



Currencies  
Direct

Financial Markets

# Terms & Conditions

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## CURRENCIES DIRECT FINANCIAL MARKETS LIMITED - CORPORATE CLIENTS

These terms and conditions of business set out the legal relationship between you and us including all of your legally binding obligations and responsibilities. It is therefore very important that you read it carefully. Please let us know as soon as possible if there is anything which you do not understand.

### INTRODUCTION

These terms and conditions for foreign exchange options dealing services and the Options Application Form duly completed by you (each as supplemented or amended from time to time and together the **Agreement**) govern any Option Contract (as defined below) you enter into with or through Currencies Direct Financial Markets Limited.

For your own benefit and protection you should carefully read these terms and conditions, the Options Application Form and the Product Disclosure Statement (for the avoidance of doubt the Product Disclosure Statement does not form part of the Agreement), before completing, signing and returning the Options Application Form to us. Your signature on the duly completed Options Application Form confirms that you have read and accept everything in the Agreement. If you do not understand anything in the Agreement or the Product Disclosure Statement, please ask for more information or consult an independent adviser.

### 1. DEFINITIONS AND INTERPRETATIONS

1.1 In the Agreement, the following terms shall have the following meanings:

**Applicable Law** means the FCA Rules, Market Rules, the Money Laundering Requirements and any other applicable law, governmental, regulatory, self-regulatory or market rule, regulation, interpretation or protocol and the generally accepted customs or practices of any such exchange, clearing house or market each as the same is in force for the time being and any amendment, extension, application or re-enactment thereof and includes any subordinate legislation for the time being in force made under the same as in force from time to time.

**Agreement** has the meaning given to it in the Introduction.

**Authorised Person** means the Client or any person accepted by CDFM as being authorised by the Client to give orders or instructions to CDFM under the Agreement, or who purports or appears to CDFM in good faith to be so authorised.

**Business Client** means any body corporate, unincorporated association, partnership, government body or agency, or a sole trader.

**Business Day** means any day which is not a Saturday, Sunday or public holiday in England on which banks are generally open for business in London.

**CDD** has the meaning given in clause 14.1.

**CDFM, we, us** means Currencies Direct Financial Markets Limited and shall include any person to whom it has delegated obligations or responsibilities under the Agreement.

**Client** means the client that has entered into the Agreement with CDFM.

**Confidential Information** means any information that is designated as confidential or which by its nature the receiving party knows or should reasonably know is confidential.

**Counterparty** means the bank or financial institution with whom CDFM (acting as principal) enters into a matching contract back-to-back with the Option Contract entered into between CDFM and the Client.

**Effective Date** has the meaning given in clause 27.3.

**EMIR** means the European Market Infrastructure Regulation on OTC derivatives, central counterparties and trade repositories (648/2012/EU).

**Exercise Request** means a notice by the Client in such form as CDFM may specify or accept (actually) received by CDFM requesting the exercise of an Option Contract.

**Expenses** has the meaning given in clause 7.3.

**Expiry Date** means the date when an Option Contract matures.

**Expiry Time** has the meaning given in clause 5.1.

**Force Majeure Event** means an event which is beyond the reasonable control of an affected party including without limit any Market Disruption, acts or restraints of government(s) or public authorities, war, revolution, strikes or other industrial action, fire, flood, natural disaster, explosion, terrorist action, the suspension or limitation of trading by any execution venue, or any breakdown, failure, defective performance or malfunction of any telecommunications settlement or other equipment or systems.

**FCA** means the Financial Conduct Authority or any relevant successor authorities established from time to time.

**FCA Rules** means the rules and guidance of the FCA (as amended from time to time).

**Group Company** means CDFM or any body corporate or person which owns or controls CDFM directly or indirectly; or is controlled directly or indirectly by CDFM; or is directly or indirectly controlled by a body corporate or person which directly or indirectly controls CDFM. For the purposes of the Agreement, **Control** means the power of a person to secure: (a) by means of the holding of shares or the possession of voting power to or in relation to that or any other body corporate; or (b) by virtue of any powers conferred by the articles of association or other document regulating that or any other body corporate, that the affairs of the relevant body corporate are conducted in accordance with the wishes of that person.

**Intellectual Property Rights** means in relation to any Services all intellectual property rights held by CDFM, any Group Company or any agent on CDFM's behalf including patents, supplementary protection certificates, petty patents, utility models, trade marks, database rights, rights in designs, copyrights (including rights in computer software) and topography rights (whether or not any of these rights are registered, and including applications and the right to apply for registration of any such rights) and all rights and forms of protection of a similar nature or having equivalent or similar effect to any of these which may subsist anywhere in the world, for the full term of such rights, and any renewals or extensions of them.

**Joint Account** has the meaning given in clause 20.

**Joint Account Client** has the meaning given in clause 20.

**Loss** means any loss (including loss of profit), tax, cost, expense (including without limit legal expenses incurred in recovering any money due to CDFM), damage or liability that CDFM may incur on the Client's behalf with a third party in connection with an Order or an Option Contract or otherwise as a result of or in connection with the Client's default or the Client's failure to comply with the terms of the Agreement (including, without limit, the Client's failure to fulfil its obligations under an Option Contract) or any other agreement CDFM has with the Client provided that the same are not a direct result of CDFM's wilful default or fraud.

**Manifest Error** means a manifest or obvious misquote by CDFM based on a published price source on which CDFM has relied in connection with any Option Contract Estimate or Option Contract, having regard to the current market conditions at the time an Order is placed or an Option Contract is executed, as determined by CDFM.

**Market Disruption** means any circumstance in which CDFM reasonably believe the relevant market or exchange relating to an Option Contract, CDFM's matching contract with CDFM's Counterparty or any relevant foreign exchange related product is suspended, closed, materially impaired or cannot be relied upon.

**Market Rules** means the rules, regulations, customs and practices from time to time of any exchange, clearing house or other organisation or market involved in the conclusion, execution or settlement of an Option Contract or any matching contract CDFM enter into with a Counterparty. This includes any exercise by any such exchange, clearing house or other organisation or market of any power or authority conferred on it.

**Money Laundering Requirements** means applicable laws, regulations and guidance for the prevention of money laundering and terrorist financing and similar activities.

**Option** means a contract between a buyer and a seller that gives the buyer the right (but not the obligation) to buy or to sell foreign currency at an agreed exchange rate.

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**Options Application Form** means CDFM's standard client account opening form for clients which (as set out in the Introduction), once duly completed by the Client and accepted by CDFM and updated or amended from time to time, forms part of the Agreement.

**Option Contract** has the meaning given in clause 4.2.

**Option Contract Confirmation** has the meaning given in clause 4.3.

**Option Contract Estimate** means a verbal or written estimate (which could be in electronic or paper format), which may be provided in accordance with clause 4.2 in response to a formal enquiry from the Client regarding any Option. It sets out the non-binding terms of a proposed Option Contract together with the associated risks including an indication of the currencies, the strike price, the premium, the expiry date and settlement details.

**Option Deposit** has the meaning given in clause 7.2.

**Order** has the meaning given in clause 4.2.

**Personal Client** means any client who is not a Business Client.

**Pound Sterling** means the lawful currency of the United Kingdom from time to time.

**Premium** has the meaning given in clause 7.1.

**Services** has the meaning given in clause 3.1.

**Title Transfer Collateral** has the meaning given in clause 9.1.

**Transfer** means an electronic transfer of the Client's funds to a destination that the Client requests (such request to be in writing, unless CDFM agrees otherwise).

**Website** means the website of CDFM or any affiliate of CDFM which relates to CDFM.

- 1.2 References to a statute or statutory provision shall include any subordinate legislation made from time to time and any such references to a statute, statutory provision or subordinated legislation is a reference to it as it is in force from time to time.
- 1.3 Words in the singular shall, where appropriate, include the plural and vice versa.
- 1.4 References to one gender or the neuter are to any gender.
- 1.5 Any headings used in the Agreement are for ease of reference only and should not be used in the interpretation or construction of the Agreement.
- 1.6 Any references to "including" or "include" shall be construed as illustrative and shall not limit the sense of the preceding words, descriptions or phrases.
- 1.7 Where relevant, references in these terms and conditions to the "Client" or "you" shall include Authorised Persons.

## 2. REGULATORY MATTERS

- 2.1 Currencies Direct Financial Markets Limited is a company incorporated in England and Wales (registered number 05289787) whose registered office is at 1 Canada Square, Canary Wharf, London, E14 5AA, UK. Currencies Direct Financial Markets Limited is authorised and regulated in the conduct of investment business in the UK by the FCA, with Firm Reference Number 495699.
- 2.2 The FCA requires that CDFM categorise each client as an 'eligible counterparty', a 'professional client' or a 'retail client'. Retail clients are afforded the maximum level of regulatory protection under the regulatory system. CDFM will confirm to the Client its categorisation for the purposes of the Agreement.
- 2.3 Under FCA Rules, CDFM must inform the Client that the Client has the right to request a different client categorisation; however, CDFM is not

obliged to so re-categorise the Client. If CDFM agrees to re-categorise the Client, CDFM will inform the Client of any changes to the level of client protection that this would entail.

- 2.4 Nothing in the Agreement excludes or restricts the duties CDFM owes to the Client under the regulatory system (as defined in the FCA Rules).

## 3. CDFM'S OPTIONS SERVICES TO THE CLIENT

- 3.1 Once CDFM has been able to verify a Client's identity and has carried out an appropriateness assessment where relevant, CDFM will notify the Client if CDFM accepts the Client as a client for CDFM's non-advisory, execution-only dealing services for the purchase and sale of Option Contracts (**Services**).
- 3.2 For the avoidance of doubt, by entering into an Option Contract, the Client confirms the Client's full understanding of the Agreement and the risks associated with the Option which is the subject of the Option Contract.
- 3.3 Except where CDFM has specifically agreed to do so, CDFM will not provide the Client with advice on the merits of a particular Option Contract. CDFM will not provide the Client with personal recommendations (as defined in the FCA Rules) in relation to any Option Contract. Accordingly the Client should make its own assessment of any Option that the Client is considering and the Client should not rely on any opinion, research or analysis expressed or published by CDFM or any Group Company as being a recommendation or advice in relation to that Option or any Option Contract.
- 3.4 Each Option Contract will be executed in accordance with CDFM's Order Execution Policy (as amended from time to time and details of which are available on request).
- 3.5 The Client should read CDFM's Product Disclosure Statement very carefully before using the Services. Our Product Disclosure Statement is provided to the Client for information purposes only, it does not form part of the Agreement and is not intended to create legally binding obligations or responsibilities on CDFM.

## 4. MAKING AN OPTION CONTRACT

- 4.1 CDFM may accept and act upon any instructions it reasonably believes in good faith to be from the Client or, if applicable, an Authorised Person without the need to make any further enquiry, whether or not those instructions are actually from the Client or an Authorised Person.
- 4.2 The Client may contact CDFM during CDFM's business hours (as set out on the Website) to request an Option Contract Estimate. On receipt of the Client's request, CDFM may provide the Client with an Option Contract Estimate. The Client may then use such Option Contract Estimate to place an order with CDFM for an Option (**Order**). CDFM may accept or reject the Client's Order in whole or in part. If CDFM accept the Client's Order, the Client cannot cancel, rescind or amend it without CDFM's express written consent and (subject to Manifest Error, in respect of which see clause 4.4 below) a binding contract will be created between CDFM and the Client to buy or sell the relevant foreign currency in the relevant amount at the quoted foreign exchange rate (as agreed by CDFM) for the relevant Expiry Date on and subject to the legal terms and conditions of the Agreement (**Option Contract**). For the avoidance of doubt, a written Option Contract Estimate is an estimate only and may be amended by CDFM when the Client places an Order (or when an Order is accepted or executed by CDFM) and in particular the price and/or estimated expiry date may no longer be available.
- 4.3 In respect of Option Contracts, CDFM will use reasonable endeavours (but will not be obliged) to send the Client a written summary of the agreed terms of the Option Contract (including the price, the Premium and the Expiry Date) (**Option Contract Confirmation**) (by such means as CDFM may determine), within one Business Day of the date of entering into the Option Contract. If the Client does not receive the Option Contract Confirmation, this does not invalidate the Option Contract and the Client

should contact CDFM as soon as possible and in any event before the Expiry Date. The Client must keep the Option Contract Confirmation secure.

- 4.4 For the avoidance of doubt, in the event of Manifest Error, there will be no Option Contract. CDFM will, when making a determination as to whether a situation amounts to a Manifest Error, act fairly towards the Client but the fact that the Client may have entered into, or refrained from entering into, a corresponding financial commitment in reliance on an Order placed with CDFM or an Option Contract (or that the Client have suffered or may suffer any loss) will not be taken into account by CDFM in determining whether there has been a Manifest Error.
- 4.5 Unless CDFM informs the Client otherwise in writing, CDFM will be the Client's counterparty and act as principal in relation to any Option Contract and CDFM will not act as the Client's agent. This usually means that in every Option Contract there is a bilateral contract between CDFM and the Client for the option to purchase the underlying currency so that CDFM act as a principal counterparty to the Client and at the same time CDFM usually enter into an offsetting (back-to-back) trade with a Counterparty.

## 5. OPTION EXERCISE

- 5.1 The Client (or an Authorised Person on behalf of the Client) may exercise an Option Contract by delivering an Exercise Request on or before the time (**Expiry Time**) on the Expiry Date which will be specified in the Option Contract Confirmation, shown on the Website or otherwise communicated to the Client by CDFM.
- 5.2 If the Client does not deliver an Exercise Request on or before the Expiry Time, the relevant Option Contract will expire and be of no value to the Client even if it was "in the money" and the Client would have profited had the Client exercised it. An Exercise Request must be given by telephone on +44 (0)207 847 9477 between 9.00 am and 5.00 pm on any Business Day. If CDFM is unable to take the Client's call, the Client must [leave a message and, having left a message,] immediately email options@currenciesdirect.com to confirm the Exercise Request. When the Client delivers an Exercise Request (whether speaking to a member of CDFM staff or leaving a message and sending CDFM an email), the Client must make it clear that it is an Exercise Request and provide the relevant Option Contract number (shown on the Option Contract Confirmation). Any such email must also include the term "Exercise Request" in the subject line of the email. If for any reason the above telephone number is unavailable or has changed CDFM will provide notice via the Website. CDFM may reject any Exercise Request which is incomplete or inaccurate and will not act on any Exercise Request communicated or received after the Expiry Time or delivered or communicated by a means otherwise than set out above or as otherwise specified by CDFM.
- 5.3 CDFM [may in its absolute discretion automatically exercise an Option Contract, however CDFM shall have no obligation to do so and, in any event, CDFM] shall not be responsible for exercising any Option Contract nor shall CDFM be responsible for any loss, cost, liability or expense that the Client may suffer or incur as a result of: the Client's failure to exercise any Option Contract; or the Client's failure to exercise any Option Contract by the Expiry Time; or the rejection of an incomplete or inaccurate Exercise Request; or the failure by the Client to deliver or communicate an Exercise Request in accordance with the means specified by CDFM.

## 6. CLIENT DEALING AS PRINCIPAL

Unless CDFM has specifically agreed otherwise in writing, the Client shall enter into any Option Contract as principal so if the Client does act on behalf of a third party, whether or not the Client identifies that third party to CDFM, CDFM shall not be obliged to accept that third party as a client.

## 7. COSTS AND CHARGES

- 7.1 The Client may be required to pay a premium (being a non-refundable payment) to enter into any Option Contract (**Premium**). An estimate of the likely Premium will be given in the Option Contract Estimate and the amount and the method of payment and the payment date will be agreed with the Client when the Option Contract is entered into. The Client agrees to pay any Premium on or before the payment date notified by CDFM.

- 7.2 Where an Option Contract does not provide for the immediate payment of a Premium, CDFM may require "margin" which is one or more forward payments against the performance of the Client's obligations under an Option Contract (**Option Deposit**). When CDFM enter into an Option Contract, CDFM will determine the amount of the Option Deposit CDFM requires which will be in proportion to the risk CDFM bears. An initial Option Deposit estimate will be given in an Option Contract Estimate and CDFM will advise the Client of the initial Option Deposit requirements prior to entering into the Option Contract. Once an Option Contract is entered into, then should CDFM determine that the risk borne by CDFM increases for any reason, CDFM may at its reasonable discretion require the Client to provide CDFM with one or more additional amounts of Option Deposit to cover its increased risk. The Client agrees to accept CDFM's determination of CDFM's increased risk and the Client will pay such additional amounts of Option Deposit in accordance with such terms as CDFM may reasonably specify.
- 7.3 CDFM may charge the Client for any transfer fees, taxes or other reasonable out-of-pocket costs or expenses that CDFM may incur in connection with an Option Contract (**Expenses**). CDFM may deduct CDFM's Expenses from any Option Deposit or money CDFM is transferring or holding for the Client.

- 7.4 In addition to any Premium and Option Deposit, the Client shall pay on demand by CDFM:

- 7.4.1 all applicable Value Added Tax (or the equivalent) and other taxes in any relevant jurisdiction, currently payable or imposed at any time in the future (except any tax that CDFM is obliged to pay on CDFM's income);
- 7.4.2 any costs and charges in relation to any Option Contract which are imposed by any relevant third party; and
- 7.4.3 any other expenses (including, without limitation, legal fees) CDFM incur as result of the non-performance by the Client of any of the Client's obligations under the Agreement (including under any Option Contract).
- 7.4.4 CDFM may share CDFM's revenue with a Group Company or third party and, where appropriate, CDFM will provide the Client with relevant details of such arrangements upon request.

## 8. PAYMENT AND TRANSFERS

- 8.1 All monies owed to CDFM under the Agreement (as a Premium or as settlement currency) should be paid in the currency agreed by CDFM (in the Option Contract Estimate, Option Contract Confirmation or otherwise). If the Client does not pay such amounts in the agreed currency CDFM may exchange such amounts into the agreed currency at the Client's expense and any resultant shortfall shall be payable by the Client to CDFM. Any such payments to CDFM shall be made by electronic transfer or such other method of payment as CDFM may agree. CDFM does not accept payment by cash or cheque.
- 8.2 The Client agrees to send CDFM full payment of any amount outstanding on or before the settlement date notified by CDFM. It is the Client's responsibility to make such payment to CDFM and the Client should ensure that the Client is able to make payment before entering into an Option Contract. Although CDFM may provide the Client with information relating to cut-off times, please be aware that cut-off times vary depending upon the currency.
- 8.3 After CDFM has received cleared funds from the Client for the settlement of an Option Contract (including any balance payable in respect of which the Client has paid an Option Deposit), the currency the Client has bought will be sent, via a payment services provider as may be notified to the Client from time to time (that may be a Group Company), by electronic transfer to the destination the Client may specify. It will be the Client's responsibility to ensure that CDFM is provided with payment instructions in good time before the Expiry Date or settlement date (as relevant).

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- 8.4 CDFM will only process a Transfer back to the Client's own bank account or to the Client's account with Currencies Direct Limited (a Group Company). CDFM does not process Transfers to any other third parties. If the Client wishes to make a Transfer to a third party then such a Transfer may be carried out by Currencies Direct Limited (subject to the terms and conditions of business of Currencies Direct Limited).
- 12.1.2 Option Contracts are not undertaken on a recognised exchange and therefore the Client may be exposed to greater risks;
- 12.1.3 when the Client instructs CDFM to enter into an Option Contract, any profit or loss – realised or unrealised – arising as a result of a fluctuation in the value of the Option Contract will be entirely attributable to the Client;

## 9. TITLE TRANSFER AND OPTION DEPOSITS

- 9.1 The Client shall transfer to CDFM absolute title to any Option Deposits as required by CDFM for the purpose of securing or covering the Client's present or future, actual or contingent or prospective obligations. Any Option Deposits so transferred shall be transferred free and clear of any lien, pledge, claim, charge, encumbrance or other security interest whatsoever (**Title Transfer Collateral**). As a result, CDFM shall not be required to hold money in accordance with the FCA Rules on Client Money. Consequently, CDFM shall not owe any fiduciary duties to the Client in respect of such Option Deposits. Upon transfer to CDFM, Title Transfer Collateral shall become CDFM's absolute property and the Client shall not retain any equity, right, title or interest in it.
- 9.2 Subject to CDFM's rights under the Agreement and the Option Contracts, CDFM shall have a contractual obligation to repay an equivalent amount of money to the Client if the Option Deposit is no longer necessary. CDFM's repayment obligations shall be reduced to the extent that (i) CDFM is entitled to apply such money, or set-off its repayment obligation, against any of the Client's obligations, whether under the Agreement or otherwise, and any Option Contract; and/or (ii) any market, intermediate broker, bank or other third party to whom CDFM has transferred money as margin in relation to Option Contracts, fails (whether as a result of insolvency or otherwise) to return an equivalent amount of money to CDFM. Unless CDFM agrees to the contrary in writing, the Client shall not be entitled to receive interest on Title Transfer Collateral.
- 9.3 CDFM shall not be liable to the Client for the loss of any Option Deposit which is the direct or indirect result of the bankruptcy, insolvency, liquidation, receivership, custodianship, or assignment for the benefit of creditors of any bank, another clearing broker, market, clearing organisation, or similar entity.
- 9.4 The Client may request a cancellation of the Title Transfer Collateral arrangements in which the case the provisions of clause 16.1.2 will apply and any money will be returned to the Client.
- 12.1.4 the Client accepts that guarantees of profit or immunity from Loss are impossible in trading and investing;
- 12.1.5 CDFM may report to the FCA or any other relevant regulatory authority any Option Contract undertaken by the Client or on its behalf in accordance with Applicable Law; and
- 12.1.6 the Client accepts that if CDFM were to default on CDFM's financial obligations or become insolvent, the Client's investment would be at risk.
- 12.2 CDFM may provide a delegated EMIR transaction reporting service to the Client subject to the terms of a separate delegated reporting agreement; however the Client acknowledges, recognises and understands that regardless of any such agreement the Client is responsible for any reporting requirements applicable to it under Applicable Law.
- 12.3 If the Client is in any doubt about anything contained in the Agreement the Client should seek independent advice.

## 13. INFORMATION

- 13.1 Except where CDFM has specifically agreed otherwise in writing, any information including any graphs, charts or market news CDFM supply to the Client, is believed, to the best of CDFM's knowledge and belief, at the time it is given, to be accurate and reliable. CDFM do not warrant the accuracy, completeness or timeliness of any information CDFM make available to the Client. CDFM will have no responsibility or liability whatsoever for any error or inaccuracy in such information. The information CDFM supply does not constitute an assurance or guarantee as to the expected outcome of any Option Contract Estimate or Option Contract. Market conditions and prices may change between CDFM supplying the Client with information and the time the Client decides to enter into any Option Contract.
- 13.2 No information provided by CDFM under or in connection with the Agreement should be construed as legal or tax advice and should not be relied on as the sole source upon which to base an investment decision.
- 13.3 Any Confidential Information CDFM provide to the Client is solely for the Client's use. Confidential Information remains the property of CDFM and (where applicable) must be returned or destroyed on request. It may not be reproduced or redistributed without CDFM's explicit written permission.

## 10. RELATIONSHIP BETWEEN CDFM AND THE CLIENT

- 10.1 Except where CDFM has specifically agreed otherwise in writing, nothing in the Agreement shall give rise to any fiduciary, trustee, agency, joint venture or partnership relationship between any Group Company and the Client.
- 10.2 If the Client is a corporate client, the Client acknowledges that they may not be a consumer within the meaning of Section 12 of the Unfair Contract Terms Act 1977, Regulation 3 of the Unfair Terms in Consumer Contracts Regulations 1999, Article 2 of the E-Commerce Directive (2000/31/EC), Article 2 of the Electronic Commerce (EC Directive) Regulations 2002, Article 2 of the Distance Selling Directive (97/7/EC) or any similar Applicable Law.

## 11. ABILITY FOR CDFM TO TAKE ACTION

Notwithstanding any other provision of the Agreement, in providing the Services, CDFM shall be entitled to take any action CDFM considers necessary in our reasonable discretion to ensure compliance with all Applicable Law including selling or closing any or all Option Contracts that the Client may have open.

## 12. RISK ACKNOWLEDGMENTS

- 12.1 The Client acknowledges, recognises and understands that:
- 12.1.1 trading in Options, even when used to cover a commercial position, may involve a high degree of risk and is appropriate

## 14. CDFM OBLIGATION TO KNOW ITS CLIENT AND CLIENT DECLARATIONS AND WARRANTIES

- 14.1 Applicable Law (including the Money Laundering Requirements) requires CDFM to implement certain due diligence procedures in relation to the identity of each client, the nature of each client's business and other details relating to the Services (referred to as 'Know Your Client' or 'Customer Due Diligence' (**CDD**)). The Client agrees to provide CDFM with all the information CDFM require as part of CDFM's CDD procedures.
- 14.2 When CDFM does business with the Client, CDFM will be relying on the following declarations, representations and warranties and CDFM shall deem that the Client will be repeating them every time the Client gives CDFM an Order or enters into an Option Contract:

- 14.2.1 unless CDFM has specifically agreed otherwise in writing, the Client is acting on the Client's own behalf;
- 14.2.2 the currency that the Client transfers to CDFM or intend to use for an Option Contract is legally and beneficially owned by the Client and has not been obtained by any illegal means;
- 14.2.3 all information that the Client has provided to CDFM is accurate and not misleading and the Client has not withheld any material information from CDFM;
- 14.2.4 the Client has provided CDFM with its correct and up-to-date contact details;
- 14.2.5 the Client has and will maintain in effect all necessary consents, authorisations and approvals to enter into an Option Contract;
- 14.2.6 if the Client is a corporate client, the person or the persons entering into each Option Contract on the Client's behalf has or have been duly authorised to do so;
- 14.2.7 by giving CDFM an Order or entering into an Option Contract the Client will not be in breach of any Applicable Law in any relevant jurisdiction;
- 14.2.8 the Client is making the Client's own decisions about entering into an Option Contract and is not relying on any communications (written or verbal) from CDFM as investment advice or as a recommendation to enter into an Option Contract, it being understood that information and explanations related to the terms and conditions of an Option Contract shall not be considered investment advice or a recommendation to enter into an Option Contract;
- 14.2.9 (i) the Client has not received from CDFM any assurance or guarantee as to the expected results of the Option Contract; (ii) the Client is capable of evaluating and understanding (on its own behalf or through independent professional advice), and understand and accept, the terms, conditions and risks of an Option Contract; and (iii) CDFM is not acting as a fiduciary or an adviser for the Client in respect of an Option Contract;
- 14.2.10 the Client has reviewed the specific terms and provisions of the Option Contract in respect of prevailing industry practice and has concluded that such terms and provisions and the rights, duties and obligations imposed hereunder, are commercially reasonable as a general matter and specifically in light of such industry practice; and
- 14.2.11 the Client is not an undischarged bankrupt (or, where relevant, insolvent) and will not be rendered bankrupt (or, where relevant, insolvent) by entering into and making any payments in connection with an Option Contract.

## 15. RECORDING TELEPHONE CONVERSATIONS

CDFM may record any telephone conversation with the Client, with or without use of a warning tone and CDFM may use these recordings as evidence of Option Contracts entered into or in relation to disputes as well as for CDFM's ongoing quality control and training programme. CDFM may also maintain a record of all electronic messages sent by or to CDFM. Subject to FCA Rules, all those recordings and records will be maintained at CDFM's discretion and are CDFM's property and can be used by CDFM in the case of a dispute. CDFM do not guarantee that CDFM will maintain such recordings or records or be able to make them available to the Client.

## 16. TERMINATING OPTION CONTRACTS OR THE AGREEMENT

- 16.1 CDFM may terminate the Agreement or terminate or close out any Option Contract if:
  - 16.1.1 the Client fails to provide CDFM with material information when required or such information that the Client does provide is in CDFM's reasonable determination materially incorrect or misleading;
  - 16.1.2 the Client requests a cancellation of the Title Transfer Collateral arrangements set out in clause 9;
  - 16.1.3 the Client fails to make payment when due;
  - 16.1.4 the Client fails to provide a sufficient Option Deposit when due;
  - 16.1.5 the Client is otherwise in breach of (or fails to comply with its obligations or responsibilities under) the Agreement and where such a breach is, at CDFM's absolute determination, capable of remedy the Client has failed to remedy such breach within a reasonable time when notified;
  - 16.1.6 CDFM reasonably determine that the Client will be unable to fulfil its obligations under any Option Contract;
  - 16.1.7 on the occurrence of a Force Majeure Event, for CDFM to continue any Option Contract would expose CDFM to a responsibility or liability against which CDFM is not protected;
  - 16.1.8 CDFM suspects fraud on the Client's part or if relevant, the part of an Authorised Person; or
  - 16.1.9 CDFM is required to do so on the instruction of any law enforcement or regulatory agency or other body with appropriate authority (in which case CDFM may retain or otherwise deal with all or any of the Client's money as CDFM is required to do so by such agency or body).
- 16.2 Without limiting clause 16.1, either party may terminate the Agreement by giving the other not less than 20 (twenty) Business Days' written notice.
- 16.3 Any notice of termination given pursuant to clause 16.2 shall be subject to any Option Contract which has not been settled, closed or terminated prior to the termination date specified in the written notice of termination.

## 17. SET-OFF

CDFM may at any time or times, without notice to the Client set-off any liability CDFM has to the Client against any responsibility or liability (including without limit in relation to any Loss) the Client owes to CDFM or any Group Company, whether any such responsibility or liability is present or future, liquidated or unliquidated, under the Agreement or not and irrespective of the currency or its denomination. If the liabilities to be set-off are expressed in different currencies, CDFM may convert either liability at a rate of exchange which CDFM determines to be reasonable for the purpose of set off. Any exercise by CDFM of CDFM's rights under this clause shall be without prejudice to any other rights or remedies available to CDFM or any Group Company under the Agreement or otherwise.

## 18. CDFM'S RESPONSIBILITY AND LIABILITY TO THE CLIENT

- 18.1 CDFM will not be responsible or liable to the Client for the act or omission of any third party, provided that where CDFM has instructed such third party, CDFM has used reasonable skill and care in selecting such third party.

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- 18.2 CDFM shall not be responsible or liable to the Client, or any person claiming through the Client in contract, tort, negligence, or otherwise for any liability, loss, damage, cost or expense of any nature whatsoever, incurred or suffered by the Client or any person claiming through the Client, which is of an unforeseeable, indirect or consequential nature nor for any economic loss or loss of turnover, profits, business or goodwill, loss of trade, loss of bargain, or loss of opportunity, in each case whether such damage was foreseen or advised to CDFM as likely to occur.
- 18.3 CDFM shall not be responsible or liable to the Client for any liability, loss, damage, cost or expense of any nature whatsoever incurred or suffered by the Client or any person claiming through the Client as a result of any Force Majeure Event.
- 18.4 Nothing in the Agreement excludes or restricts CDFM's liability in respect of: fraud or wilful misconduct; death or personal injury caused by CDFM's negligence; or any other liability which cannot lawfully be excluded (including, in relation to CDFM's duties referred to in clause 2.4).

## 19. CLIENT'S RESPONSIBILITY AND LIABILITY TO CDFM

- 19.1 The Client will be responsible and liable for all Losses (including, without limit, any Losses resulting from the termination of any Option Contract pursuant to clause 16) which the Client will repay to CDFM on demand by CDFM.
- 19.2 Amounts due under this clause may at CDFM's reasonable discretion be converted to Pounds Sterling or any other currency at a rate to be reasonably determined by CDFM.

## 20. JOINT ACCOUNTS

If the Client is an individual and applies jointly with one or more other persons to use CDFM's services (a **Joint Account**), each individual named on the Options Application Form (each a **Joint Account Client**) is jointly and severally responsible and liable to CDFM in respect of all or any of the obligations under the Agreement and CDFM could ask any one Joint Account Client to honour all or any of the obligations (including for the repayment of any Losses, fees, or interest payable) incurred by all or any Joint Account Client in connection with the Agreement.

CDFM may take action against, or release or compromise the responsibility or liability of any Joint Account Client, or grant time or other indulgence to such Joint Account Client, without affecting the responsibility or liability of any other Joint Account Client. Each Joint Account Client has authority to (without limit) give CDFM instructions of any kind including (without limit) to give CDFM an Order, enter into an Option Contract, receive any payments from CDFM, give or receive notices, receive account statements or demands, sign any documents or agreements and act on their own in any way related to the Agreement. Where the Agreement relates to a Joint Account, 'Client' or 'you' shall mean all and any Joint Account Client.

## 21. CDFM COMMITMENT TO PROTECT PERSONAL INFORMATION

CDFM will observe the requirements of the Data Protection Act 1998 in the performance of CDFM's obligations under the Agreement and will comply with any request made or direction given by any relevant Client or individual, which is directly due to the requirements of that act. CDFM will only use any personal data to allow CDFM to provide the Services or allow any other Group Company to provide services to the Client, to assess the risks in providing those services and to enable CDFM to enforce CDFM's rights under the Agreement if necessary.

This may involve passing the personal data to third party service providers or CDFM's agents, on the understanding that they keep this personal data confidential. CDFM may send the personal data outside the European Economic Area; where CDFM do this, CDFM will take appropriate steps to protect such personal data. CDFM may conduct searches through an identity-referencing agency and other sources of information and use scoring methods to verify someone's identity. A record of this process will be kept and may be used to help any other Group Company to verify someone's identity. Information including personal data may also be passed to financial and other organisations to prevent fraud.

If a Client has been referred to CDFM by a third party, CDFM may provide them with information relating to the Client in which they are interested by virtue of CDFM's agreements with them. CDFM may from time to time (by telephone, email or other electronic communication, fax or post) provide a Client with information relating to other services that CDFM, any Group Company or selected third parties connected with CDFM's business can offer. The Client agrees that CDFM may call upon them at a reasonable hour or otherwise communicate with them without an express invitation. The Client may also refer to CDFM's full client privacy commitment which is available on CDFM's Website or available on request to the usual CDFM point of contact or CDFM's data protection officer.

## 22. ASSIGNMENT AND DELEGATION

- 22.1 CDFM may, at any time, assign (absolutely or by way of security and in whole or in part), transfer, mortgage, charge or deal in any other manner with the benefit of any or all of the Client's obligations or any benefit arising under or out of the Agreement. The Client expressly agrees that CDFM may subcontract or delegate in any manner any or all of CDFM's obligations under the Agreement to any third party or agent.
- 22.2 The Agreement is personal to the Client and its rights and obligations may not be transferred or assigned by the Client to anyone else, although the rights and obligations will pass to the Client's successors and permitted assigns (where relevant).

## 23. NOTICES

- 23.1 Any notice or other communication required to be given in writing under the Agreement shall:
- 23.1.1 in the case of notices or other communications to be given by the Client to CDFM, be delivered personally, sent by pre-paid first-class post, recorded delivery or by commercial courier, fax or email to the Client's usual point of contact or for the attention of 'Director, Currencies Direct Financial Markets Limited' using the contact details provided in the Agreement;
- 23.1.2 in the case of notices or other communications to be given by CDFM to the Client, be delivered personally, sent by pre-paid first-class post, recorded delivery or by commercial courier, fax or email to such address (including a fax number or an email address) as the Client may specify in the Options Application Form. The Client is responsible for notifying CDFM of any changes to such contact details and CDFM shall be entitled to serve notice on the Client (including the issue of legal proceedings) using the last known contact details that the Client has provided to CDFM for the purposes of the Agreement.
- 23.2 Any such notice or other communication shall be deemed to have been duly received:
- 23.2.1 if delivered personally, when left at the address and for the contact referred to in this clause; or
- 23.2.2 if sent in the United Kingdom by pre-paid first-class post or recorded delivery, at 9am (UK Time) on the second Business Day after posting; or
- 23.2.3 if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or
- 23.2.4 if delivered by fax or email, when a delivery confirmation or receipt is received by the delivering party.
- 23.3 For the service of any proceedings or other documents in any legal action, any statutory provisions in the relevant jurisdiction shall prevail.



## 24. CONFLICTS OF INTEREST

- 24.1 The circumstances of CDFM's business can occasionally lead to situations where the interests of CDFM, any Group Company and/or any directors, staff or their agents may conflict with the Client's interests. Equally, the Client's interests may occasionally conflict with those of other clients.
- 24.2 Where CDFM is aware that CDFM is faced with a situation of conflicting interests, CDFM will undertake all reasonable steps to protect the Client's interests and ensure fair treatment, in line with the duties CDFM owe the Client as CDFM's client. To this effect, CDFM has a framework in place to handle conflicts of interest, so that CDFM act with an appropriate degree of independence from CDFM's own interests when transacting with the Client or dealing on the Client's behalf. CDFM's Conflicts of Interest Policy (as amended from time to time) is available on request.

## 25. COMPENSATION

CDFM is covered by the Financial Services Compensation Scheme in relation to the provision of the Services. The Client may be entitled to compensation from the scheme if CDFM cannot meet its obligations. This depends on the circumstances of the claim. Most types of investments are covered to a maximum compensation level of £50,000 for each client. Further information about compensation arrangements is available from:

**Financial Services Compensation Scheme**  
**10th Floor**  
**Beaufort House**  
**15 St Botolph Street**  
**London EC3A 7QU**

## 26. COMPLAINTS AND DISPUTES

If the Client wishes to make a complaint in connection with any of the Services, the Client should promptly provide full details of the complaint to:

**The Compliance Officer**  
**Currencies Direct Financial Markets Limited**  
**1 Canada Square, Canary Wharf, London, E14 5AA, UK**

CDFM will use all reasonable efforts to investigate and resolve the matter promptly and fully. CDFM operates a complaints procedure in accordance with FCA Rules, a copy of which is available upon request. If the Client is dissatisfied with the handling of any complaint, they may have the right to refer the matter directly to the Financial Ombudsman Service. Information on the Financial Ombudsman Service, including how to make a claim, eligibility criteria and the procedures involved, is available from:

**The Financial Ombudsman Service**  
**South Quay Plaza**  
**183 Marsh Wall**  
**London E14 9SR**

## 27. GENERAL

- 27.1 Any typographical, clerical or other error or omission in any documentation produced by CDFM under or in connection with the Agreement shall be subject to correction without any responsibility or liability on CDFM's part.
- 27.2 A person who is not a party to the Agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Agreement, but this does not affect any right or remedy of a third party that exists or is available apart from that Act.
- 27.3 CDFM may amend the Agreement at any time, in which case CDFM will notify the Client (including by displaying the amendments on the Website) together with the date from when such amendments become effective (**the Effective Date**). The amendments will apply to all of CDFM's dealings with the Client and to all Option Contracts entered into by the Client after the Effective Date save that the amendments will apply to Option Contracts entered into prior to the Effective Date where it is required by

Applicable Law. The Client should refer to the current version of these terms and conditions on the Website before giving CDFM an Order.

- 27.4 If any provision (or part of any provision) of the Agreement is found by any court or other authority of a competent jurisdiction to be invalid, illegal or unenforceable, that provision or part provision shall, to the extent required, be deemed not to form part of the Agreement, and the validity and enforceability of the other provisions of the Agreement shall not be affected.
- 27.5 No failure or delay by CDFM to exercise any right or remedy provided under the Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.
- 27.6 Should any provisions of the Agreement be in conflict with any other documentation or information that CDFM has provided to the Client in connection with any particular Option Contract, then the Agreement shall have priority unless specifically agreed by CDFM in writing that such other documentation and information shall have priority in whole or in part.
- 27.7 Unless specifically agreed otherwise by CDFM in writing, the Agreement constitutes the whole agreement between CDFM and the Client and supersedes all previous agreements (whether written or verbal) between CDFM relating to its subject matter. The Client acknowledges that, in entering into the Agreement, the Client has not relied on, and shall have no right or remedy in respect of, any statement, representation, assurance or warranty (whether written or verbal and made negligently or innocently) other than as expressly set out in the Agreement.
- 27.8 The Agreement and all communications between the Client and CDFM will be in English.
- 27.9 The Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with English law. Both parties irrevocably agree that the English courts shall have exclusive jurisdiction to settle a dispute or claim arising out of or in connection with the Agreement or its subject matter or formation (including non-contractual disputes or claims).
- 27.10 Notwithstanding clause 27.9, CDFM may elect to issue proceedings against the Client in any jurisdiction in which the Client is resident when seeking to recover any amount due to CDFM under the Agreement.

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