any form of security or encryption other than as an initial verification of identity at the time of initial logging-on to the Trading Platform. You accept all risks of interception, corruption or loss in transit of any instructions you send by Electronic Means and we are entitled to rely upon such instructions as they are in fact received by us;
- (c) you are responsible for acquiring and maintaining the appropriate computer hardware, software, communication equipment and access to the Trading Platform; and
- (d) we are not responsible for the content of any third party website to which you connect using a hypertext link contained within the Trading Platform or any of our websites.

33 General

- 33.1 These Terms constitute the entire agreement and understanding of the parties with respect to its subject matter and the basis on which we will enter into any Transaction with you and supersedes all previous written or oral communications with respect to these Terms.
- 33.2 We may amend these Terms by notice in writing to you at any time. Any such amendment shall take effect from the date specified by us but may not be retrospective or affect any rights or obligations that have already arisen unless they are inconsistent with Applicable Regulations.
- 33.3 Notwithstanding clause 33.2 above, we reserve the right from time to time to make such modifications, improvements or additions to the Electronic Services and/or the Electronic Means as we shall deem fit. We shall use reasonable endeavours to give you prior notice of such modifications, improvements or additions.
- 33.4 No failure on the part of any party to exercise, and no delay on its part in exercising, any right or remedy under these Terms shall operate as a waiver of such right or remedy, nor shall any single or partial exercise of any right or remedy preclude any other or further exercise of such right or remedy or the exercise of any other right or remedy.
- 33.5 If any provision of these Terms shall be held to be void, invalid or unenforceable the same shall be deemed to be deleted to the extent necessary to cure such voidness, invalidity or unenforceability and all other provisions of these Terms shall remain in full force and effect.
- 33.6 The rights and remedies in these Terms and the indemnities contained in clause 27 are cumulative and not exclusive of any rights or remedies provided by law.
- 33.7 Unless otherwise permitted by any Applicable Regulations, nothing in these Terms shall be taken to exclude or restrict our obligations under any Applicable Regulations. We shall be entitled to take any action as we consider necessary in our absolute discretion to ensure compliance with any Applicable Regulations and such actions shall be binding on you and shall not render us or any of our directors, officers, employees or agents liable.
- 33.8 Time is of the essence in respect of any of your obligations under these Terms.
- 33.9 Subject to any restrictions contained in these Terms, you agree that we (including our employees or representatives) shall be entitled to telephone you without express invitation (or make other Unsolicited Real Time Financial Promotions) during normal business hours (or such other times as may be convenient) if we consider it appropriate.

- 33.10 All formal complaints should in the first instance be made in writing to us: Compliance Department, City Credit Capital (UK) Limited, Level 12, 110 Bishopsgate, London, England EC2N 4AY and marked for the attention of our Compliance Officer.
- 33.11 We are participants in the UK Financial Ombudsman Service ("FOS"). Disputes that cannot be resolved between you and us may be submitted to the FOS for mediation. The FOS's compulsory jurisdiction covers complaints against authorised firms about their regulated activities and certain specified other financial services activities. It is provided free of charge to complainants. The FOS's decisions are based on what is 'fair and reasonable' and are binding on firms if a complainant accepts them. Please note that as a retail client, you have the right to refer a complaint or dispute to the FOS. The FOS can be contacted at Exchange Tower, London, E14 9SR or at the following website <http://www.financial-ombudsman.org.uk/>.
- 33.12 You may also be entitled to use the European Commission's online dispute resolution platform to facilitate the online resolution of the Dispute. The platform can be found at <http://ec.europa.eu/odf>.
- 33.13 We are participants in the UK Financial Services Compensation Scheme. You may be entitled to compensation from the scheme in the unlikely event we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100 per cent of the first £50,000 so the maximum compensation will be £50,000. Further information about compensation is available from the UK Financial Services Compensation Scheme, 7th Floor, PO Box 300, Mitcheldean, GL17 1DY or at www.fscs.org.uk.
- 33.14 Nothing in these Terms is intended to confer on any person who is not a party to them any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any provision of these Terms save that any intermediate broker that we use will be entitled to enforce any provision of these Terms against you directly.
- 33.15 You may not without our prior written consent transfer these Terms or any interest or obligation in or under these Terms and any purported transfer without such consent shall be null and void.
- 33.16 If you are a partnership or more than one person, any liability arising under these Terms shall be deemed to be the joint and several liability of the partners in the firm or of such persons as aforesaid. These Terms shall not be terminated or prejudiced or affected by any change in the constitution of such firm or by the death of any one or more of such persons but in the event of any such death notice of termination shall be given by the survivor or survivors of such persons or the personal representatives of any such persons who have died.
- 33.17 You (i) consent to the recording of the telephone conversations in connection with these Terms, any potential Transaction or Transaction and (ii) agree to obtain any necessary consent of, and give notice of such recording to, such of your personnel as may be necessary. You further agree that any such recording may be submitted in evidence to any court or in any legal proceeding for any purpose relating to any Transaction or these Terms.

34 Governing law and jurisdiction

- 34.1 The provisions of these Terms shall be governed by English law. For EU citizens, such governing law is without prejudice to any mandatory rights that you may have as a consumer (to the extent applicable) in your EU country of residence.
- 34.2 You agree for our exclusive benefit that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with these Terms. Nothing contained in this clause 35 shall limit our right to take proceedings against you in any other court of competent jurisdiction.

35 Distance marketing information

- 35.1 In order to comply with the FCA's provisions relating to distance marketing, these Terms will be subject to the following extra provisions:
- 35.2 Our main business is dealing in FX and CFDs. Our address is 12th Floor 110 Bishopsgate, London EC2N 4AY.
- 35.3 In addition to our Charges, please note that other taxes and costs may exist that are not paid through or imposed by us.
- 35.4 There are no specific additional costs for you, which are charged by us, as a result of you entering into contracts without meeting one of our representatives.
- 35.5 Prior to entering into these Terms, English law will be the basis of the establishment of our relationship with you. These Terms are supplied in English, and we will communicate with you in English during the course of our relationship with you.
- 35.6 Under the FCA Rules, you have a right to cancel these Terms within 14 days after you have accepted them. If you cancel your agreement to these Terms you will still be liable for the settlement of all your outstanding transactions and all the sums and charges which you owe at cancellation. To exercise your right to cancel your agreement to these Terms you must notify us in writing within 14 days.
- 35.7 If you do not exercise your right to cancel these Terms immediately, you will still be entitled to exercise your right to cancel at anytime in the future provided that you have no outstanding open position.

SCHEDULE 1

MARGIN DEPOSIT AND WITHDRAWAL POLICIES AND TRADING PROCEDURES

The following provisions shall constitute an integral part of, and shall be deemed to be incorporated into, the Terms.

All Transactions conducted in your account with us shall be in accordance with the following provisions of margin deposit and withdrawal policies and trading procedures, unless and to the extent that we specifically waive their applicability in any particular case, and subject to the Terms. We reserve the right, at any time, in our absolute discretion to modify or amend any or all of the provisions of this Schedule. All terms used unless otherwise stated shall bear the same meanings ascribed to them in the Terms.

1 Margin deposits

- (a) Margin deposits may be made to one of our currency bank accounts in British Pounds, Euros, US Dollars or such other currency as we may agree with you. However any other currency may be subject to currency conversion charges, and other bank charges/fees.
- (b) Wire transfers, Cheques, Bank draft and certain electronic wallets are acceptable payment methods for margin deposits made in connection with opening new accounts. No trading can be executed in a new account prior to funds being confirmed by our bank as having been received and cleared.
- (c) Wire transfers will normally be credited to client accounts prior to close of business on the day of clearing. Cheques will be credited upon clearing, please allow up to three weeks for overseas cheques to clear. Credit and debit card deposits will be credited to client accounts immediately upon clearing.
- (d) Funds deposited as Margin in your account(s) shall not earn any interest.

2 Margin withdrawals

- (a) Margin withdrawal requests will be accepted to the extent of the available credit balance in the account in excess of the then applicable Margin requirement for the account.
- (b) All distributions of withdrawn margin funds will be made in the form of British Pounds, Euros, US Dollars or such other currency as we may agree with you. Please note that any other currency may be subject to conversation charges by either our bank or yours along with other bank charges or fees which might be applicable. Distributions will be made within seven Business Days of acceptance by us of a withdrawal request.

3 Trading procedures

- (a) Margin requirements vary based on the Underlying Financial Products. See the Market Information Sheet at www.ccccapital.co.uk for details on specific CFD products.
- (b) Margin Warnings and Margin Calls
 - (1) With respect to overnight trades, a necessary Margin of 50 per cent or above is required to maintain an overnight position.

Furthermore, to carry positions over the weekend or market holidays, full margin is required. If full margin is not available then positions will automatically be liquidated at the closing market price until full margin is met for remaining positions.

- (2) With respect to day trades, whenever in a trading day the effective Margin drops below 50 per cent of the necessary Margin, you will receive a warning email informing you of this. A further warning email will be sent to inform you if the effective Margin drops below 30 per cent. At 25 per cent your positions will automatically be liquidated until Margin requirements are fully met for all remaining positions.
- (3) Whenever the effective Margin in the account is not sufficient to support the taking of new positions, but for any reason the account was permitted to take such new positions, the taking of such positions will be considered as over-trading. For all overtrades, you must deposit the additional necessary Margin immediately. In the absence of such an immediate deposit, we will in our sole and absolute discretion use any available means, including using an unfavourable price, to settle the over -trading positions.
- (4) For each price quote a minimum and maximum number of contracts per order will be accepted by us. This will be instrument specific and shown on the order entry window on the platform.
- (5) Limit orders can be placed only when the price shown on CCC's price provider's screen is at a certain distance from the desired limit price, and only after confirmation that the order has been accepted for execution. The order as placed must indicate either "higher" or "lower" within the specified limit price. This will be instrument specific and shown on the order entry window on the platform.
- (6) Cancellation by you of limit orders can be effected only when the limit order has not yet been executed and will be effective only when the order of cancellation is confirmed by us.
- (7) Automatic cancellation of orders may occur earlier if we decide in our absolute discretion that market volatility is significant due to the release of major financial and economic data and other special fundamental events.
- (8) We will accept orders for, and execute, Transactions only during open trading hours of the specific Underlying Financial Product (see the Contract Specification at www.ccccapital.co.uk).
- (9) We reserve the right, for any reason, in our sole and absolute discretion, to refuse or reject any orders placed for any account, irrespective of whether the account is then under-margined or not.
- (10) We reserve the right, in our sole and absolute discretion, to rescind any Transaction where the price quoted or executed was quoted in error, whether due to human effort or as a result of a technical problem. A price will be deemed to be quoted in error if it is different from the price that we would normally have quoted at the time when you requested it, taking into account all relevant factors.
- (11) All contract price information relayed by us to you that is supplied by third party data providers shall be deemed to be indicative only, and shall be used exclusively for reference purposes only.
- (12) No Transaction positions can be transferred between your trading accounts, and no account can be transferred or changed to another party's name.

SCHEDULE 2**FX****1 SCOPE**

- 1.1 The provisions in this Schedule apply to Transactions in FX.
- 1.2 Our Transactions in FX with you will normally constitute a spot transaction in respect of currency pair exchange rates unless we agree expressly that delivery of the relevant currencies is contemplated in a particular Transaction. Spot transactions are due for delivery two days after dealing however, as a service to our customers, we will automatically roll clients' positions over every day until they are closed out and delivery will not normally occur unless we agree expressly that delivery of the relevant currency will occur in relation to a particular Transaction. If delivery of the currency does occur you will be liable to make or to receive delivery of the currency and to pay for all associated costs.
- 1.3 You should be aware that the product information contained in this Schedule is not necessarily a comprehensive description of all aspects of the product. Additionally, specific products may be tailored for a particular client or market and may differ in detail from the outline set out in this Schedule. The terms of the particular Transactions will prevail over the product description and information given in this disclosure.

2 IMPORTANT: RISKS ASSOCIATED WITH DEALING IN FX

- 2.1 This Schedule does not disclose all of the risks in dealing in FX. You should not deal in FX unless you understand the nature of the contract you are entering into and the extent of your exposure to risk. You should also be satisfied that the contract is suitable for you in the light of your circumstances and financial position. Importantly you should only trade FX on margin if you are prepared to sustain a total loss of the money you have invested plus any commission or other Transaction charges.
- 2.2 The risk of loss in dealing in FX can be substantial and it is possible to lose more than your initial investment. If the market moves against your position, you may be called upon to deposit a substantial amount of additional margin funds, on short notice, in order to maintain your position. If you do not provide the required funds within the time required by us, your position may be liquidated at a loss, and you will be liable for any resulting deficit in your account.
- 2.3 Placing contingent orders, such as "stop-loss" or "stop-limit" orders, will not necessarily limit your losses to the intended amounts, since market conditions may make it impossible to execute such orders.
- 2.4 The leverage often obtainable in FX trading means that a small margin can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you.
- 2.5 There are costs associated with financing positions held overnight. These costs (which are mentioned at section 8) are an important aspect of trading in FX and must be taken into account by you in advance of deciding whether to trade.
- 2.6 Any payments made or received in relation to any investment may be subject to tax and you should seek professional advice in this respect.
- 2.7 In light of the above you should consider carefully whether or not this product is suitable for you in light of your circumstances and financial position, and if in any doubt please seek professional advice.

3 FX

- 3.1 In respect of every Transaction made between us we shall act as principal with you.
- 3.2 Transactions in FX involve you taking a position with regard to what you consider the price of one currency will be against the price of another currency in the future. In order to do this you will trade in a currency pair with us, for example Euro/US Dollar (EUR/USD) or US Dollar/Japanese Yen (USD/JPY). A list of some examples of the currency pairs that we offer is at our website www.cccapital.co.uk.
- 3.3 Currency pairings are expressed as two codes usually separated by a division symbol (for example, GBP/USD), the first representing the “base currency” and the other the “secondary currency”. The price quoted is the value of the secondary currency expressed in terms of one unit of the base currency. For example GBP/USD = 2.0045 denotes that one unit of sterling (the base currency) can be exchanged for 2.0045 US dollars (the secondary currency). The prices that we quote for each currency pair are normally labelled as the “Bid Price” and the “Offer Price”.
- 3.4 The Bid Price is the price that we will pay you in the secondary currency for the position in the base currency. The Offer Price is the price you will pay us in the secondary currency for the position in the base currency. The Bid Price will always be less than the Offer Price. The difference between the Bid and the Offer price is known as the “Spread”. We make a profit from the spread. In general the wider the Spread the greater our profit.
- 3.5 You can take a view on the price of the base currency increasing by “Going Long” or you can take a view on the price of the base currency decreasing by “Going Short”. For example, if you consider that the price of Sterling will increase against the price of the US Dollar you will decide to take a position with us where you will Go Long (or buy) GBP/USD. If, by contrast, you consider that the price of Sterling will drop against the price of the US Dollar you will decide to take a position with us whereby you Go Short or sell GBP/USD.
- 3.6 If you were Going Long, the opening price of the currency pair would be fixed at our Offer Price. If our Bid Price at the end of the contract is greater than our Offer Price at the commencement of the contract then, subject to the deduction of applicable charges, you will receive a sum calculated by multiplying the number of units of the base currency by the difference between the opening Offer Price and the closing Bid Price of the currency pair. However, if the Bid Price for the currency pair at the end of the contract does not exceed the Offer Price for the currency pair at the commencement of the contract you will be required to pay us a sum calculated by multiplying the number of units of the base currency by the difference between the opening Offer Price and the closing Bid Price of the currency pair. Regardless of how the price of the currency pair moves you will also be required to pay us applicable interest charges, ticket charges in respect of certain platforms (which you will be notified about separately), and Tom/Next financing charges (see section 8).
- 3.7 If however you were Going Short, the opening price of the currency pair would be fixed at our Bid Price. If the Offer Price of the currency pair at the end of the contract is less than the Bid Price at the commencement of the contract then, subject to the deduction of applicable charges, you will receive a sum calculated by multiplying the number of units of the base currency by the difference between the opening Bid Price and the closing Offer Price of the currency pair. However, if the Offer Price for the currency pair at the end of the contract exceeds the Bid Price for the currency pair at the commencement of the contract you will be required to pay us a sum calculated by multiplying the number of units of the base currency by the difference between the opening Bid Price and the closing Offer Price of the currency pair. Again, regardless of how the price of the currency pair moves you will also be required to pay us applicable interest charges, ticket charges in respect of certain platforms (which you will be notified about separately), and TomNext financing charges (see section 8).

3.8 Whenever any Transaction is entered into to close out any existing Transaction, then the obligations of each of us under both sets of Transactions shall automatically and immediately be terminated upon entering into the second Transaction, except for any settlement difference payment due in respect of such closed out Transactions.

4 MARGIN AND LEVERAGE

4.1 By trading in FX with us you will be required to provide a certain amount of margin and we will then leverage that margin. This exposes you to a high degree of risk. Leverage is the amount, expressed as a multiple, by which the notional amount traded exceeds the margin required to trade.

4.2 We will advise you of the amount of margin and the amount of leverage that we will require on a Transaction by Transaction basis via the Market Information Sheet. If the price of the currency pair moves against your interests you may be called upon to deposit additional margin at short notice and we may close out your position without notice if we do not receive the additional margin from you.

5 STOP, LIMIT LOSS AND TAKE PROFIT ORDERS

Subject to your Individually Agreed Terms Schedule you may be able to agree with us to limit your losses while trading FX by using stop loss, limit loss or take profit orders. These facilities may help you limit your exposure to us and we strongly recommend that you consider the use of such facilities.

6 NETTING

Any Transaction to which this Schedule applies shall, subject as follows, be deemed included in the definition of "Netting Transaction" for the purposes of this Agreement and subject to termination and liquidation under the clause headed "Netting" (the "Netting Clause") following an Event of Default.

7 TRADING TIMES

Please refer to the Market Information Sheet for trading times of our various markets.

8 INTEREST

8.1 Positions in FX which are rolled over from one trading day to the next will incur financing based upon the interest rate differentials between the currencies in the currency pair. The interest rate applied is described as "TomNext" which is an abbreviation for Tomorrow or the Next business day because the first value date is tomorrow or the next business day. The TomNext price reflects the applicable interest rate between TomNext and the spot value date in respect of the currency in question.

8.2 You pay interest on the currency that you are short on and you receive interest in the currency that you are long on. For example, if you are long on the GBP/USD pair you will receive interest on Sterling and you will pay interest on the US Dollar. If Sterling has a higher interest rate than the US Dollar then you will receive a net interest payment but if Sterling has a lower interest rate than the US Dollar then you will pay out a net interest amount. The TomNext price offered to you will differ depending on whether you are Going Long or Going Short. CCC may make a profit from the difference in the TomNext price offered to persons Going Long and the TomNext price offered to persons Going Short.

SCHEDULE 3

CONTRACTS FOR DIFFERENCES

1 SCOPE

- 1.1 The provisions in this Schedule apply to Transactions in CFDs.
- 1.2 Our Transactions in CFDs with you will normally constitute “contracts for differences” (as described in article 85 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001) in respect of the value of an underlying instrument, for example a quoted share in a company, index or commodity (the “Underlying Product”). Delivery of the Underlying Product is not contemplated and you do not own the Underlying Product.
- 1.3 You should be aware that the product information contained in this Schedule is not necessarily a comprehensive description of all aspects of the product. Additionally, specific products may be tailored for a particular client or market and may differ in detail from the outline set out in this Schedule. The terms of the particular Transactions will prevail over the product description and information given in this disclosure.

2 IMPORTANT: RISKS ASSOCIATED WITH DEALING IN CFDs

- 2.1 This Schedule does not disclose all of the risks in dealing in CFDs. You should not deal in CFDs unless you understand the nature of the contract you are entering into and the extent of your exposure to risk. You should also be satisfied that the contract is suitable for you in the light of your circumstances and financial position. Importantly you should only trade CFDs on margin if you are prepared to sustain a total loss of the money you have invested plus any commission or other Transaction charges.
- 2.2 The risk of loss in dealing in CFDs can be substantial and it is possible to lose more than your initial investment. If the market moves against your position, you may be called upon to deposit a substantial amount of additional margin funds, on short notice, in order to maintain your position. If you do not provide the required funds within the time required by us, your position may be liquidated at a loss, and you will be liable for any resulting deficit in your account.
- 2.3 Placing contingent orders, such as “stop-loss” or “stop-limit” orders, will not necessarily limit your losses to the intended amounts, since market conditions may make it impossible to execute such orders.
- 2.4 The leverage often obtainable in trading CFDs means that a small margin can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you.
- 2.5 There are costs associated with financing positions held overnight. These costs (which are mentioned at section 11) are an important aspect of trading in CFDs and must be taken into account by you in advance of deciding whether to trade.
- 2.6 Any payments made or received in relation to any investment may be subject to tax and you should seek professional advice in this respect.
- 2.7 In light of the above you should consider carefully whether or not this product is suitable for you in light of your circumstances and financial position, and if in any doubt please seek professional advice.

3 CFDs

- 3.1 In respect of every Transaction made between us we shall act as principal with you.
- 3.2 Transactions in CFDs involve a contract between you and us whereby you agree with us to exchange, when the contract ends, the difference between the opening price of the Underlying Product and the closing price of the Underlying Product multiplied by the number of units detailed in the contract. If the price of the Underlying Product moves in your favour then you will receive the difference from us. Alternatively, if the price of the Underlying Product moves against you will pay the difference to us. Regardless of how the price of the Underlying Product moves you will also be required to pay us commission, interest charges on positions held overnight, and additional margin ("Variation Margin") depending on how the value of the Underlying Product moves each day.
- 3.3 You can take a view on the price of the Underlying Product increasing by "Going Long" or you can take a view on the price of the Underlying Product decreasing by "Going Short". The prices that we quote for each CFD are normally labelled as the "Bid Price" and the "Offer Price". The Bid Price will always be less than the Offer Price. The difference between the Bid Price and the Offer Price is known as the "Spread". We make a profit from the Spread. In general the wider the Spread the greater our profit.
- 3.4 If you were Going Long, the opening price of the units in the Underlying Product would be fixed at our Offer Price. If our Bid Price at the end of the contract is greater than our Offer Price at the commencement of the contract then, subject to the deduction of applicable charges, you will receive a sum calculated by multiplying the number of units that the contract represents by the difference between the Offer Price at the beginning of the contract and the Bid Price at the end of the contract. However, if the Bid Price at the end of the contract does not exceed the Offer Price at the commencement of the contract you will be required to pay us a sum calculated by multiplying the number of units that the contract represents by the difference between the Offer Price at the beginning of the contract and the Bid Price at the end of the contract. Regardless of how the price of the Underlying Product moves you will also be required to pay us commission, applicable interest charges and Variation Margin.
- 3.5 If however you were Going Short, the opening price of the units in the Underlying Product would be fixed at our Bid Price. If the Offer Price at the end of the contract is less than the Bid Price at the commencement of the contract then, subject to the deduction of applicable charges, you will receive a sum calculated by multiplying the number of units that the contract represents by the difference between the Bid Price at the beginning of the contract and the Offer Price at the end of the contract. However, if the Offer Price at the end of the contract is greater than the Bid Price at the commencement of the contract you will be required to pay us a sum calculated by multiplying the number of units that the contract represents by the difference between the Bid Price at the beginning of the contract and the Offer Price at the end of the contract. Again, regardless of how the price of the Underlying Product moves you will also be required to pay us commission, applicable interest charges and Variation Margin.
- 3.6 A list of some of the Underlying Products that we offer CFDs in respect of is available on our website www.cccapital.co.uk. We will consider offering CFDs on other instruments on request.
- 3.7 Whenever any Transaction is entered into to close out any existing Transaction, then the obligations of each of us under both sets of Transactions shall automatically and immediately be terminated upon entering into the second Transaction, except for any settlement difference payment due in respect of such closed out Transactions.

4 MARGIN AND LEVERAGE

4.1 By trading in CFDs with us you will be required to provide a certain amount of margin and we will then leverage that margin. This exposes you to a high degree of risk. Leverage is the amount, expressed as a multiple, by which the notional amount traded exceeds the margin required to trade.

4.2 We will advise you of the amount of margin that we will require on a Transaction by Transaction basis. If the price of the Underlying Product moves against your interests you may be called upon to deposit additional margin at short notice and we may close out your position without notice if we do not receive the additional margin from you.

5 STOP, LIMIT LOSS & TAKE PROFIT ORDERS

You may be able to agree with us to limit your losses while trading CFDs by using stop loss, limit loss or take profit orders. These facilities may help you limit your exposure to us and we strongly recommend that you consider the use of such facilities.

6 STAMP DUTY

Currently, persons acquiring CFDs are not required to pay stamp duty.

7 EQUITY CFDs: DIVIDENDS AND COMPANY MEETINGS

7.1 You will receive payment in lieu of dividends to long equity CFD positions and you will be required to make payment to us in lieu of dividends from short CFD positions.

7.2 An equity CFD holder is not entitled to vote at any company meeting.

8 NETTING

Any Transaction to which this Schedule applies shall, subject as follows, be deemed included in the definition of "Netting Transaction" for the purposes of this Agreement and subject to termination and liquidation under the clause headed "Netting" (the "Netting Clause") following an Event of Default.

9 TRADING TIMES

In respect of most CFDs we will quote prices in CFDs when the market for the Underlying Product is open.

10 COMMISSION

We charge commission in respect of some CFDs. The terms of the commission will be agreed individually with you.

11 INTEREST

We charge interest on leverage in respect of some long positions held overnight and we pay interest in respect of some short positions held overnight. Whether we will charge (or pay) interest, and the rate of the interest, will be agreed individually with you. The rate of interest offered to you may differ depending on whether you are Going Long or Going Short. CCC may make a profit from the difference in the interest offered to persons Going Long and the rate of interest offered to persons Going Short.