

satisfaction you may refer the your complaint to the Complaints Manager (details of which are given on our Website)

23.5 If either you or we notify the other party of a Dispute, you and we will consult in good faith in an attempt to resolve the Dispute in a timely manner, including, without limitation, by exchanging any relevant information and by identifying and using any Agreed Process which can be applied to the subject of the Dispute or, where no such Agreed Process exists or you and we agree that such Agreed Process would be unsuitable, by determining and applying a resolution method for the Dispute.

23.6 If you remain dissatisfied with our final response, investigation or handling of your complaint or Dispute you may in certain circumstances refer the matter to the Financial Ombudsman Service ("FOS"), Exchange Tower, London E14 9SR. In particular, you have a right to refer your complaint or Dispute to FOS if you are classified as a Retail Client and were classified as such at the time of the event giving rise to the complaint or Dispute.

23.7 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>.

23.8 As an FCA regulated firm, we participate in the Financial Services Compensation Scheme ("the Scheme"). If you are an eligible claimant under the Scheme you may be entitled to compensation from it if we cannot meet our obligations. For most kinds of investment, you would receive a maximum payment of £50,000. We will provide on your request further information concerning the conditions governing compensation and the formalities which must be completed to obtain compensation. Further information about the Scheme can be obtained from Financial Services Compensation Scheme, 7th Floor, PS Box 300, Mitcheldean, GL17 1DY or at www.fscs.org.uk.

D. MISCELLANEOUS AND LEGAL ISSUES

24. Intellectual Property

24.1 Our Website, including the Trading Platform, and any and all Information, software applications, documentation and other information, data and materials which we may supply or make available to you, either directly or through a third party service provider or licensor (collectively "Our Materials") are and will remain our property or that of our third party service providers or licensors.

24.2 All copyrights, trademarks, design rights and other intellectual property rights in Our Materials, including without limitation all updates, modifications, compilations and enhancements, and all derivative works based on any of Our Materials, are and will remain our property (or those of our third party service providers or licensors as applicable).

24.3 We supply or make Our Materials available to you on the basis that (a) we can also supply and make them available to other persons and (b) we can cease or suspend providing any of them, but we will only do that if your Account has been closed or required by any of our third party service providers or licensors, by applicable law or as otherwise provided in this Agreement.

24.4 You may access and use Our Materials only as expressly permitted for the operation of your Account in accordance with this Agreement.

24.5 You must comply with any policies relating to any of Our Materials, or their use, including any additional restrictions or other terms and conditions that we or our third party service providers or licensors may issue, of which we may notify you from time to time.

24.6 You must not supply all or part of Our Materials to anyone else and you must not copy or reproduce all or part of them

without our prior written permission.

24.7 You must not delete, obscure or tamper with copyright or other proprietary notices displayed on any of Our Materials.

24.8 If we have provided any materials to you in connection with our Website you must return those to us on closure of your Account.

24.9 Except to the extent expressly permitted under this Agreement or any other written agreement between you and us, you must not: (a) modify, translate or create derivative works based upon any of Our Materials; (b) take any action compromising or challenging, or threatening to compromise or challenge, the enjoyment or use by any other client of any of Our Materials or the rights of us or any of our third party service providers or licensors in any of Our Materials; or (c) reverse engineer, decompile or disassemble any of Our Materials comprising software or otherwise attempt to discover the source code thereof.

24.10 You must notify us immediately of any unauthorised use or misuse of any of Our Materials of which you become aware and, to the extent reasonably requested by us, provide us cooperation in remedying such violation and/or taking steps to prevent the future occurrence thereof.

24.11 We or our third party service providers or licensors may from time to time modify market data, our Trading Platform or Website, or Our Materials, and/or methods or speeds of delivering the same, which modifications may require corresponding changes to the methods or means you use to access Our Materials and/or may sever or adversely affect your access to or use of Our Materials. Neither we nor any other Associated Parties shall be liable for any such consequences.

25. Website and System Use

25.1 We will use reasonable endeavours to ensure that our Website, mobile services and our systems can normally be accessed for use in accordance with this Agreement. However all or any of these may fail to work properly or at all or our premises may suffer from power failure. On this basis:

25.1.1 we do not warrant that they will always be accessible or usable;

25.1.2 we do not warrant that access will be uninterrupted or error free.

25.2 We may suspend use of our Website to carry out maintenance, repairs, upgrades or any development related issues. We shall use reasonable endeavours to give you notice of this and to provide alternative ways for you to deal or obtain information as to your Account but this may not be possible in an emergency.

25.3 We warrant that we have the right to permit you to use our Website in accordance with this Agreement.

25.4 We will use reasonable endeavours to ensure that our Website is free from any Malicious Code, but we do not warrant that it will be free at all times of Malicious Code. You should use your own Malicious Code protection software that is up to date and of good industry standard. In addition you must not upload or transmit any Malicious Code to our Trading Platform or other aspects of our Website.

25.5 You are responsible for ensuring that your information technology is compatible with ours and meets our minimum system requirements, as may be amended from time to time. The minimum system requirements currently in effect are set out on our Website.

25.6 We or other third party service providers or licensors may provide you with Information in connection with the provision of our services. You agree that:

25.6.1 neither we nor any other Associated Party shall be responsible or liable if any such Information is inaccurate or incomplete in any

- 34.25 For Spread Bets, when an Open Position is closed Realised Profit or Realised Loss is calculated as: (the difference between the opening and closing Our Price divided by the Bet per) x Quantity. This may be determined differently on fractional products such as Bonds which will be noted in the Market Information. "Bet Per" is the minimum movement in Our Price for any Market. Bet Per for any Market which is other than 1 is specified in the Market Information.
- 34.26 For FX Contracts, when an Open Position is closed, Realised Profit or Realised Loss is calculated as: (the difference between the opening and closing price) x Quantity.
- 34.27 Realised Profits or Realised Losses will be credited to or debited from your Cash. To the extent required by applicable laws and regulations, we will provide negative balance protection to Retail Clients. This means that, in such circumstances unless you have been classified as a Professional Client or an Eligible Counterparty or you have an Established Position Account, your aggregate liability for all Realised Losses in respect of your Trades cannot exceed your Cash (save in the event of error or fraud).

Taxes

- 34.28 We are permitted, but not required, to withhold any sums for tax purposes on the Realised Profits or on any Daily Financing Fees that you receive as a result of holding positions in CFD, FX Contracts or Spread Bet Markets.
- 34.29 We pay UK betting duty due on any Trades in Spread Bet Markets, although we may change this by giving you notice by email or by posting such information on our Website or the Trading Platform.
- 34.30 You are responsible for the payment of all taxes that may arise in relation to your Trades. There may be taxes imposed that are not paid by us on your behalf. For all personal Tax enquires relating to tax arising from Trading, we recommend that you seek independent tax advice.

Product Supplement for German Clients

- 34.31 These Supplemental Terms for German Clients sets out additional terms and conditions under which we offer German Products to German Clients as defined below forming part of the Agreement.
- 34.32 Should there be any conflict between the General Terms, the Supplemental Terms and the Product Supplement for German Clients, the Product Supplement for German Clients will prevail.
- 34.33 Unless separately defined in this Product Supplement for German Clients, words and expressions shall have the meanings given to them in the General Terms. This Product Supplement for German Clients does not apply to Professional Clients and Eligible Counterparties.
- 34.34 Definitions

"German Clients" means any of our Retail Clients, having their residential address located in the Federal Republic of Germany ("Germany").

"German Products" means each type of CFD or Leveraged FX we offer or make available to German Clients under this Agreement and subject to additional terms set out in these Supplemental Terms.

- 34.35 In respect of German Products:

(a) if your Account is subject to negative Net Equity due to Unrealised or Realised Losses being debited from your Account, we shall close the Open Positions related to such Unrealised or Realised Losses and set the balance of your Account to zero. You shall not be subject to any additional payment obligations in respect of such Unrealised or Realised Losses.

(b) if your Account is subject to negative Net Equity due to unpaid fees and charges applicable to your Account, you will be subject to additional payment obligations in accordance with clauses 9 (Charges) and 13 (Payments and Withdrawals).

EMIR Margin Supplemental Terms

35. These Terms

35.1 The Supplemental Terms in this clause 35 apply to you only if you are classified as either a Financial Counterparty or a Large Non-financial Counterparty pursuant to clause 12.12 (Statements, Contract Notes and Portfolio Reconciliation).

35.2 The Supplemental Terms in this clause 35 do not apply to you if you are classified as a Small Non-financial Counterparty pursuant to clause 12.12 (Statements, Contract Notes and Portfolio Reconciliation).

35.3 Unless separately defined in these Supplemental Terms, words and expressions shall have the meanings given to them in the General Terms.

Regulatory VM Requirement

35.4 Under the EMIR Margin Rules, we are subject to a requirement (the "**Regulatory VM Requirement**") to exchange variation margin in respect of OTC derivatives contracts not cleared by a CCP (such contracts, "**In scope Uncleared Trades**") with Financial Counterparties and Large Non-Financial Counterparties.

35.5 In respect of your In-scope Uncleared Trades, we will calculate the amount (if any) of Eligible Collateral required to be delivered by you under the Regulatory VM Requirement (the "**Delivery Amount**") and the amount (if any) of excess collateral required to be returned to you under the Regulatory VM Requirement (the "**Return Amount**") in accordance with the EMIR Margin Rules.

35.6 We will give you notice of the mark-to-market exposure in respect of your In-scope Uncleared Trades and any Delivery Amount or Return Amount by sending it to you by email or making it available through the Trading Platform.

35.7 Subject to clauses 35.8 and 35.9 below:

- (a) If we have a mark-to-market exposure to you in respect of In-scope Uncleared Trades, you shall be obliged to transfer to us the Delivery Amount; and
- (b) If you previously transferred Eligible Collateral to us in respect of a mark-to-market exposure that we had to you and such mark-to-market exposure subsequently decreased, you have the right to call from us the related Return Amount.

35.8 A Delivery Amount and each Return Amount will be required to be transferred only if such amount equals or exceeds the Minimum Transfer Amount.

35.9 If a Delivery Amount or Return Amount equals or exceeds the Minimum Transfer Amount:

- (a) we shall effect the transfer of such Delivery Amount to us by designating an amount of your Margin Balance equal to such Delivery Amount to be held in the VM Requirement Ledger; or

- (b) we shall effect the transfer of such Return Amount to you by removing such amount from the VM Requirement Ledger but designating such amount as continuing to be held in the Account.

GAIN Capital Default

35.10 If a GAIN Capital Default occurs and is continuing, you may, by giving notice in writing to Our Address for the attention of Head of Legal/Head of Trading, designate a day not earlier than the first Business Day after the date such notice is deemed given and in accordance with clause 32 (Notices) as the Early Termination Date in respect of all your In-scope Uncleared Trades.

35.11 Upon such designation of an Early Termination Date, your In-scope Uncleared Trades will terminate, no further payments or deliveries in respect of such trades or default interest, howsoever described, on such payment obligations will be required to be made but without prejudice to the other provisions of this Agreement, and the amount payable between you and us following such termination will be the Termination Amount determined pursuant to this clause.

35.12 On or as soon as reasonably practicable after the Early Termination Dates, we shall determine and notify to you the "Termination Amount" in respect of the terminated In-scope Uncleared Trades.

Definitions

35.13 For the purposes of this clause 35, the following terms have the meanings given below.

"**Eligible Collateral**" means cash denominated in the Base Currency.

"**GAIN Capital Default**" means an Insolvency Event in respect of GAIN Capital UK Limited.

"**Margin Balance**" means the amount of Eligible Collateral transferred by you to us under the Margin Requirement and held in the Account.

"**Minimum Transfer Amount**" means EUR 500,000 or the equivalent amount in another currency, as determined by us.

"**VM Requirement Ledger**" means a ledger of the Account that we maintain for the purpose of recording and holding Eligible Collateral transferred by you to us under this clause 35 pursuant to the VM Requirement.

Notices and Policies

Annex 1: Risk Warning Notice

1. Introduction

You are considering dealing with us in financial instruments and investment contracts relating to various financial markets. Unless separately defined in this notice, words and expressions shall have the meanings given to them in the General Terms.

You should read this notice in conjunction with the Supplemental Terms which provide a general description of the nature of each specific type of Products we offer, how they work and which set out the terms and conditions under which we make these Products available to you.

This notice is designed to explain in general terms the nature of the risks particular to our Products and the trading of these Products. We provide this warning to help you to take investment decisions on an informed basis. However, please note that each Trade will carry its own unique risks which cannot be explained in a general note of this nature.

Our Products carry a higher risk of loss than trading many traditional instruments, such as shares in many large companies or fixed income securities such as bonds issued by governments or large companies. For many members of the public trading in our Products is not suitable. It is very important that you should not engage in trading in our Products unless you know, understand and are able to manage the features and risks associated with such trading and are also satisfied that trading in our Products is suitable for you in light of your circumstances and financial resources.

In considering whether to engage in trading our Products, you should be aware of the following risks.

2. Leverage

A high degree of "gearing" or "leverage" is associated with trading our Products. This stems from the margining system applicable to our Products which generally involves comparatively modest funds of the overall contract value to open a Trade. This can work for you and against you. A small price movement in your favour can result in a high return on the money placed in the Account; however, a small price movement against you may result in substantial losses and you may lose, the money placed in the Account. Prices can move quickly particularly at times of high market volatility (see below) and, if these price movements are unfavourable to your Trade(s), you could quickly build up significant losses.

If you do not maintain enough funds in your Account to satisfy your Margin Requirements, we may close any or all of your Open Positions (in some circumstances without warning). Unless you have been classified as a Professional Client or an Eligible Counterparty, if the Margin Level for your Account reaches or falls below the Margin Close Out level, to the extent required under applicable laws and regulations we will close any or all of your Open Positions that are not Established Positions (in some circumstances without warning). This measure is designed to help limit the extent of your trading Losses. Your Open Positions may be closed at a loss for which you will be liable in accordance with the terms of this Agreement.

3. Nature of Margined Trades

Our Agreement explains in detail how our Products operate; see our General Terms, Supplemental Terms, as well as your Application Form. Also you should review examples and

explanations found on our Website – although these are not part of the Agreement, they provide useful guidance on trading in our Products (and the risks associated with them).

A Trade in one of our Markets is a Trade based on movements in Our Price. Our Price for a Market is set by us but relates to the price of the relevant Underlying Instrument. Whether you make a profit or loss will depend on the prices we set and fluctuations in the Underlying Instrument to which your Trade relates.

Trades in our Products can only be settled in cash.

Trades in our Products are legally enforceable.

In certain circumstances your losses on a Trade may be unlimited. For instance, if you open a position with us by selling the contract in question (a practice known as "shorting a market") and the price rises, you will make a loss on that Trade and it is impossible to know the limit of your potential losses until you close the Trade or your Open Positions are closed when your Margin Level reaches the Margin Close Out Level. You must ensure that you understand the potential consequences of a particular Product or Trade and be prepared to accept that degree of risk.

You will not acquire the Underlying Instrument nor any rights or delivery obligations in relation to the Underlying Instrument.

4. Client money and Centrally Cleared Trades

Our Agreement explains how your money which is held as Client Money may be transferred to and held at a clearing house in relation to Centrally Cleared Trades.

In the unlikely event of a client default which results in our insolvency and a shortfall on the client transaction account, the clearing house may use the balances on the client transaction account and so you may not receive back all of the monies in which you have a proprietary claim.

This is unlikely because we operate a margin close out policy which closes out Open Positions where the client Margin Level reaches or falls below the Margin Close Out Level. This policy significantly reduces the likelihood of losses arising from client default that would result in our insolvency. Additionally using a clearing house means that any shortfall on the client transaction account will initially be met by monies from our own funds in our house account with the clearing house prior to clients bearing the deficiency rateably.

In the event that the clearing house becomes insolvent you may not receive back all of the monies in which you have a proprietary claim.

5. Volatility

As mentioned above, whether you make a profit or a loss will depend on the prices we set and fluctuations in the price of the Underlying Instrument to which your Trade relates. Neither you nor we will have any control over price movements in the Underlying Instrument. Price movements in the Underlying Instrument can be volatile and unpredictable.

A feature of volatile markets is "Gapping", the situation where there is a significant change to Our Price between consecutive quotes. Gapping may occur in fast and falling markets or if price sensitive information is released prior to Market opening. The price at which we execute your Orders may be adversely affected if Gapping occurs in the relevant Market. Guaranteed Stop Loss Orders will always be executed at your specified Order price, but all other types of Orders will be executed when Our Price meets or exceeds your specified Order price. If Gapping occurs, the price at which your Order is executed may significantly exceed your specified Order price.

6. Liquidity

A decrease in liquidity (a term which describes the availability of buyers and sellers who are prepared to deal in an Underlying Market) may adversely impact Our Price and our ability to quote and trade in a Market. If there is a significant reduction or a temporary or permanent cessation in liquidity in an Underlying Instrument, such events may be deemed an Event Outside of Our Control or Market Disruption Event (as applicable) under the General Terms and we may increase Our Price, suspend trading or take any other action we consider reasonable in the circumstances. As a result you may not be able to place Trades or to close Open Positions in any affected Market.

7. Dealing Off-exchange

Dealing in our Products is conducted exclusively off-exchange, a type of trading which is also called dealing "over-the-counter" or "OTC". In dealing with us off-exchange you deal directly with us and we are the counterparty to all of your Trades. When dealing on Markets which are not Centrally Cleared Markets, there is no exchange or central clearing house to guarantee the settlement of Trades.

When dealing in Centrally Cleared Markets, the clearing house will guarantee the financial performance of transactions between the clearing house and its members.

8. General

We maintain our financial stability by hedging against large Trades. In the event that we are to face liquidation, if you are deemed at the time of the liquidation to be an eligible claimant under the rules of the Financial Services Compensation Scheme (the "Scheme") of which we are a member, you will be compensated by the Scheme to a maximum of £50,000. For further detail, please refer to clause 23.8 of these General Terms.

If there is anything you do not understand, or if you require clarification on any matter, please contact Client Management.

Annex 2: Conflicts of Interest Policy

1. Introduction

We aim to identify and prevent conflicts of interest which may arise between us and our clients, and between one client and another, in order to avoid any adverse effect on our clients. This Conflicts of Interest Policy (the "Policy") sets out procedures, practices and controls in place to achieve this.

This Policy applies to all officers, directors (whether Executive or Non-Executive), employees and any persons directly or indirectly linked to us (together "Personnel") and refers to interactions with all of our clients. It has been prepared in accordance with the provisions set out in articles 16(3) and 23 of MiFID II.

Unless separately defined in this Policy, words and expressions shall have the meanings given to them in the General Terms.

2. Regulatory Requirements Relating to Conflicts of Interest

The FCA has detailed requirements relating to the management of conflicts of interest, which are found primarily in the FCA Senior Management Arrangements, Systems and Controls ("SYSC") sourcebook. Taken together with the provisions set out in Article 23 of MiFID II, the rules require us, among other things, to:

- take all reasonable steps to identify conflicts of interest between us and our client, or one client of ours and another;
- keep and regularly update a record of the kinds of service or activity we carry on (or which is carried on our behalf) in which a conflict of interest entailing a material risk of damage to the interests of one or more of our clients has arisen or may arise;
- maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of our clients; and
- establish, implement and maintain an effective, written conflicts of interest policy.
- where organisational or administrative arrangements cannot prevent the risk of conflicts of interest adversely impacting clients, that the general nature and/or sources of such conflicts will be clearly disclosed. Such disclosure shall be in a durable medium and contain a sufficient level of detail.
- Maintain and operate and effective product governance arrangements to ensure that our products meet the needs of our clients and remain appropriate at all times.

As with all laws and regulations applicable to our business, we take our regulatory requirements relating to conflicts of interest very seriously.

3. Scope

We have identified the types of conflicts which may occur in our business and which carry a material risk of damage to the interests of a client. These include, but are not limited to, when we or any person directly or indirectly linked to us:

- a) are likely to make a financial gain or avoid a financial loss at the expense of our client;
- b) have an interest in the outcome of a service or product provided to, or of a transaction carried out on behalf of, our client which is distinct from our client's interest in that outcome;
- c) have a financial or other incentive to favour the interests of another client or group of clients over the interests of our client;

- d) carry on the same business as our client;
- e) receive, or will receive, from a person other than our client an inducement in relation to the service provided to our client in the form of monies, goods or services, other than the standard commission or fee for that service; or
- f) design, market or recommend a product or service without properly considering all of our other products and services and the interests of our clients.

4. Guarding Against Conflicts of Interest

We have put in place the systems and procedures described below to: minimise the potential for conflicts of interest, to ensure that we have adequate arrangements to manage all conflicts of interest, and where possible to avoid material conflicts of interest.

4.1 Personal account dealing. All Personnel are bound by the requirements of our Personal Account Dealing Policy. All transactions undertaken by Personnel are actively monitored by our Compliance Department.

4.2 "Need to Know" policy. Where Personnel are in possession of confidential or inside information such as information relating to a client's Trade, Personnel may not disclose such information to another party without ensuring that:

- there is a clear need-to-know on the part of the recipient;
- the procedures set out in this Policy are adhered to;
- where the information relates to a client, the information transfer is in accordance with the best interests of the client; and
- the recipient is made aware of the requirement to treat the information as confidential.

Only information required for the intended use may be disclosed and the receiving individual is then bound by the same restrictions.

Personnel are required to take care when handling confidential information, such as information relating to a client's trades or personal details. In particular, Personnel are required to ensure that they do not leave documents containing confidential information on their desks and that they refrain from discussing confidential information in circumstances where it could be overheard by other Personnel who have no need to know such information.

4.3 Restriction on access to information/electronic data. The access to computer drives and to files located within drives is restricted by the use of passwords and user IDs. Computers are automatically locked if unattended for a short period. In addition, Personnel are reminded of the importance of data protection.

4.4 Gifts and inducements. Personnel may not solicit or accept any gift or inducement which may influence their independence or business judgement or which could create a conflict with any duty owed to us or our clients.

This restriction does not include special promotions on products and services which have been agreed by our senior management, nor does it cover corporate gifts and hospitality which are considered to be incidental to our ordinary business. Examples of gifts and inducements which may not be offered or accepted include cash, gifts readily convertible into cash or any other object of significant value.

Personnel are required to register with the Compliance Department details of hospitality or gifts, whether given or received, with an estimated value in excess of £250 (or the equivalent in other currencies) and to seek guidance from that department if in doubt about the suitability of any gift.

Such items are recorded in our Gifts and Hospitality Register which is subject to regulatory inspection.

4.5 **External business interests.** Personnel undertake that they will not (unless granted prior written consent from our senior management or permitted under the terms of their employment) be engaged in or have an interest, either directly or indirectly, in any trade, business or occupation, which is or may be in competition with us and/or which would involve use of our time, property, facilities or resources.

4.6 **Segregation of duties.** Job roles are designed to limit the potential for conflicts of interest. Where appropriate and proportionate, systems and controls exist to prevent Personnel from undertaking roles where such a conflict may exist. However, due to the nature, scale and complexity of our business, there can be occasions when a member of staff is required to undertake duties that could give rise to a conflict. In this event, every effort is made to ensure that such circumstances exist only for a limited period or that additional controls are in place to identify inappropriate behaviour.

All Personnel are regularly assessed for competency for their roles and Personnel are required to follow the internal procedures detailed in our Compliance Manual. Where a potential conflict may exist within a role, additional monitoring, control and sign-off procedures are in place to mitigate any such conflict. Audit records, reconciliation procedures and Compliance monitoring arrangements are also in place to ensure all processes are adequately controlled and reviewed.

4.7 **Whistleblowing Policy.** We are committed to ensuring that malpractice is prevented and, should it arise, to deal with it immediately. Employees are informed as to whom they can and should report public interest issues in the Company's Whistleblowing Policy.

Employees should follow the steps laid out in this procedure, ensuring they are able to raise genuine concerns about malpractice without fear of harassment or victimisation.

4.8 **Disclosure policy.** We believe that our internal policies and procedures, systems and controls, generally mitigate the risk of any conflict of interest arising, either between us and our client or between two or more of our clients.

Where, however, the potential for conflict arises and that conflict cannot be avoided we would either make a full disclosure or, if it is considered that the disclosure is an inappropriate method of managing the conflict, we would not proceed with the matter or transaction giving rise to the conflict.

If any Personnel are aware of any circumstances which may give rise to a conflict of interest, they must immediately refer the matter to the Compliance Department.

5. Policy Review

We regularly review our Conflicts of Interest Policy to ensure that it covers conflicts that can be reasonably expected to arise within the course of our business. Any significant amendments to this Policy must be approved by our senior management.

Annex 3: Trade and Order Execution Policy

1. Introduction

Delivering best execution is fundamental to market integrity and to the delivery of good outcomes for clients, and is something we are fully committed to. Under the rules of the Financial Conduct Authority ("FCA Rules") we have a duty to conduct our business with you honestly fairly and professionally and to act in your best interests in dealing with you. More specifically, we are required to provide you with the best possible execution when we deal with you.

Providing best execution under MiFID II requires even greater levels of compliance than before and means that when we deal with you we must take all sufficient steps to obtain the best result for you in accordance with our trade and order execution policy. It does not mean that we must obtain the best possible results for you on every single occasion. However, it does require us to verify on an on-going basis that our execution arrangements are working well throughout the different stages of the order execution process.

This document sets out the general terms of our trade and order execution policy and our actual policy is available upon request. Unless separately defined, words and expressions herein shall have the meanings given to them in the General Terms. However this overview is not part of our Agreement and it does not form part of the contract between us. In the event of any conflict between this document and our actual policy, the terms of that policy will prevail.

We deal with you as principal and not as agent. We are therefore your only "execution venue". In dealing with us, you transact directly with us and not on any exchange or other external market or venue. Any Trades with us are non-transferable. If you create an Open Position with us you must close it with us.

2. Execution policy

In providing best execution we are obliged to take into account certain execution factors. We must tell you what these are and the relative importance we give to each. If you are a Retail Client, we must determine whether we have provided you with best execution by reference to the total consideration you pay (that is price and costs of execution) though we will also use our judgement and take into account other relevant factors (such as any instructions regarding price) with the aim of providing you with the best result.

The execution factors that we consider and their relative importance are as follows:

Price: The relative importance we attach is high. Our Price for a given Market is calculated by reference to the price of the relevant Underlying Instrument. We obtain this price from third party external reference sources. For some kinds of instruments, e.g. equities, there will be a third party securities exchange from which we will obtain this price. For other kinds of instruments, e.g. foreign exchange, we will collect price data from nominated wholesale market participants.

Our Price will often differ from the price of the Underlying Instrument. For some Markets we add Our Spread to the price of the Underlying Instrument. We may also adjust Our Price for any Market to take into account factors such as liquidity in external markets for the Underlying Instrument, dividend amounts, financing charges in an external market or other relevant factors. You must pay Daily Financing Fees, commission and other charges in addition to Our Price for some Products and Markets – see under "Costs" below.

When trading in the Underlying Instrument is very active and the price of the Underlying Instrument changes quickly, there is no guarantee that every price movement in the Underlying Instrument will result in a change to Our Price. We aim to update Our Price as frequently as we reasonably can but our ability to do so may be limited by technological factors including current hardware, software and data and communications links.

For some Markets we will quote Our Price outside of trading hours for the Underlying Instrument. In such circumstances Our Price is set by us by reference to one or more related alternative Underlying Instruments that are then traded, and may be adjusted in response to supply and demand from our clients. This means that outside normal Exchange Hours we exercise a greater degree of discretion in the setting of Our Price. In addition, Our Spread is generally wider and our maximum Quantity is generally smaller than during normal trading hours for the Underlying Instrument.

We execute all Trades at Our Price and in accordance with the General Terms.

Costs: The relative importance we attach is high. For many Markets, Our Price includes Our Spread and no additional charges or commissions are payable by you. For other Markets you will be required to pay a separate commission charge for each Trade to open or close an Open Position.

We may pass on some charges to you arising from the Underlying Instrument traded. These include borrowing charges where an Underlying Instrument becomes expensive to borrow or stamp duty in some circumstances.

Additionally for many Markets you will be required to pay Daily Financing Fees on the full amount of an Open Position. Generally:

- if you hold a Short Position (i.e. you have executed a "sell" Trade), we pay you a Daily Financing Fee and;
- if you hold a Long Position (i.e. you have executed a "buy" Trade), you pay us a Daily Financing Fee.

Details of the Daily Financing Fees are set out on our Website.

We will also charge a premium for Guaranteed Stop Loss Orders.

Details of charges we make in respect of particular Markets are set out in the Market Information.

Speed and Likelihood of Execution: The relative importance we attach is high. You may execute Trades either using our Trading Platform or by phoning one of our dealers.

When you execute through the Trading Platform you will receive immediate execution capability: if you see an Our Price on the screen and the Quantity you want to trade is less than our maximum Quantity for that Market, then the Trade will, under almost all circumstances, be executed at the Our Price quoted on the Deal Ticket. We will execute all Trades in accordance with the General Terms.

When executing by phone in a Quantity above our minimum Quantity but below our maximum Quantity, you will be quoted the same Our Price you will receive if you use the Trading Platform. In such circumstances, the dealer will generally confirm execution of your Trade immediately after you indicate that you wish to trade at the quoted Our Price.

Trades will be executed as soon as reasonably possible and in most circumstances almost instantaneously. However, there may be circumstances where Trades cannot be executed almost instantaneously, for example, due to illiquidity in the Underlying Instrument or if there is something unusual about the nature of the Order.

Quantity: The relative importance we attach is high.

We normally provide certainty of execution for Trades you wish to place for a Quantity which is greater than our minimum Quantity and lower than our maximum Quantity.

Our minimum and maximum Quantities are set by us for each Market and may vary depending on current market conditions for the Underlying Instrument. Our minimum and maximum Quantities can be found in the Market Information or you may contact Client Management.

Where you wish to execute a Trade whose size exceeds our maximum Quantity, you may be quoted a different Our Price for the requested Quantity. Alternatively, if you agree with one of our dealers by phone, we may work the Order in an external market on your behalf.

3. Working an Order in the Market

The Our Price at which a worked Order is executed will be based upon the average price we receive for our transactions on an External Execution Venue. In such circumstances, our Trade with you may be subject to any applicable charges as described in the Market Information.

Our Trade or Trades with you only become effective after we have executed our hedge transactions on an External Execution Venue and you have confirmed Our Price. Please note if we have agreed to work an Order in the market for you and have started to execute transactions on an External Execution Venue then you cannot cancel the Order. However, we may agree to cancel any unfilled part of the Order.

4. Dealing with your Orders

In most cases when the condition or event specified in your Order occurs it will be executed at or very close to the specified Order Price. However, please note that for all Orders other than Guaranteed Stop Loss Orders, the price you receive at execution is not guaranteed. Our Price may move from a price which is less than your specified Order price to a price which is greater than your specified Order price without a quote at any intermediate price. This will be due to rapid price changes in the Underlying Instrument (called 'gapping'), for example following a profits warning or the release of financial statistics different from those expected. In such a case, Our Price at the time of execution may be markedly different to the specified Order price.

If, when an Order is executed, the Quantity is less than our maximum Quantity for that particular Market, the Order will be executed at or near the specified Order price.

Note that if you have placed multiple Orders in the same Market, with the same specified Order price and with a Quantity greater than our maximum Quantity, there is no guarantee that they will all be executed at the same price, since each Order must be executed as a different Trade. The execution prices will depend on the liquidity in the external market for the Underlying Instrument and the execution of the first Trade may affect the liquidity available for the execution of the second and any subsequent Trades.

We will execute all Orders in accordance with the General Terms.

5. Specific instructions

You may give us a specific instruction for the execution of a Trade or an Order.

Following your specific instructions may prevent us from taking the steps set out herein to obtain the best possible result for

the element of the Trade or Order included in your instructions.

6. Our obligations

We will comply with our Trade and Order Execution Policy when we are required to exercise our judgement in obtaining the best outcome for the execution of clients' Trades and Orders.

Furthermore, we fully support all initiatives aimed at promoting and enhancing transparency for clients and will, from Q1 2018 onwards, publish execution data in a manner consistent with the spirit of RTS 27 of the MiFID delegated regulation. Such data shall be published quarterly, three months in arrears (such that Q1 2018 data is published no later than the end of Q2 2018), and all reports will be made available to clients for up to two years after publication.

7. Monitoring and review of our policy

We will monitor compliance with our policy and maintain records of the data which is used to set Our Price.

We will review our policy at appropriate intervals. As part of that process, we will review:

- the sources of external pricing in Underlying Instruments;
- Our Price in relation to the external pricing of an Underlying Instrument; and
- any fees or charges.

If we make any material changes to our policy, we will notify you by email or by posting such information on our Website or the Trading Platform.

Notice Regarding MetaTrader 4

MetaTrader 4 is a third-party trading platform provided by MetaQuotes for which we do not own the intellectual property. MetaTrader 4 may or may not run in our datacenter, and may or may not be supported by our personnel. We offer MetaTrader 4 alongside our own proprietary trading platforms to offer our users the ability to select a platform that has the functionality that best suits their individual needs. However, users should be aware: (1) that we do not endorse MetaTrader 4; and (2) there are additional risks associated when using MetaTrader 4.

Since MetaTrader 4 is provided by a third party, we do not have total control over the platform and as such we cannot guarantee the accuracy or validity of the account financial information or trading history of a user stored on MetaTrader 4.

Users that trade on MetaTrader 4 are exposed to the risks associated with the system, including, but not limited to, the communication infrastructure that connects us to MetaTrader 4. As a result of any system failure or other interruption on MetaTrader 4 orders either may not be executed according to your instructions or may not be executed at all. Furthermore, as a result of any system failure or other interruption of MetaTrader 4, you may not be able to place or change orders or view your trading positions or market data.

MetaTrader 4 is provided by a third-party provider and not by us. Therefore, to the extent not prohibited by law, we shall not be liable for any losses or damages suffered or incurred from the use, operation, or performance of MetaTrader 4. In addition, we shall have no responsibility or liability for any direct, indirect, punitive, incidental, special or consequential damages that arise from any fault, inaccuracy, omission, delay or any other failure of MetaTrader 4.

MetaTrader 4 gives Users the ability to automate orders and trade requests. Where the number of these requests made by a User is excessively high and/or of a malicious nature, and in our sole opinion does not constitute reasonable or acceptable use, then we reserve the right to block that User, in our sole discretion.