



Spread Betting Customer Agreement

Table of Contents

1. Introduction	01	19. Representations and warranties	10
2. The services we will provide and dealings between you and us	01	20. Market abuse	11
3. Conflicts of interest	01	21. Credit	11
4. Our charges and tax	02	22. Force Majeure Events	11
5. Providing a quote	02	23. Queries, complaints and disputes	11
6. Opening a Bet	03	24. Miscellaneous	11
7. Multiple Bets	03	25. Amendment and termination	12
8. Closing a Bet	03	26. Governing law	12
9. Electronic Betting Services	04	27. Manifest Error	12
- Access	04	28. Corporate Events, takeovers, dividends and interest	12
- Use of Electronic Betting Services	04	- Corporate Events	12
- Software	04	- Takeovers	13
- Market Data	04	- Dividends	13
- Deal From Charts	04	- Interest	13
10. Betting procedures - general	05	29. Suspension and insolvency	13
- Agents	05	30. Privacy	13
- Infringement of law	05	31. Interpretation	14
- Supplementary Documents	05		
- Situations not covered by this Agreement	05		
- Working and Aggregation of your Bets	05		
11. Orders	05		
12. Controlled Risk Bets	06		
13. Communications	07		
14. Deposits and Margin	07		
15. Payments and set-off	08		
16. Default and default remedies	09		
17. Client money	10		
18. Indemnity and liability	10		

Your attention is drawn, in particular, to those Terms that are highlighted in italics and to Term 14, which deals with Deposit and Margin and to Terms 5(4), 9(3), 10, 14(4), 16, 19(4), 20, 22, 23(3), 27, 28 and 29, which set out our rights to void and/or close one or more of your Bets in the specific circumstances set out therein.

1. Introduction

(1) IG Index Limited (“we”, “us”, “our”, “ours” and “ourselves” as appropriate), is a spread-betting bookmaker authorised and regulated by the Financial Services Authority (registration number 114059). The FSA’s registered address is 25 The North Colonnade, London, E14 5HS. In respect of any Binary Bets or other fixed odds Bets that you enter into with us, we are licensed and regulated by the Gambling Commission (Licence number 066-002628-R-103649-002). Our registered address is Friars House, 157-168 Blackfriars Road, London, SE1 8EZ. Our contact details are: 0800 195 3100 (+44(0)2076335300) and helpdesk@igindex.co.uk.

(2) This Agreement will govern all Bets between us and the customer (“you”, “your”, “yours” and “yourself” as appropriate). You should read this Agreement carefully together with the Supplementary Documents, Risk Disclosure Notice, Summary Order Execution Policy and Summary Conflicts Policy and any other documents that we have supplied or in the future do supply to you.

(3) Nothing in this Agreement will exclude or restrict any duty or liability owed by us to you under the Financial Services and Markets Act 2000 (the “Act”) or the Applicable Regulations and if there is any conflict between this Agreement and the Act and/or Applicable Regulations, the Act and Applicable Regulations will prevail.

(4) It is important to note that, in placing a Bet with us, you are entering into a contract which is legally enforceable by virtue of section 412 (or any other superseding section) of the Act.

(5) In this Agreement certain words and expressions have the meanings set out in Term 31.

(6) This Agreement will come into effect on the date we open your account, and, for any new versions thereafter, on the date we notify you. This Agreement is supplied to you in English and we will communicate with you in English for the duration of this Agreement.

2. The services we will provide and dealings between you and us

(1) This Agreement sets out the basis on which we will enter into Bets with you and governs the operation of your account and each Bet entered into or outstanding between you and us on or after this Agreement comes into effect. Unless we otherwise agree, you will need to enter into a further agreement with us in respect of any other services which we agree to provide to you. Entering into Bets with us carries a high level of risk and can result in losses that exceed your initial Deposit. Our Betting service is not suitable for everyone. A full explanation of the risks associated with our Betting service is set out in the Risk Disclosure Notice and you should ensure you fully understand such risks before entering into this Agreement with us.

(2) We will act as principal (and bookmaker) and not as agent on your behalf. We shall treat you as a Retail Client subject to the following:

(a) if you satisfy the definition of Professional Client or Eligible Counterparty, we may notify you that we will treat you as such; and

(b) you may request a different client categorisation from the one we have allocated to you, but please be aware that we may decline such a request. If you do request a different categorisation and we agree to such a request, you may lose the protection afforded by certain FSA Rules.

(3) You will open each Bet with us as principal and not as agent for any undisclosed person. This means that unless we have otherwise agreed in writing, we will treat you as our client for all purposes and you will be directly and personally responsible for performing your obligations under each Bet opened by you, whether you are dealing with us directly or through an agent. If you act in connection with or on behalf of someone else, whether or not you identify that person to us, we will not accept that person as an indirect customer of ours and we will accept no obligation to them unless otherwise specifically agreed in writing.

(4) Dealings with you will be carried out by us on an execution-only basis. You agree that, unless otherwise provided in this Agreement, we are under no obligation:

(a) to satisfy ourselves as to the suitability of any Bet for you;

(b) to monitor or advise you on the status of any Bet;

(c) to make Margin calls; or

(d) (except in the case of Controlled Risk Bets or where the Applicable Regulations require) to close any Bet that you have opened,

notwithstanding that previously we may have given such advice or taken such action in relation to that Bet or any other Bet.

(5) You will not be entitled to ask us to provide you with advice relating to a Bet or make any statement of opinion to encourage you to enter into a particular Bet. We may, at our absolute discretion, provide information:

(a) in relation to any Bet about which you have enquired, particularly regarding procedures and risks attaching to that Bet and ways of minimising risk; and

(b) by way of factual market information,

however, we will be under no obligation to disclose such information to you and in the event of us supplying such information, it will not constitute advice or a personal recommendation to you. If, notwithstanding the fact that dealings between you and us are on an execution-only basis, a person employed by us nevertheless makes a statement of opinion (whether in response to your request or otherwise) regarding any Bet, you agree that it is not reasonable for you to, nor will you be entitled to, rely on such statement and that it will not constitute advice or recommendation.

(6) *Notwithstanding Term 2(5), you agree that you rely on your own judgement in opening, closing, or refraining from opening or closing a Bet with us and that we will not, in the absence of fraud, willful default or negligence, be liable for any losses (including, without limitation, indirect or consequential losses, or loss of opportunity or profits arising from any failure by you to make any anticipated profits), costs, expenses or damages suffered by you arising from any inaccuracy or mistake in any information, or unsuitability of any information, given to you including, without limitation, information relating to any of your Bets with us. You acknowledge and agree that if, in any given circumstance, we do not positively offer any advice or recommend that you take any action in relation to any Bet, that does not imply that we are advising you not to take such action (or any action at all) in relation to that Bet. Subject to our right to void or close any Bet in the specific circumstances set out in this Agreement, any Bet opened by you following such inaccuracy or mistake will nonetheless remain valid and binding in all respects on both you and us. Without detracting from any other limitation of our liability contained elsewhere in this Agreement, the maximum amount of our liability in respect of any losses that you may suffer in connection with any information given by us regarding a Bet will be limited to four times the amount of Spread payable in respect of that Bet.*

(7) You acknowledge that information contained in the Supplementary Documents is indicative only and may, at the time when you open or close a Bet, have become inaccurate. The current version of our Supplementary Documents will be the version then displayed on our website(s), which may be updated from time to time.

(8) Whether or not you and we have entered this Agreement by distance means, you are not entitled to cancel this Agreement (but you can terminate it as set out in Term 27(2)).

(9) In respect of Financial Spread Bets, we will take all reasonable steps to provide you with best execution in accordance with the FSA rules and our Order Execution Policy when we execute Bets on your behalf. The arrangements we put in place to give you best execution will be detailed in our Order Execution Policy. A Summary Order Execution Policy is available on our website or by post on request. Unless you notify us to the contrary, you will be deemed to consent to our Order Execution Policy when this Agreement comes into effect. If you do not consent, we reserve the right to refuse to provide our services to you. We do not owe you a duty of best execution in respect of any Fixed Odds Bets or Binary Bets.

(10) We offer different types of accounts with different characteristics and features (for example different Margining procedures, different Margin rates, different trading limits and different risk protection features). Depending on your knowledge and experience and the type of Bets you generally place with us, some of these account types may not be available to you. We reserve the right to convert your account into a different account type if, acting reasonably, we determine that a different type of account is more appropriate for you. We also reserve the right to change the features and eligibility criteria of our accounts at any time and we will provide prior notification of such changes on our website, by email or on our Electronic Betting Service.

3. Conflicts of interest

(1) You acknowledge that we and our Associated Companies provide a diverse range of financial services to a broad range of clients and counterparties and circumstances may arise in which we, our Associated Companies, or a Relevant Person may have a material interest in a Bet with or for you or where a conflict of interest may arise between your interests and those of other clients or counterparties or of ourselves.

(2) We are required by law to take all reasonable steps to identify conflicts of interests between ourselves, our Associated Companies and Relevant Persons and our clients, or between one client and another, that arise in the course of providing our investment service. The following are examples of such material interests and conflicts of interests:

(a) We may effect or arrange for the effecting of a Bet with you or on your behalf in connection with which we, our Associated Companies, or a Relevant Person may have other direct or indirect material interests;

(b) We may execute hedging transactions prior to (i.e. in anticipation of) or following receipt from you of a request, or information concerning a contemplated request, to open or close a Bet in order to manage our risk in relation to Bet(s) you are entering into or contemplating, all of which may impact on the price you pay or receive in relation to such Bet(s) and any profits generated by such hedging may be retained by us or an Associated Company without

reference to you;

- (c) We may match your Bet with that of another client by acting on its behalf as well as yours;
- (d) Subject to the FSA Rules, we may pay to and accept from third parties (and not be liable to account to you) benefits, commissions or remunerations which are paid or received as a result of Bets conducted by you;
- (e) We may make a market in Bets which you enter into under this Agreement;
- (f) We may deal in the Underlying Market to which your Bets relate as principal for own account or that of someone else;
- (g) We may give investment advice or provide other services to another client about or concerning the Underlying Market in relation to which you enter into a Bet.

(3) We operate a policy of independence which requires our employees to act in your best interests and to disregard any conflicts of interests in providing our services to you. In addition, we have in place organisational and administrative controls to manage the conflicts of interests identified above such that we can be reasonably confident that risks of damage to clients as a result of any conflict will be prevented. These organisational and administrative controls are set out in our Conflicts Policy, a summary of which (our Summary Conflicts Policy) is available on our website or by post on request.

(4) Other than the general circumstances set out in Term 3(2) above, we are not under an obligation to disclose that we, our Associated Companies or Relevant Persons have a material interest in a particular Bet with or for you, or that in a particular circumstance a conflict of interest exists, provided we have managed such conflicts in accordance with our Conflicts Policy. Where we do not consider that the arrangements under our Conflicts Policy are sufficient to manage any particular conflict, we will inform you of the nature of the conflict so that you can decide how to proceed. We are not under any obligation to account to you for any profit, commission or remuneration made or received from or by reason of Bets or circumstances in which we, our Associated Companies or a Relevant Person has a material interest or where in particular circumstances a conflict of interest may exist.

(5) You acknowledge that you are aware of the possibility that the conflicts disclosed in this Term will arise and consent to us acting notwithstanding such conflict.

4. Our charges and tax

(1) We will not charge you commission for our services. We will instead seek to make our profit on our Spread, which applies when you open and close a Bet. You should also be aware that we may charge you for the following: market data (be that raw or derived market data), payment processing, postage and any other reasonable items that we may advise you of from time to time. Further, depending on the nature of the Bets you enter into with us, we may apply interest and dividend adjustments to your account as set out in Term 28.

(2) We are responsible for the payment of betting duty in relation to each Bet that you open and, in relation to Bets on horse racing, for payment of the Horse Race Betting Levy. You are not liable for betting duty or for the Horse Race Betting Levy and there are no charges or commissions relating to betting duty payable by you. However, we reserve the right to require you to pay, or reimburse, us for betting duty or the Horse Race Betting Levy in the event of a change in the basis of taxation. We also reserve the right to require you to pay, or reimburse, us for stamp duty in the event of a change in the basis of stamp duty rates or law.

(3) We understand that UK tax law currently exempts UK residents from paying capital gains tax on winnings from betting. However, we cannot advise you on tax and, if in any doubt, you should seek your own independent advice. The tax treatment of Bets may differ according to your personal circumstances and, further, tax legislation and the interpretation thereof can change. Tax treatment in jurisdictions other than the UK may be different and we recommend you seek your own independent advice from a person authorised to give such advice in your jurisdiction.

5. Providing a quote

(1) Upon your request and in accordance with Terms 5(2) and 5(3), we will quote a higher and lower figure for each Index, the difference between the two figures being our "Spread". An indication of the Spread between the higher and the lower figures is, for most types of Index, shown in the information tables contained in the relevant Supplementary Document (the "Information Tables"). However, you acknowledge that we do not guarantee either that the Spread quoted will be of the same size as the example given in the Information Tables or that there will be any limit on how large the Spread may be. You acknowledge that Spreads can change at any time and that when you close a Bet the Spread may be larger or smaller than the Spread quoted when the Bet was opened. The figures we quote will be in respect of the level of our Index and not the level of an Underlying Market, and you acknowledge that the level of our Index may be different from the level of an Underlying Market. Where there is an Underlying Market and Bets are opened at any time when the Underlying Market is closed, you acknowledge that the Spread may be larger than for Bets

opened or closed when that market is open.

(2) You may request a quote to open a Bet or to close all or any part of a Bet at any time during our normal hours of trading for the Index in respect of which you wish to open or close the Bet. Outside these hours, we will be under no obligation to but may, at our absolute discretion, provide a quote and accept and act on your offer to open or close a Bet. We may notify you of certain Indices in respect of which we will not quote, restrictions on the amount for which we will quote, or other conditions that may apply to our quote, but any such notification will not be binding on us.

(3) If we choose to provide a quote, we may provide such quote either orally by telephone or electronically via the Electronic Betting Services or by such other means as we may from time to time notify to you. Our quoting of a higher and lower figure for each Index (whether by telephone, Electronic Betting Service or otherwise) does not constitute an offer by us to open or close a Bet at those levels. A Bet will be initiated by you offering to open or close a Bet with us on an Index at the level quoted by us. We may, acting reasonably, accept or reject your offer at any time until the Bet has been executed or we have acknowledged that your offer has been withdrawn. A Bet will be opened or, as the case may be, closed only when your offer has been received and accepted by us. Our acceptance of an offer to open or close a Bet, and thus the execution of the Bet, will be evidenced by our confirmation of its terms to you.

(4) If we become aware that one of the factors set out at Term 5(5) has not been satisfied at the time you offer to open or close a Bet, we reserve the right to reject your offer at the level quoted. If we have, nevertheless, already opened or closed a Bet prior to becoming aware that a factor set out in Term 5(5) has not been met we may, at our discretion, either treat such a Bet as void from the outset or close it at our then prevailing price. However, we may allow you to open or, as the case may be, close the Bet in which case you will be bound by the opening or closure of such Bet, notwithstanding that a factor in Term 5(5) was not satisfied.

(5) The factors referred to in Term 5(4) include the following:

(a) the quote must be obtained from us as set out in Term 5(3);

(b) the quote must not be expressed as being given on an "indicative only" or similar basis;

(c) if you obtain the quote by telephone, it must be given by a person who is a dealer employed by us and your offer to open or close the Bet must be given during the same telephone conversation in which you obtained the quote and the dealer giving the quote must not have informed you before you make the offer to open or close the Bet that the quote is no longer valid;

(d) if you obtain the quote via the Electronic Betting Services, your offer to open or close the Bet, and our acceptance of your offer, must be given while the quote is still valid;

(e) the quote must not be Manifestly Erroneous;

(f) when you offer to open a Bet, the Stake must neither be smaller than the Minimum Size nor larger than the Standard Size for a Bet in relation to the Index in respect of which our quote was given;

(g) when you offer to close part but not all of an open Bet, neither the part of the Bet that you offer to close nor the part of the Bet that would remain open if we accepted your offer must be smaller than the Minimum Size;

(h) a Force Majeure Event must not have occurred;

(i) when you offer to open a Bet, an Event of Default must not have occurred in respect of you, nor must you have acted in such a way as to trigger an Event of Default;

(j) the telephone or Electronic conversation during which you offer to open or close the Bet must not be terminated before we have received and accepted your offer;

(k) when you offer to open a Binary Bet, or you offer to open a Spread Bet on a Deposit Account, you must always have sufficient funds in the relevant account to cover your maximum potential loss on the relevant Bet; and

(l) when you offer to open any Bet, the opening of the Bet must not result in you exceeding any credit or other limit place upon your dealings.

(6) We reserve the right to refuse any offer to open or close a Bet with a Stake greater than the Standard Size. Our quotation, whether for a Bet with a Stake up to or in excess of the Standard Size, is not guaranteed to be within any specific percentage of any Underlying Market or related market quotation and our acceptance of your offer may be subject to special conditions and requirements that we will advise to you at the time we accept your offer. We will inform you of the Standard Size for any

particular Index on request.

(7) If, before your offer to open or close a Bet is accepted by us, our quote moves to your advantage (for example, if the price goes down as you buy or the price goes up as you sell) you agree that we may (but do not have to) pass such price improvement on to you. The effect of such action being that the level at which you offer to open or close a Bet will, upon acceptance by us, be altered to the more favourable price. You acknowledge that it is in your best interests for us to alter the level of your offer in the manner contemplated in this Term and you agree that any offer altered in accordance with this Term, once accepted by us, results in a fully binding agreement between us. It is at our complete discretion as to when we will pass on a price improvement to you, but you should note that we will generally only pass on a price improvement when the Index you are trading is volatile. You should also note that we will only pass on a price improvement within allowable limits, and we reserve our right set out in Term 5(3) to reject any offer by you to open or close a Bet. For the avoidance of doubt, this Term does not permit us to alter your offer price if to do so would result in your opening or closing (as the case may be) a Bet at a less favourable price than your offer.

6. Opening a Bet

(1) You will open a Bet by "buying" (wagering that a specified Index will go up within a specified period) or "selling" (wagering that a specified Index will go down within a specified period). In this Agreement, a Bet that is opened by "buying" is referred to as an "Up Bet" and a Bet which is opened by "selling" is referred to as a "Down Bet". We may also, in our dealings with you, refer to Up Bets as "longs", "buys" and "highs", and Down Bets as "shorts", "sells" and "lows".

(2) Subject to Term 5(7), when you open an Up Bet, the Opening Level will be the higher figure quoted by us for the Index in respect of which the Bet is made and when you open a Down Bet, the Opening Level will be the lower figure quoted by us for the Index in respect of which the Bet is made.

(3) A Bet must always be made for a specified number of pounds (£), euros (€), dollars (\$) or such other currency as we may agree per point of movement in an Index (the "Stake"), irrespective of the way in which the Index in question is quoted in any relevant Underlying Market.

(4) **Each Bet opened by you will be binding on you, notwithstanding that by opening the Bet you may have exceeded any credit or other limit applicable to you or in respect of your dealings with us.**

7. Multiple Bets

(1) Where you have opened an Up Bet in respect of a particular Index and Determination Date and you subsequently open a Down Bet (or we open a Down Bet by executing an Order) in respect of the same Index and Determination Date, at a time when the Up Bet remains open, then unless you instruct us to the contrary (for example, by way of a Force Open, if accepted by us):

(a) if the Stake applicable to the Down Bet is less than the Stake applicable to the Up Bet, we will treat the offer to open the Down Bet as an offer to partly close the Up Bet to the extent of the Stake applicable to the Down Bet;

(b) if the Stake applicable to the Down Bet is equal to the Stake applicable to the Up Bet, we will treat the offer to open the Down Bet as an offer to close the Up Bet entirely; or

(c) if the Stake applicable to the Down Bet exceeds the Stake applicable to the Up Bet, we will treat the offer to open the Down Bet as an offer to close the Up Bet entirely and open a Down Bet at a Stake equal to the amount of such excess.

(2) Where you have opened a Down Bet in respect of a particular Index and Determination Date and you subsequently offer to open an Up Bet (or we open an Up Bet by executing an Order) in respect of the same Index and Determination Date at a time when the Down Bet remains open, then unless you instruct us to the contrary (for example, by way of a Force Open, if accepted by us):

(a) if the Stake applicable to the Up Bet is less than the Stake applicable to the Down Bet, treat the offer to open the Up Bet as an offer partly to close the Down Bet to the extent of the Stake applicable to the offer to buy;

(b) if the Stake applicable to the Up Bet is equal to the Stake applicable to the Down Bet, treat the offer to open the Up Bet as an offer to close the Down Bet entirely; or

(c) if the Stake applicable to the Up Bet exceeds the Stake applicable to the Down Bet, we may elect to treat the offer to open the Up Bet as an offer to close the Down Bet entirely and to open an Up Bet at a Stake equal to the amount of such excess.

(3) Terms 7(1) and 7(2) do not apply to Controlled Risk Bets.

8. Closing a Bet

(1) Subject to this Agreement and any requirement we may specify in relation to Linked Bets, you may close an open Bet or any part of such open Bet at any time prior to the Determination Date for the Index in respect of which the Bet is made by entering into a further Bet in respect of the same Index and Determination Date, but in the opposite direction. For the purposes of this Agreement references to closing a Bet (other than in the case of Controlled Risk Bets) may be taken as meaning the crystallisation of winnings or losses in the manner set out in Term 7.

(2) Details of the Determination Date for Indices will normally be available in our Supplementary Documents and may be obtained from our dealers on request. It is your responsibility to make yourself aware of the Determination Date for a particular Index before placing a Bet.

(3) You acknowledge and agree that, when you close or partially close a Bet at any time prior to the Determination Date by placing an opposite Bet in the manner contemplated in Term 7 we and you will each treat our respective liabilities in relation to the two concurrent Bets as having been simultaneously discharged to the extent that the Opening Level of the second Bet will be deemed to be the Closing Level of the first Bet, notwithstanding that the result of each Bet on the Determination Date is then unknown, and the first Bet will then be treated by you and by us as being payable in accordance with Term 8(9).

(4) If your Bet has not already been closed by the Determination Date for the Index in respect of which the Bet is made, we will close your Bet as soon as we have ascertained the Closing Level of the Bet. The Closing Level of the Bet will (in the case of a Controlled Risk Bet, subject to the stop level attached to that Bet) be:

(a) the applicable official quotation or value in the relevant Underlying Market (as indicated in the Information Tables) or, where there is no such market, such other measure, factor or indicator as may be relevant; plus or, as the case may be, minus

(b) any Spread which we apply when such a Bet is closed.

Details of the Spread we apply when a particular Bet is closed are available on request and you acknowledge that it is your responsibility to make yourself aware of any Spread that we apply when you close a Bet. The Spread quoted will reflect prevailing market conditions.

(5) We may accept standing instructions from you to automatically roll over all of your Bets to the next Determination Date for the relevant Index, so that your Bets do not automatically expire. Alternatively, you may ask that we accept roll instructions in respect of a specific Bet. You acknowledge that it is your responsibility to make yourself aware of the next applicable Determination Date for a Bet and that effecting the rollover of a Bet may result in you incurring losses on your account. Any agreement as to roll over is entirely at our discretion and we reserve the right to refuse to rollover a Bet or Bets, despite any instruction you have given us, if we determine, acting reasonably, that to effect a rollover would result in you exceeding any credit or other limit placed on your dealings with us. Where we do effect a roll over for any reason, the original Bet will be closed at or just prior to the Determination Date and will then become due for settlement and a new Bet will be opened at the levels then quoted by us.

(6) If you open your account after the date of this Agreement, you hereby instruct us to automatically and continually roll over all Daily Bets that you enter into with us. You may change or withdraw this instruction at any time by providing us with reasonable notice. For the avoidance of doubt, Daily Bets that are automatically rolled in accordance with this Term may be closed at any time as set out in Term 8(1).

(7) Where a Bet on a share is of sufficient size that the Stake is in excess of four times Standard Size, or where any number of Bets on shares together have a Stake in excess of four times Standard Size, then notwithstanding Term 8(5), and where such Bet(s) has not already been closed out prior to the Determination Date, we reserve the right to automatically roll your Bet(s) over to the next Determination Date where we reasonably believe it is in your best interests and/or the best interests of our clients as a whole to do so. If we choose to roll over your Bet(s), we will generally try to contact you ahead of the Determination Date, but for the avoidance of doubt we may roll your Bet(s) even if we have not contacted you.

(8) In the event that you open a Bet:

(a) that expires on a quarterly or monthly market; and

(b) that is in relation to an underlying financial instrument that is a share; and

(c) the underlying share becomes un-borrowable so that we are unable to hedge against losses that we may incur in relation to that Bet, we may amend the terms of your Bet such that it no longer expires in line with the quarterly or monthly market, but rather expires on a daily basis.

For the avoidance of doubt, a share may either be un-borrowable from the outset or our brokers or agents may recall from us a share that we have already borrowed against.

(9) Our additional rights to void and/or close one or more of your Bets in specific circumstances are set out in Terms 5(4), 10(1), 10(2), 14(1), 16, 19(4), 20, 22, 23(3) and 27.

(10) Upon closing a Bet:

(a) you will pay us the difference between the Opening Level of the Bet and the Closing Level of the Bet multiplied by the Stake if the Bet is:

(i) a Down Bet and the Closing Level of the Bet is higher than the Opening Level of the Bet; or

(ii) an Up Bet and the Closing Level of the Bet is lower than the Opening Level of the Bet; and

(b) we will pay you the difference between the Opening Level of the Bet and the Closing Level of the Bet multiplied by the Stake if the Bet is a:

(i) a Down Bet and the Closing Level of the Bet is lower than the Opening Level of the Bet; or

(ii) an Up Bet and the Closing Level of the Bet is higher than the Opening Level of the Bet.

Unless we agree otherwise, all sums payable by you pursuant to Term 8(10)(a) are due and payable immediately upon the Closing Level of your Bet being determined by us and will be paid in accordance with Term 15. Sums payable by us pursuant to Term 8(10)(b) will be settled in accordance with Term 15(4).

(11) We reserve the right to alter your Closing Level in accordance with Term 5(7).

9. Electronic Betting Services

(1) You represent and warrant that you are aware of all Applicable Regulations that apply to the Electronic Betting Services that you use and that your use of the Electronic Betting Services will comply with all Applicable Regulations and this Agreement as amended from time to time.

(2) We have no obligation to accept, or to execute or cancel, all or any part of a Bet that you seek to execute or cancel through an Electronic Betting Service. Without limitation of the foregoing, we have no responsibility for transmissions that are inaccurate or not received by us, and we may execute any Bet on the terms actually received by us.

(3) You authorise us to act on any instruction given or appearing to be given by you using the Security Devices and received by us in relation to any Electronic Betting Service you use ("Instruction"). We are not obliged to act on any Instruction, or to execute or otherwise enter into any particular Bet, and need not give any reasons for declining to do so. Unless we agree otherwise with you, you will have no right to amend or revoke an Instruction once received by us. You will be responsible for the genuineness and accuracy, both as to content and form, of any Instruction received by us. You acknowledge that in the event of Manifestly Erroneous prices or volumes we will have a right to void the Bet and such a Bet will not be binding on us.

(4) You acknowledge we have the right, unilaterally and with immediate effect, to suspend or terminate (at any time, with or without cause or prior notice) all or any part of any Electronic Betting Service, or your access to any Electronic Betting Service, to change the nature, composition or availability of any Electronic Betting Service, or to change the limits we set on the betting you may conduct through any Electronic Betting Service.

(5) In accordance with Term 5, all prices shown on any Electronic Betting Service are indicative and are subject to constant change.

Access

(6) Use of any high speed or automated mass data entry system with any Electronic Betting Service will only be permitted with our prior written consent exercised in our sole discretion.

(7) Where we permit electronic communications between you and us to be based on a customised interface using a protocol such as FIX, those communications will be interpreted by and subject to any rules of engagement for such interface protocol that are provided to you.

(8) You are required to test any customised interface prior to using it in a live environment and you agree you will be responsible for any errors or failure in your implementation of the interface protocol.

Use of Electronic Betting Services

(9) Where we grant you access to an Electronic Betting Service we shall grant you, for the term of this Agreement, a personal, limited, non-exclusive, revocable, non-transferable and non-sublicenseable license to use the Electronic Betting Services pursuant to and in strict accordance with the Terms of this Agreement. We may provide certain portions of the Electronic Betting Services under license from third parties, and you will comply with any additional restrictions on your usage that we may communicate to you from time to time, or that are otherwise the subject of an agreement between you and such licensors.

(10) We are providing the Electronic Betting Services to you only for your personal use and only for the purposes, and subject to the Terms, of this Agreement. You may not sell, lease, or provide, directly or indirectly, the Electronic Betting Services or any portion of the Electronic Betting Services to any third party except as permitted by this Agreement. You acknowledge that all proprietary rights in the Electronic Betting Services are owned by us or by any applicable third party service providers selected by us providing us with all or part of the Electronic Betting Services, or providing you with access to the Electronic Betting Services, or their respective licensors, and are protected under copyright, trademark and other intellectual property laws and other applicable law. You receive no copyright, intellectual property rights or other rights in or to the Electronic Betting Services, except those specifically set out in this Agreement. You will protect and not violate those proprietary rights in the Electronic Betting Services and honour and comply with our reasonable requests to protect our and our third party service providers' contractual, statutory and common law rights in the Electronic Betting Services. If you become aware of any violation of our or our third party service providers' proprietary rights in the Electronic Betting Services, you will notify us in writing immediately.

Software

(11) In the event that you receive any data, information or Software via an Electronic Betting Service other than that which you are entitled to receive pursuant to this Agreement, you will immediately notify us and will not use, in any way whatsoever, such data, information or software.

(12) For some Electronic Betting Services software may be downloaded by you on one or more Systems but under no circumstances are you permitted to use the Electronic Betting Service on more than one System at any one time.

(13) You will take all reasonable steps to ensure that no computer viruses, worms, software bombs or similar items are introduced into the System or Software you use to access our Electronic Betting Services.

(14) We and our licensors (as the case may be) will retain the intellectual property rights in all elements of the Software and such software and databases contained within the Electronic Betting Services and you will not in any circumstances, obtain title or interest in such elements other than as set out in this Agreement.

Market Data

(15) With respect to any market data or other information that we or any third party service provider provide to you in connection with your use of the Electronic Betting Services, (a) we and any such provider are not responsible or liable if any such data or information is inaccurate or incomplete in any respect; (b) we and any such provider are not responsible or liable for any actions that you take or do not take based on such data or information; (c) you will use such data or information solely for the purposes set out in this Agreement; (d) such data or information is proprietary to us and any such provider and you will not retransmit, redistribute, publish, disclose or display in whole or in part such data or information to third parties except as required by Applicable Regulation; (e) you will use such data or information solely in compliance with Applicable Regulations; and (f) you will pay such Market Data costs (if applicable, for access to derived data for example) associated with your use of a Electronic Betting Service as we inform you from time to time.

(16) In addition to the above, in respect of Exchange data that you elect to receive via the Electronic Betting Service, you hereby agree to any terms and conditions relating to the redistribution and use of such data as set out in our Website on the exchange permissions page.

Deal From Charts

(17) We offer a facility whereby you can request quotes and make offers directly with us via charts ("Deal from Charts Package").

(18) The price data displayed on the Deal from Charts Package constitutes our mid price for the relevant Index.

(19) The Deal from Charts Package allows you to set a wide range of "Triggers" which, if reached/satisfied will prompt you with a message asking you whether you wish to open/close a Bet; that is, a message asking whether you would like us to quote you our bid/offer prices. Examples of Triggers are: Oblique Triggers and Alert Triggers. Before using any Triggers, you agree that it is your sole responsibility to understand how the relevant Trigger operates. Help regarding Triggers and other elements of the Deal from Charts Package can be accessed via the "Tools" menu in our Electronic Betting Service. Triggers only last as long as the charting session in which they were set remains open. Further, Triggers will not be executed when the Deal from Charts Package is in "sleep" mode.

(20) The Deal from Charts Package (including, for the avoidance of doubt, the price data, both current and historical, used in the Deal from Charts Package) is provided "as is", without warranty or guarantee of any kind, express or implied, including but not limited to the warranties of merchantability and fitness for a particular purpose. In no event shall we or any third party contributor be liable for any claim, damages or other liability, whether in an action of contract, tort or otherwise, arising from, out of or in connection with the use of or other dealings in the Deal from Charts Package.

(21) The Deal from Charts Package runs on pricing data provided by us to a third party charting administrator. We shall use reasonable endeavours to ensure an acceptable service but you accept that the price data displayed in the Deal from Charts Package may be delayed and that we do not guarantee the accuracy or completeness of the data, either current or historical, and that we do not guarantee that the service will be uninterrupted. Furthermore, you acknowledge and agree that

in the event of any discrepancy between the data (pricing or otherwise) in your Deal from Charts Package and the data in our other Electronic Betting Services, the data in our other Electronic Betting Services will prevail.

(22) It is a condition of your use of the Deal from Charts Package that you agree to any reasonable conditions that we place on the use of the Deal from Charts Package. One such condition is that you agree to pay any fees that we advise you (including fees for the advanced charts that are supplied as part of the Deal from Charts Package).

10. Betting procedures - general

Agents

(1) Without prejudice to our right to rely and act on communications from your agent under Term 13(4), we will not be under any duty to open or close any Bet or accept and act in accordance with any instruction if we reasonably believe that such agent may be acting in excess of its authority. In the event that we have opened a Bet before coming to such a belief we may, at our absolute discretion, either close such a Bet at our then prevailing price or treat the Bet as having been void from the outset. Nothing in this Term 10(1) will be construed as placing us under a duty to enquire about the authority of an agent who purports to represent you.

Infringement of law

(2) We will not be under any duty to open or close any Bet if we reasonably believe that to do so may not be practicable or would infringe any Applicable Regulation, law, rule, regulation or Term. In the event that we have opened a Bet before coming to such a belief we may, at our absolute discretion, either close such a Bet at our then prevailing price or treat the Bet as having been void from the outset.

Supplementary Documents

(3) Additional betting procedures are set out in the Supplementary Documents and in any other documents provided by us to you from time to time. Together, these documents constitute our terms of business. In the event of a conflict between the Supplementary Documents and this Agreement, the Supplementary Document(s) (whichever is/are applicable) will prevail.

Situations not covered by this Agreement

(4) In the event that a situation arises that is not covered under these Terms or the terms of the Supplementary Documents, we will resolve the matter on the basis of good faith and fairness and, where appropriate, by taking such action as is consistent with market practice and/or paying due regard to the treatment we receive from any hedging broker with which we have hedged our exposure to you arising from the Bet in question.

Working and Aggregating your Bets

(5) Where you offer to place or close a Bet at a stake that is larger than the Standard Size, rather than accepting your offer as a whole, we reserve the right to accept your offer as a series of smaller Bets, each Bet having a different offer/bid price. We also reserve the right to aggregate your Bet with Bets of our other clients, if do to so is in the interests of our clients as a whole. This Term also applies to our execution of an Order on your behalf in accordance with Term 11. Where we rely on this Term, the aggregate opening or closing level for your Bets may differ from your specified offer level or from the price that would have been attained if your Order had been executed as a single Bet or not aggregated with Bets of our other clients. You acknowledge and agree that we shall not under any such circumstances have any liability to you as a result of any such less favourable price being obtained.

11. Orders

(1) We may, at our absolute discretion, accept an "Order" from you. An Order is an offer to open or close a Bet if our price moves to, or beyond, a level specified by you. Examples of such Orders are:

(a) A Stop Order, which is an offer to deal if our quote becomes less favourable to you. A Stop Order is generally placed to provide some risk protection, for example in the event of your Bet moving into loss, and can be used to either open or close a Bet. Each Stop Order has a specific stop level, set by you (but subject to our agreement). Your Stop Order will be triggered if our bid price (in the case of an Order to Sell) or our offer price (in the case of an Order to Buy) moves against you to a point that is at or beyond the level specified by you. The exception to this is Stop Orders placed in respect of Bets on Order Book Shares, which are triggered only when a deal takes place on the Underlying Market for that Order Book Share at a price, which, when adjusted for fair value and Spread, is at or beyond your specified stop level. Once a Stop Order is triggered we will, in accordance with Term 11(3) and subject to Term 11(4), open or as the case may be close a Bet at a level that is the same or worse than your stop level.

(b) A Trailing Stop, which is similar to a Stop Order, the difference being that a Trailing Stop allows you to set a floating stop level that automatically moves when our quote moves in your favour. A Trailing Stop is triggered and executed in the same way as a Stop Order as set out in Term 11(3) and subject to Term 11(4). If you wish to use Trailing Stops, you must first activate this function via our Electronic Betting Service. By choosing to activate our Trailing Stop function, you

acknowledge the following: (i) Trailing Stops are an automated tool that must be used with caution and supervision by you; and (ii) we do not guarantee to operate our Trailing stop function on a continuous basis so there may be instances in which your stop level might not in fact move with our current quote for the relevant Index, for example: where our Trailing Stop function (i.e. the systems and technology that operate our Trailing Stops) is inactive, or where our current quote for the relevant Index is Manifestly Erroneous; or where there has been a large, short term price movement in our quote for the relevant Index that is unrepresentative of current Underlying Market conditions.

(c) A Limit Order, which is an instruction to deal if our quote becomes more favourable to you. A Limit Order can be used to either open or close a Bet. Each Limit Order has a specified limit, set by you (but subject to our agreement). Your Limit Order will be triggered if our bid price (in the case of an Order to Sell) or our offer price (in the case of an order to Buy) moves in your favour to a point that is at or beyond your specified limit. Once a Limit Order is triggered we will, in accordance with Term 11(3) and subject to Term 11(4), seek to open or close a Bet at a level that is the same or better than your limit. If we can not do so (i.e. because at the time we seek to execute your Order, our bid/offer price has become less favourable to you), your Limit Order will remain operational, waiting for prices to move again in your favour such that it is triggered.

(d) A Buffer Limit, which is an instruction to deal up to a certain size and up to a certain level, such level being less favourable to you than our then current quote. Buffer Limits are useful when you wish to deal, but are unable to deal in your desired size due to illiquidity in the Underlying Market. When you place a Buffer Limit with us, you acknowledge that such Buffer Limit allows us to execute your Bet: at a price worse than our quoted bid/offer price at the time you place the Buffer Limit; and/or in a size smaller than the size specified in the Buffer Limit. A Buffer Limit, provided it is given in market hours, is triggered as soon as it is accepted by us.

(2) You may specify that an Order is to apply:

(a) for the day (a "Day Order"). A Day Order will apply until the earlier of: the applicable Determination Date for the Bet in question; or the next close of business for the relevant Underlying Market, which, for the avoidance of doubt, will include any overnight trading sessions on the Underlying Market. Please note that for Limit Orders placed on the phone, we will assume that you wish to place a Day Order unless you specify some other duration; or

(b) until a date and time specified by you (but such an Order may only be an Unattached Order and may only be placed in respect of a daily Bet or a quarterly Bet). Note that if the Determination Date for the Bet in question falls prior to your specified date and time, your Order will lapse on the Determination Date; or

(c) for an indefinite period (a "Good Till Cancelled Order" or "GTC Order"), which, for the avoidance of doubt, will include any overnight trading sessions on the Underlying Market.

We may, at our absolute discretion, accept standing Orders that will apply for some other specified duration. We may act on any such Order irrespective of the length of time for which the specified level in relation to that order is reached or exceeded.

(3) If your Order is triggered (as set out in Term 11(1) above) we will seek to open/close the Bet to which your Order relates, acting in accordance with our duty of best execution. In the case of a Stop Order, we will seek to open/close a Bet at a level that is the same (but may be worse) than your stop level; and in the case of a Limit Order, we will seek to open/close a Bet at a level that is the same or better than your limit. You acknowledge and agree that the time and level at which Orders are executed will be determined by us, acting reasonably. In this regard:

(a) We will seek to execute your Order within a reasonable time of your Order being triggered. Because there may be a manual element to our processing of Orders and because it is possible for a single sudden event to trigger a large number of Orders, you acknowledge that what constitutes a "reasonable time" may vary according to the size of your Order, the level of activity in the Underlying Market, and the number of Orders that have been triggered at the time your Order is triggered.

(b) At the time we are seeking to execute your Order, we will have regard to the price that could be achieved in the Underlying Market for a similar order (including as to size).

(4) By using our Orders, you expressly acknowledge and agree that:

(a) It is your responsibility to understand how an Order operates before you place any such Order with us and that you will not place an Order unless you fully understand the terms and conditions attached to such Order. Details about how Orders work are available in the Supplementary Documents or from our dealers on request.

(b) Whether or not we accept an Order is at our absolute discretion. Not all Orders are available on all Bets (and no Orders are available on Binary Bets), nor on all Electronic Betting Services.

(c) When you place and we accept an Order you are betting with us as principal and not dealing on the Underlying Market.

- (d) Save for Stop Orders on Order Book Shares, the triggering of your Order is linked to our bid and offer prices, not the bid and offer prices on the Underlying Market. Our bid and offer prices will often differ from the current bid and offer prices in the Underlying Market. The effect of such is that your Order may be triggered even though (i) our bid, or offer as the case may be, moved to or through the level of your Order for only a short period, (ii) and the Underlying Market never traded at the level of your Order.
- (e) Notwithstanding Term 11(1)(a), if you have a Stop Order that relates to a stock or share that despite being an Order Book Share actually behaves more like a Market Maker Share (for example, an exchange traded fund or an exchange traded commodity), we reserve the right to trigger your Stop Order based on our bid and offer prices even if the Underlying Market has not traded at your specified Stop Order level.
- (f) For the purposes of determining whether an Order has been triggered, we will be entitled (but not obliged), at our discretion, to disregard any prices quoted by us during any pre-market, post-market or intra-day auction periods in the relevant Underlying Market, during any intra-day or other period of suspension in the relevant Underlying Market, or during any other period that in our reasonable opinion may give rise to short-term price spikes or other distortions.
- (g) Following your Order being triggered, we do not guarantee that a Bet will be opened/closed, nor do we guarantee that if opened/closed it will be done so at your specified stop level or limit.
- (h) We reserve the right both to work and to aggregate Orders. Working an Order may mean that your Order is executed in tranches at different prices, resulting in an aggregate opening or closing level for your Bet that may differ both from your specified level and from the price that would have been attained if the Order had been executed in a single tranche. Aggregating an Order means that we combine your Order with the Orders of other clients of ours for execution as a single Order. We may do this only if we reasonably believe it is unlikely to work overall to the disadvantage of any client whose order is to be aggregated. However, the effect of aggregation may work to your disadvantage in relation to any particular Order. You acknowledge and agree that we shall not under any such circumstances have any liability to you as a result of any such working or aggregation of your Orders.
- (5) The following sets out when and how GTC Orders will roll:
- (a) All Attached GTC Orders relating to Bets that expire on a quarterly or monthly basis will, where you roll over that Bet to the next Determination Date, also be rolled over, unless a specific instruction has been received by us prior to the roll over of the Bet to cancel or amend the Order(s). Please note that when the quarterly or monthly Bet to which the Attached GTC Order relates is rolled over, the level of the rolled Attached Order will be adjusted to reflect any difference (i.e. any premium or discount) between the current level of the Index that is the subject of the old Bet and the corresponding level of the Index that is the subject of the new Bet.
- (b) All Unattached GTC Orders relating to proposed Bets that expire on a quarterly or monthly basis will not roll over but rather will expire on the Determination Date of the proposed Bet to which the Unattached Order relates.
- (c) All GTC Orders relating to Daily Bets (whether or not such Order is Attached to an existing Bet) will be rolled over unless a specific instruction has been received by us prior to the roll over of the Bet to cancel or amend the Order(s). Please note that when the Order is rolled over it will generally be rolled over at exactly the same level and not adjusted in the manner contemplated by Term 11(5)(a). The exception to this is Daily Bets that are priced basis a monthly or quarterly Underlying Market; we may adjust the level of an Order relating to such Daily Bets, but we will generally only do so close to the time that the monthly or quarterly Underlying Market expires, and any adjustment will be done in accordance with Term 11(5)(a).
- (6) You may, with our prior consent (and such consent will not be unreasonably withheld), cancel or amend the level of an Order at any time before our quote reaches or goes beyond the relevant level. However, once the level has been reached, you may not cancel or amend the Order unless we expressly agree to permit you to do so.
- (7) If you place an Attached Order then:
- (a) if, when the Order is executed, it will be capable of closing or partly closing the Bet to which the Attached Order relates, and you subsequently offer to close that Bet prior to the level of the Attached Order being reached, we will treat that offer to close as a request to cancel the Attached Order. You acknowledge that it is your responsibility to inform us, when you close a Bet, whether you wish any related un-triggered Attached Order(s) to remain valid, and that, unless otherwise agreed by us, any un-triggered Attached Order(s) will be cancelled; and
- (b) if the Bet to which the Attached Order relates is only partially closed by you then the Attached Order will be adjusted to the size of the Bet that remains open and will remain in full force and effect.
- (8) If we accept an Order and then an event takes place which means that it is no longer reasonable for us to act on that Order, we will be entitled to disregard your Order and we shall not have any liability to you as a result of such action. Examples include but are not limited to:

- (a) a change in the Applicable Regulations, so that the Order or the Bet to which the Order relates is no longer in compliance with the Applicable Regulations;
- (b) a stock to which the Order relates becomes un-borrowable so that we are no longer able to hedge our exposure to you;
- (c) for Orders relating to shares, an event takes place in respect of the company whose shares represent all or part of the subject matter of the Order, for example, a Corporate Event or the insolvency of the company;
- (d) if we cease to offer the type of Bet to which your Order relates.

12. Controlled Risk Bets

- (1) You may request us to open a "Controlled Risk Bet" and ask for a specific stop level to apply to such Controlled Risk Bet. Any such request must be agreed by us (including as to the stop level), acting in our absolute discretion.
- (2) Unless a Controlled Risk Bet has previously been closed in accordance with this Agreement, we guarantee that:
- (a) in the case of Controlled Risk Bets on Order Book Shares, when the Underlying Market trades at or beyond your specified stop level; and
- (b) in the case of all other Controlled Risk Bets, when our bid (in the case of Down Bets) or offer (in the case of Up Bets) reaches or goes beyond your specified stop level,
- we will close a Controlled Risk Bet at exactly the agreed stop level. Provided that, in determining whether our quote has gone beyond the agreed level, we will be entitled (but not obliged), to disregard any prices quoted by us during any pre-market, post-market or intra-day auction periods in the relevant Underlying Market, during any intra-day or other period of suspension in the relevant Underlying Market, or during any other period that in our reasonable opinion may give rise to short-term price spikes or other distortions.
- (3) Once you have opened a Controlled Risk Bet you may only change the level at which the Bet will be automatically closed with our consent (which we may, at our absolute discretion, withhold) and upon payment of additional Controlled Risk premium and/or Deposit or Margin if required by us.
- (4) Where you open a Controlled Risk Bet in respect of a particular Index and Determination Date that is: (a) an Up Bet and you subsequently offer to sell in respect of the same Index and Determination Date; or (b) a Down Bet and you subsequently offer to buy in respect of the same Index and Determination Date, we may, in the absence of clear instructions from you, treat the offer to sell or, as the case may be, buy as an offer to close all or any part of the Controlled Risk Bet or as an offer to open a new Bet.
- (5) When you open a Controlled Risk Bet, in addition to the Spread that you pay us under Term 4(1), you will also pay us Controlled Risk premium. This Controlled Risk premium will be included in our quote to you for opening your Controlled Risk Bet.
- (6) Where you have opened a non-Controlled Risk Bet and you subsequently wish to have that Bet treated as a Controlled Risk Bet you may make this request and we may, at our absolute discretion, agree to do so. Where we do so agree, you will be liable to pay us additional Controlled Risk premium.
- (7) Where you open a Controlled Risk Bet, and while that Controlled Risk Bet is open we make a dividend adjustment in accordance with Term 28(5), we reserve the right to amend the guaranteed stop level that applies to your Controlled Risk Bet by the size of the dividend adjustment.

13. Communications

(1) An offer to open or close a Bet (including an Order) must be made by you, or on your behalf: orally by telephone; via the Electronic Betting Service; or in such other manner as we may specify from time to time. If your usual mode of communicating with us is unavailable for any reason, you should attempt to use one of the other modes of acceptable communication set out at the beginning of this paragraph. For example, if you usually place Bets via the Electronic Betting Service, but for some reason our Electronic Betting Service is not in operation, you should contact us via the telephone to open or close Bets. Written offers to open or close a Bet, including offers sent by fax or email (including a secure email sent via the Electronic Betting Service) or text message, will not be accepted or be effective for the purposes of this Agreement. Any communication that is not an offer to open or close a Bet must be made by you, or on your behalf: orally, by telephone or in person; in writing, by email, post, fax; or in such other manner as we may specify from time to time. If sent to us by post or by fax, a communication must be sent to our head office, and if sent by email it must be sent to an email address currently designated by us for that particular purpose. Any such communication will only be deemed to have been received by us upon our actual receipt thereof.

(2) We will generally not accept an offer to place or close a Bet other than in accordance with Term 13(1), but if we choose to do so will not be responsible for any loss, damage or cost which you suffer or incur arising out of any error, delay or omission in acting upon such offer or failure to act upon such offer.

(3) If at any time you are unable, for whatever reason, to communicate with us or you do not receive any communication sent by us under this Agreement we will not:

(a) be responsible for any loss, damage or cost caused to you by any act, error, delay or omission resulting therefrom where such loss, damage or cost is a result of your inability to open a Bet; and

(b) except where your inability to instruct us or communicate with us results from our fraud, wilful default or negligence, be responsible for any other loss, damage or cost incurred by or caused to you by any act, error omission or delay resulting therefrom including without limitation, where such loss, damage or cost is a result of your inability to close a Bet.

(4) You acknowledge and agree that any communication transmitted by you or on your behalf is made at your risk and you authorise us to rely and act on, and treat as fully authorised and binding upon you, any communication (whether or not in writing) that we reasonably believe to have been made or transmitted by you or on your behalf by any agent or intermediary whom we reasonably believe to have been duly authorised by you. You acknowledge and agree that we will rely on your account number and/or password to identify you and agree that you will not disclose these details to any person who is not duly authorised by you. If you suspect that your account number and/or password has been learnt or may be used by any other person that you must notify us immediately.

(5) You agree that we may record our telephone conversations with you. Such records will be our sole property and you accept that they will constitute evidence of the communications between us.

(6) In accordance with the Applicable Regulations, we will provide information about each Bet that we open or, as the case may be, close for you by providing you with a Statement. Statements will be posted on our Electronic Betting Service and, if so requested by you also emailed or posted to you, on or before the business day following the day on which the Bet is opened, or as the case may be, closed. If you elect to receive your Statements by post, we reserve the right to levy an administration charge.

(7) You will be deemed to have acknowledged and agreed with the content of any Statement that we make available to you unless you have notified us to the contrary in writing within two business days of the date on which you are deemed to have received it in accordance with Term 13(10).

(8) Our failure to provide you with a Statement does not invalidate nor make voidable a Bet that you and we have agreed and we have confirmed in accordance with Term 5(3), provided however that in the event that you believe that you have opened or closed a Bet but we have not provided you with a Statement in respect of that Bet, any query in relation to the purported Bet will not be entertained by us unless: (a) you notify us that you have not received such Statement within two business days of the date on which you ought to have received a Statement for the purported Bet; and (b) you can provide accurate details of the time and date of the purported Bet.

(9) We may communicate with you by telephone, letter, fax, email or text message or by posting a message on our Electronic Betting Service and you consent to us telephoning you at any time whatsoever. We will use the address, fax number, text number, or email address specified on your account opening form or such other address or number as you may subsequently notify to us. Unless you expressly specify otherwise, you agree that we may send the following notices to you by email and/or by posting them on the Electronic Betting Service:

(a) Statements;

(b) notice of an amendment to the way in which we provide our service to you, for example changes in the features of our Bets, changes to the Electronic Betting Service and changes to the Deposit and/or Margin rates that apply to our Bets;

(c) notice of an amendment to the Terms of this Agreement given in accordance with Term 25(1),

(each a "Message").

We will not send you a paper copy of a Message sent to you by email or posted to our Electronic Betting Service. Sending a Message to you by email or by posting it to our Electronic Betting Service in a durable medium fully complies with all our obligations under the Agreement and the Applicable Regulations.

(10) Any correspondence, documents, written notices, confirmations, Messages or Statement will be deemed to have been properly given:

(a) if sent by post to the address last notified by you to us, on the next business day after being deposited in the post;

(b) if delivered to the address last notified by you to us, immediately on being deposited at such address;

(c) if sent by fax or text, as soon as we have transmitted it to any of the fax, mobile or telephone numbers last notified by you to us;

(d) if sent by email, one hour after we have transmitted it to any email address last notified by you to us; and

(e) if posted to our Electronic Betting Service, as soon as it has been posted.

(11) It is your responsibility to ensure that we have been notified of your current and correct address and contact details. Any change to your address or contact details must be notified to us immediately in writing unless we agree to another form of communication.

(12) We are required by law to provide you with certain information about us, our services, our Bets, our costs and charges along with copies of our Summary Order Execution Policy and Summary Conflicts Policy. You specifically consent to us providing you with this information by means of our website. Costs and charges will be disclosed in our Supplementary Documents. Our Summary Order Execution Policy, Summary Conflicts Policy and Risk Disclosure Notice will be provided in the section of our website that allows you to apply for an account. Alternatively, details are available by calling our dealers.

(13) It is your responsibility to make sure that you read all notices posted on our website from time to time in a timely manner.

(14) Although email, the internet, Electronic Betting Services and other forms of electronic communication are often a reliable way to communicate, no electronic communication is entirely reliable or always available. You acknowledge and accept that a failure or delay by you to receive any communication from us sent by email, text message or otherwise whether due to mechanical, software, computer, telecommunications or other electronic systems failure, does not in any way invalidate or otherwise prejudice that communication or any Bet or transaction to which it relates. We will not be liable to you for any loss or damage, howsoever caused, arising directly or indirectly out of a failure or delay by you or us to receive an email or other electronic communication. Further, you understand and accept that emails, text messages and other electronic communications we send to you may not be encrypted and therefore may not be secure.

(15) You acknowledge that there is an inherent risk that communications by electronic means may not reach their intended destination or may do so later than intended for reasons outside our control. You accept this risk and agree that a failure or delay by us to receive any offer or communication from you sent electronically, whether due to mechanical, software, computer, telecommunications or other electronic systems failure, does not in any way invalidate or otherwise prejudice that offer or communication or any Bet to which it relates. If, for any reason, we are unable to accept your offer to Bet electronically, we may, without obligation, provide you with further information advising you that your offer to Bet can be made by telephone as an alternative.

(16) In the event that you are granted access to our mobile dealing platform, then all use of such service will be subject both to this Agreement and to supplemental mobile dealing terms posted on our website and amended from time to time.

14. Deposits and Margin

Deposits

(1) Upon opening a Bet you will be required to pay us the Deposit for that Bet, as calculated by us ("Deposit"). Note that the Deposit for certain Bets (for example, Bets on Shares) will be based on a percentage of the notional value of the Bet and therefore the Deposit due for such Bets will fluctuate in accordance with the notional value of the Bet. Deposit is due and payable to us immediately upon opening the Bet (and for Bets that have a fluctuating Deposit based on a percentage of the notional value of the Bet, immediately on opening the Bet and thereafter immediately on any increase in the notional value of the Bet taking place) unless:

(a) we have expressly told you that you have an account type that allows for longer payment periods for Deposit, in which case you must pay Deposit in accordance with the payment periods that we have advised to you;

(b) we have expressly agreed to reduce or waive all or part of the Deposit that we would otherwise require you to pay us in respect of a Bet. The period of such waiver or reduction may be temporary or may be in place until further notified. Any such waiver or reduction must be agreed in writing (including by email) by either a Director of ours or a member of our credit department in order to be effective. Any such agreement does not limit, fetter or restrict our rights to seek further Deposit from you in respect of the Bet at any time thereafter; or

(c) we agree otherwise (any such agreement must be made in writing (including by email) by either a Director of ours or a member of our credit department in order to be effective), in which case you will be required to comply with such terms as are stated in the written agreement.

Margin

(2) At all times during which you have open Bets, you must ensure that your account balance, taking into account all realised and/or unrealised profits and losses ("P&L"), is equal to at least the Deposit that we require you to have paid to us for all of your open Bets. If there is any shortfall between your account balance (taking into account P&L) and your Deposit requirement, you will be required to deposit additional funds into your account ("Margin"). Margin will be due and payable to us immediately on your account balance (taking into account P&L) falling below your Deposit requirement unless:

(a) we have expressly told you that you have an account type that allows for longer payment periods for Margin, in which case you must pay Margin in accordance with the payment periods that we have advised to you;

(b) we have expressly agreed to reduce or waive all or part of the Margin that we would otherwise require you to pay us in respect of your Bet(s). The period of such waiver or reduction may be temporary or may be in place until further notified. Any such waiver or reduction must be agreed in writing (including by email) by either a Director of ours or a member of our credit department in order to be effective. Any such agreement does not limit, fetter or restrict our rights to seek further Margin from you in respect of the Bet at any time thereafter; or

(c) we agree otherwise (any such agreement must be made in writing (including by email) by either a Director of ours or a member of our credit department in order to be effective), in which case you will be required to comply with such terms as are stated in the written agreement;

(d) we have expressly extended you a credit limit, and you have sufficient credit to cover your Margin requirements. Importantly however, if at any time your credit facility is not sufficient to cover the Margin requirement on your open Bets, you must immediately place additional funds on your Account in order to fully cover the Margin required.

General

(3) **Details of Deposit and Margin paid and owing by you are available by logging on to our Electronic Betting Service or by telephoning our dealers. You acknowledge: (a) that it is your responsibility to be aware of, and further that you agree to pay, both the Deposit and Margin required at all times for all Bets that you open with us; (b) that your obligation to pay Margin will exist whether or not we contact you regarding an outstanding Margin obligation; and (c) that your failure to pay any Deposit or Margin required in relation to your Bets will be regarded as an Event of Default for the purposes of Term 16.**

(4) Deposit and Margin payments must be made in the form of cleared funds (in our bank account) unless, by separate written agreement, we accept other assets from you as collateral for payment of Deposit and/or Margin. In the event that any applicable debit card authority or other paying agent declines to transfer funds to us for any reason whatsoever then we may, at our absolute discretion, treat any Bet entered into by us in reliance upon receipt of those funds as void from the outset or close it at our then prevailing price, and recover any losses arising from the voiding or closure of the Bet from you. We reserve the right to stipulate the method of payment to be used by you.

(5) In making any calculation of the Deposit or Margin that we require from you under this Term 14, we may, at our absolute discretion, have regard to your overall position with us and/or an Associated Company of ours including any of your net unrealised losses (ie. losses on open positions).

(6) We are not under any obligation to keep you informed of your account balance and Margin required (i.e. to make a "Margin Call") however if we do so the Margin Call may be made by telephone, post, fax, email or text message. The Margin Call will be deemed to have been made as soon as you are deemed to have received such notice in accordance with Term 13(10). We will also be deemed to have made a demand for Margin if: (a) we have left a message requesting you to contact us and you have not done so within a reasonable time after we have left such a message; or (b) if we are unable to leave such a message and have used reasonable endeavours to attempt

to contact you by telephone (at the telephone number last notified to us by you) but have been unable to contact you at such number. Any message that we leave for you requesting you to contact us should be regarded by you as extremely urgent unless we specify to the contrary when we leave the message. You acknowledge and accept that what constitutes a reasonable time in the context of this Term may be influenced by the state of the Underlying Market and that, according to the circumstances, that could be a matter of minutes or even immediately. **It is your responsibility to notify us immediately of any change in your contact details and to provide us with alternative contact details and ensure that our calls for Margin will be met if you will be uncontactable at the contact address or telephone number notified to us (for example because you are travelling or are on holiday, or you are prevented from being in contact because of a religious holiday). We will not be liable for any losses, costs, expenses or damages incurred or suffered by you as a consequence of your failure to do so.**

(7) We will be entitled, at any time, to increase or decrease the Deposit and/or Margin required from you on your open Bets. You agree that, regardless of the normal way in which you and we communicate, we will be entitled to notify you of a change in Deposit or Margin levels by any of the following means: post, fax, email, text message, telephone, our Electronic Betting Service or by posting notice of the increase on our website. Any increase to Deposit or Margin levels will be due and payable immediately on our demand, including our deemed demand in accordance with Term 14(6). We will only increase Deposit and Margin levels where we reasonably consider it necessary, for example but without limitation, in response to or in anticipation of any of the following:

(a) a change in the volatility and/or liquidity in the Underlying Market or in the financial markets more generally;

(b) economic news;

(c) a company whose securities represent all or part of your Bet becoming insolvent, being suspended from trading or undertaking a Corporate Event;

(d) you changing your dealing pattern with us and/or an Associated Company of ours;

(e) your credit circumstances changing;

(f) your exposure to us and/or an Associated Company of ours being concentrated in a particular Underlying Market or Sector.

15. Payments and set-off

(1) All payments to be made under this Agreement, other than payments of Deposit and Margin and Controlled Risk Premium which are due and payable in accordance with Terms 14 and 12 respectively, are due immediately on our Communicated a demand. Once demanded, such payments must be paid by you, and must be received in full by us for value, by (a) where the demand is Communicated before 12 noon on any day, not later than 12.00 noon on the business day following the day on which our demand is Communicated; or (b) where the demand is Communicated after 12.00 noon on any day, not later than 4.00 pm on the business day following the day on which our demand is Communicated.

(2) You must comply with the following when making payments to us:

(a) Payments due (including Deposit and Margin payments) will, unless otherwise agreed or specified by us, be required in pounds, euros, US dollars, Australian dollars, Singapore dollars, Canadian dollars, Hong Kong dollars, Japanese yen, South African rand, Swiss francs and Swedish kroner.

(b) You may make any payment due to us (including any payment for Margin or Deposit) by direct debit, by direct bank transfer for value within 24 hours (e.g. by CHAPS or FAST PAY payment); by an electronic payment provider specified by us, or by card (for example credit card or debit card). Note that we reserve the right to levy a reasonable administration charge for processing your payments.

(c) At our discretion, we may accept payments from you made by cheque, subject to any terms we advise to you at the time we notify you of our acceptance. Cheques should be crossed and made payable to IG Index Limited or such other payee as we may notify you of and your account number should be marked clearly on the reverse. We reserve the right to levy a reasonable administration charge where we allow you to pay by cheque.

(d) In determining whether to accept payments from you under this Term, we will have utmost regard to our duties under law regarding the prevention of fraud and money laundering. To this end, we may at our absolute discretion having regard to the law, reject payments from you or a third party and return funds to source. In particular, we will not accept payments from a bank account if it is not evident to us that the bank account is in your name.

(3) You should be aware of the following when you place a Bet or deposit money to your account in a Currency other than your Base Currency:

- (a) It is your responsibility to make yourself aware of the Currency that is designated as your Base Currency. Details of your Base Currency are available on our Electronic Betting Service or by phoning our dealers.
- (b) Some Bets will result in profit/loss being accrued in a Currency other than your Base Currency. The Supplementary Documents specify the Currencies in which various Bets are denominated, or alternatively such information is available from our dealers on request.
- (c) From time to time (for example in your Statements), we may provide information to you which presents your multicurrency balances in the equivalent value of your Base Currency, using the rates prevailing at the time the information is produced. However you should note that the balances have not been physically converted and that the presentation of the information in your Base Currency is for information only.
- (d) If you already have an account open as at the date of this Agreement, we will continue to convert all non-Base Currency balances standing on your account to your Base Currency on the same basis and with the same frequency as we have done in the past.
- (e) If you open your account after the date of this Agreement, your account will, by default, be set to immediate conversion. This means that following a non-Base Currency Bet being closed, rolled over or expiring, the realised profits or losses from that Bet will be automatically converted to your Base Currency and posted to your account in that Base Currency. We will also by default automatically convert any non-Base Currency adjustments or charges (for example funding charges or dividend adjustments) to your Base Currency, before such adjustments/charges are booked on your account and we will automatically convert any money received from you in a non-Base Currency into your Base Currency.
- (f) If you have an account other than a Limited Risk Account, we may agree that instead of automatically converting non-Base Currency amounts before we post them to your account (as set out in Term 15(3)(e) above), such amounts will be posted on your account in the relevant non-Base Currency and we will conduct recurring balance sweeps (for example on a daily, weekly or monthly basis) that will convert all non-Base Currency balances standing on your account to your Base Currency. Depending on your account type, some of these sweep frequencies might not be available to you.
- (g) If you have an account type that allows you to do so (and subject to our agreement), you may elect to opt out of both immediate conversion (as set out in Term 15(3)(e)) and recurring balance sweeps (as set out in Term 15(3)(f)). When we consider it reasonably necessary, or when requested by you, we may convert balances (including negative balances) and/or money standing to your credit in a non-Base Currency into your Base Currency.
- (h) All conversions made in accordance with this Term will be made at an exchange rate not more than +/-0.5% of the prevailing market rate at the time of the conversion.
- (i) Where you maintain Bets in a Currency other than your Base Currency and/or where you elect to opt out of immediate conversion under 15(3)(f) or 15(3)(g) as applicable, you are exposing yourself to cross-currency risk. You acknowledge and agree that it is your responsibility to manage this risk and we are not liable for any losses that you suffer as a result.
- (j) Regardless of when you open your account (i.e. whether you do so before or after the date of this Agreement), we reserve the right to change the way in which we manage and/or convert your non-Base Currency balances at any time in the future by providing you with 10 days prior notice. By way of example only, we may notify you that all non-Base Currency amounts on your account will be immediately converted as set out in Term 15(3)(e), or we may notify you that the frequency for your recurring balance sweep is changing to become more or less frequent.
- (4) We will be under no obligation to remit any money to you if that would reduce your account balance (taking into account running profits and losses) to less than the Deposit and Margin payments required on your open Bets. Subject thereto and to Term 15(5) money standing to the credit of your account will be remitted to you if requested by you. Where you do not make such a request, we will be under no obligation to, but may at our absolute discretion, remit such monies to you. All bank charges howsoever arising will, unless otherwise agreed, be for your account. The manner in which we remit monies to you will be at our absolute discretion, having utmost regard to our duties under law regarding the prevention of fraud and money laundering. We will normally remit money in the same method and to the same place from which it was received. However, in exceptional circumstances we may, at our absolute discretion, consider a suitable alternative.
- (5) Without prejudice to our right to require immediate payment from you in accordance with Terms 15(1) and 15(2), we will at any time have the right to set off any losses incurred in respect of, or any debit balances in, any accounts (including a joint account and an account held with an Associated Company of ours) in which you may have an interest against sums held by us for or to your credit on any other account (including any joint account and any account held with an Associated Company of ours) in which you have an interest. If any loss or debit balance exceeds all amounts so held, you must forthwith pay such excess to us whether demanded or not. You authorise us to set off sums held by us for or to your credit in a joint account against losses incurred by the joint account holder. You also authorise us and our Associated Companies to set off any losses incurred in respect of, or any debit balances in, any account held by you with an Associated Company against any credit on your account(s) (including a joint account) with us.
- (6) ***You will pay interest to us on any sums due in respect of any Bet and any other general account fees (for example, market data fees) that you fail to pay on the relevant due date. Interest will accrue on a daily basis from the due date until the date on which payment is received in full, at a rate not exceeding 4% above our applicable reference rate from time to time (details available on request) and such interest will be payable on demand.***
- (7) Our failure on one or more occasions to enforce or exercise our right to insist on timely payment (including our right to insist on immediate payment of Deposit and Margin) will not amount to a waiver or bar to enforcement of that right.

16. Default and default remedies

- (1) Each of the following constitutes an "Event of Default":
- (a) your failure to make any payment (including any Deposit or Margin payment) to us or to an Associated Company of ours in accordance with the conditions set out in Terms 14 and 15;
 - (b) your failure to perform any obligation due to us;
 - (c) where any Bet or combination of Bets or any realised or unrealised losses on any Bet or combination of Bets opened by you results in you exceeding any credit or other limit placed upon your dealings;
 - (d) if you are an individual, your death or your incapacity;
 - (e) the initiation by a third party of proceedings for your bankruptcy (if you are a individual) or for your winding-up or for the appointment of an administrator or receiver in respect of you or any of your assets (if you are a company) or (in both cases) if you make an arrangement or composition with your creditors or any other similar or analogous procedure is commenced in respect of you;
 - (f) where any representation or warranty made by you in this Agreement, including but not limited to the representations and warranties in Terms 19 and 20 is or becomes untrue;
 - (g) you are or become unable to pay your debts as and when they fall due;
 - (h) any other circumstance where we reasonably believe that it is necessary or desirable to take any action set out in Term 16(2) in order to protect ourselves or any or all of our other clients.
- (2) If an Event of Default occurs in relation to your account(s) with us or in relation to any account(s) held by you with any Associated Company of ours, we may at our absolute discretion at any time and without prior notice:
- (a) close or part-close all or any of your Bets at a Closing Level based on the then prevailing quotations or prices in the relevant Underlying Markets or, if none, at such levels as we consider fair and reasonable and/or delete or place an Order on your account with the aim of reducing your exposure and the level of Deposit/Margin or other funds owed by you to us;
 - (b) convert any Currency balances on your account into another Currency;
 - (c) exercise rights of set-off under Term 15(5), retain any funds, investments (including any interest or other payment payable thereon) or other assets due to you, and sell them without notice to you at such price and in such manner as we, acting reasonably, decide, applying the proceeds of sale and discharging the costs of sale and the sums secured under this Term;
 - (d) ***charge you interest on any money due, from close of business on the date when monies first fell due until the date of actual payment at a rate not exceeding 4% above the applicable central bank's base rate from time to time;***
 - (e) if you have failed to make a payment when due, inform your partner, employer, any professional, regulatory or other organisation with which you are associated or any person who we believe to have an interest in knowing such facts of the amount of such overdue sum, the fact you have failed to make a payment and any other relevant facts or information. By entering into this Agreement, you expressly consent to any disclosure of this data by us in the circumstances set out herein; and
 - (f) close any or all of your accounts held with us of whatever nature and refuse to accept further Bets from you.
- (3) If we take any action under Term 16(2), unless at our absolute discretion we consider it necessary or desirable to do so without prior notice by you, we will where reasonably possible take steps to advise you before exercising such rights. However, any failure on our part to take such steps will not invalidate the action taken by us under Term 16(2).
- (4) In the event of your failing to meet a demand for Deposit or Margin or your being in excess of any credit or other limit placed on your account, we may exercise our

reasonable discretion to allow you to continue to place Bets with us, or allow your open Bets to remain open, but this will depend on our assessment of your financial circumstances.

(5) You acknowledge that, if we agree to allow you to continue to place Bets or to allow your open Bets to remain open under Term 16(4), this may result in your incurring further losses.

(6) You acknowledge and agree that, in closing out Bets under this Term 16, it may be necessary for us to 'work' the order. This may have the result that your Bet is closed out in tranches at different bid prices (in the case of Sells) or offer prices (in the case of Buys), resulting in an aggregate closing level for your Bet that results in further losses being incurred on your account. You acknowledge and agree that we shall not have any liability to you as a result of any such working of your Bets.

17. Client money

(1) We will treat money received from you or held by us on your behalf in accordance with the Client Money Rules.

(2) We may hold client money in a client bank account located outside the EEA. The legal and regulatory regime applying to any such bank will be different from that of the EEA and in the event of the insolvency or any other equivalent failure of that bank, your money may be treated differently from the treatment which would apply if the money was held with a bank in the EEA. We will not be liable for the solvency, acts or omissions of any bank or other third party holding money under Terms 17(1) or 17(2).

(3) It is not our policy to pay interest to you on any of your money that we hold and by entering into this Agreement you acknowledge that you therefore waive any entitlement to interest on such money under the Client Money Rules or otherwise.

(4) In the event that there has been no movement on your account balance for a period of at least six years (notwithstanding any payments or receipt of charges, interest or similar items) and we are unable to trace you despite having taken reasonable steps to do so, you agree that we may cease to treat your money as client money and further that ownership of such money will be irrevocably transferred from you to us.

Where we agree – money received from you not subject to Client Money Rules

(5) Following appropriate disclosure of the risks by us to you, you and we may agree that you do not require money which is transferred by you to us to be held in accordance with the Client Money Rules. Any such agreement must be in our agreed form and signed by you and may be provided to us by fax or by scanned copy sent to us by email. Following such an agreement, we will treat any transfer of money by you to us as a transfer of full ownership of money to us for the purpose of securing or covering your present, future, actual, contingent or prospective obligations, and we will not hold such money in accordance with the Client Money Rules. Because title of the money has passed to us you will no longer have a proprietary claim over money transferred to us, and we can deal with it in our own right, and you will rank as a general creditor of ours. By placing money with us under a title transfer agreement, you agree that all money you place on your account is done so in anticipation of a Bet and therefore has the purpose of securing or covering your present, future, actual, contingent or prospective obligations to us. You should not place any money with us that is not for the purpose of securing or covering your present, future, actual, contingent or prospective obligations to us.

18. Indemnity and liability

(1) Subject always to Term 1(3), you will indemnify us, and keep us indemnified on demand in respect of all liabilities, losses or costs of any kind or nature whatsoever that may be incurred by us as a direct or indirect result of any failure by you to perform any of your obligations under this Agreement or in relation to any Bet or in relation to any false information or declaration made either to us or to any third party, in particular to any Exchange. You acknowledge that this indemnity extends to our legal and administrative costs and expenses incurred in respect of taking any legal or investigatory action against you, or instructing any debt collection agency, to recover monies owed by you to us.

(2) To the extent permitted by law, you will indemnify, protect and hold us harmless from and against all losses, liabilities, judgements, suits, actions, proceedings, claims, damages and/or costs resulting from or arising out of any act or omission by any person obtaining access to your account by using your designated account number, user name and/or password, whether or not you authorised such access.

(3) Without prejudice to any other Terms of this Agreement, we will have no liability to you in relation to any loss that you suffer as a result of any delay or defect in or failure of the whole or any part of our Betting website(s) or any systems or network links or any other means of communication. We will have no liability to you, whether in contract or in tort (including negligence) in the event that any computer viruses, worms, software bombs or similar items are introduced into your computer hardware or software via our internet website(s), provided that we have taken reasonable steps to prevent any such introduction.

(4) Unless we are prohibited from excluding such liability by law (for example, for losses relating to death or personal injury or caused by our fraud), we will not be liable for any direct, indirect, incidental, special, punitive or consequential damages (including, without limitation, loss of business, loss of profits, failure to avoid a loss, loss of data, loss or corruption of data, loss of goodwill or reputation) caused by any act or omission of ours under this Agreement.

(5) If and to the extent that we are found liable for any losses or damages in relation to a Bet then, unless we are prohibited from limiting such liability by law, the maximum amount of our liability will be limited to four times the amount of Spread paid or payable by you in respect of that Bet.

19. Representations and warranties

(1) You represent and warrant to us, and agree that each such representation and warranty is deemed repeated each time you open or close a Bet by reference to the circumstances prevailing at such time, that:

- (a) the information provided to us in your application form and at any time thereafter is true and accurate in all respects;
- (b) you are duly authorised to execute and deliver this Agreement, to enter into each Bet and to perform your obligations hereunder and thereunder and have taken all necessary action to authorise such execution, delivery and performance;
- (c) you will enter into this Agreement and each Bet as principal;
- (d) any person representing you in opening or closing a Bet will have been, and (if you are a company) the person signing this Agreement on your behalf is, duly authorised to do so on your behalf;
- (e) to the extent that any governmental or other authorisations and consents are required by you in connection with this Agreement and in connection with opening or closing Bets, you have obtained such authorisations, they are in full force and effect and all of their conditions have been and will be complied with;
- (f) execution, delivery and performance of this Agreement and each Bet will not violate any law, ordinance, charter, by-law or rule applicable to you or to the jurisdiction in which you are resident, or any agreement by which you are bound or by which any of your assets are affected;
- (g) other than in exceptional circumstances, you will not send funds to your account(s) with us from, or request that funds be sent from your account(s) to, a bank account other than that identified in your account opening form or as otherwise agreed by us. Whether exceptional circumstances exist will be determined by us from time to time;
- (h) if you are an employee or contractor of a financial services firm or any other firm that has controls over the financial transactions in which its employees and contractors deal, you will give us proper notice of this and of any restrictions that apply to your dealing;
- (i) you will not use our bid and offer prices for any purpose other than for your own dealing purposes, and you agree not to redistribute our bid and offer prices to any other person whether such redistribution be for commercial or other purposes; and
- (j) you will use the services offered by us pursuant to this Agreement in good faith and, to this end, you will not use any electronic device, software, algorithm, or any dealing strategy ("Device") that aims to manipulate or take unfair advantage of the way in which we construct, provide or convey our bid or offer prices. You agree that using a Device whereby in your dealings with us you are not subject to any downside market risk will be evidence that you are taking unfair advantage of us.

(2) This Agreement contains the entire understanding between the parties in relation to the Betting services offered by us.

(3) In the absence of fraud, wilful default or negligence, we give no warranty regarding the performance of our website(s), our Electronic Betting Services or other software or their suitability for any equipment used by you for any particular purpose.

(4) Any breach by you of a warranty given under this Agreement, including but not limited to the warranties given in Term 19(1) and Term 8(1), renders any Bet voidable or capable of being closed by us at our then prevailing prices, at our discretion.

20. Market abuse

(1) We may hedge our liability to you by opening analogous positions with other institutions or in the Underlying Market. The result of our doing this is that when you bet on an Index with us your Bets can, through our hedging, exert a distorting influence on the Underlying Market for that Index, in addition to the impact that it might have on our own prices. This creates a possibility of market abuse and the function of this Term is to prevent such abuse.

(2) You represent and warrant to us now, and agree that each such representation and warranty is deemed repeated each time you open or close a Bet that:

(a) you will not place and have not placed a Bet or Bets with us relating to a particular Index price if to do so would result in you, or others with whom you are acting in concert together, having an exposure to the price of the underlying financial instrument which is equal to or exceeding the amount of a declarable interest in the relevant financial instrument. For this purpose the level of a declarable interest will be the prevailing level at the material time, set by law or by the stock exchange(s) or other exchange upon which the underlying financial instrument is traded; and

(b) you will not place and have not placed a Bet with us in connection with:

- (i) a placing, issue, distribution or other analogous event; or
- (ii) an offer, takeover, merger or other analogous event

in which you are involved or otherwise interested.

(c) you will not place and have not placed a Bet that contravenes any primary or secondary legislation or other law against insider dealing or market manipulation. For the purposes of this clause you agree that we may proceed on the basis that when you open or close a Bet with us on a share price you may be treated as dealing in securities within the meaning of Part V of the Criminal Justice Act 1993.

(3) In the event that (a) you place any Bet in breach of the representations and warranties given in Term 20(2) above, or (b) we have grounds for suspecting that you have done so, we may at our absolute discretion and without being under any obligation to inform you of our reason for doing so close that Bet and any other Bets that you may have open at the time and also at our absolute discretion:

(a) enforce the Bet or Bets against you if it is a Bet or Bets under which you have lost money to us; or

(b) treat all your Bets closed under this clause as void if they are Bets under which you have won money from us, unless and until you produce conclusive evidence that you have not in fact committed the breach of warranty and/or misrepresentation the suspicion of which was the ground for closing your Bet(s). For the avoidance of doubt if you do not produce such evidence within the period of six months from the date on which the Bet(s) were opened, all such Bets will be finally null and void as between you and us.

(4) You acknowledge that Bets are speculative arrangements and you agree that you will not enter into any Bets with us in connection with any corporate finance style activity.

(5) You acknowledge that it would be improper for you to deal in the Underlying Market if the sole purpose of such a transaction was to impact on our bid or offer prices, and you agree not to conduct any such transactions.

21. Credit

Details of any credit arrangement that may be available to you are or will be set out in, and will be subject to, such terms, conditions and limits as may be agreed with you in separate correspondence. We reserve the right to alter any credit arrangements agreed with you at any time. You acknowledge that when you deal with us on credit, neither any limit set on your account nor any amount of Deposit or Margin you have paid puts any limit on your potential losses in respect of a Bet. You acknowledge and agree that your financial liability to us may exceed the level of any credit or other limit placed on your account.

22. Force Majeure Events

(1) We may, in our reasonable opinion, determine that an emergency or an exceptional market condition exists (a "Force Majeure Event"), in which case we will, in due course, inform the FSA and take reasonable steps to inform you. A Force Majeure Event will include, but is not limited to, the following:

(a) any act, event or occurrence (including, without limitation, any strike, riot or civil commotion, act of terrorism, war, industrial action, acts and regulations of any governmental or supra national bodies or authorities) that, in our opinion, prevents us from maintaining an orderly market in one or more of the Indices in respect of which we ordinarily accept Bets;

(b) the suspension or closure of any market or the abandonment or failure of any event upon which we base, or to which we in any way relate, our quote, or the imposition of limits or special or unusual terms on the trading in any such market or on any such event; or

(c) the occurrence of an excessive movement in the level of any of our Indices and/or any corresponding market or our anticipation (acting reasonably) of the occurrence of such a movement;

(d) any breakdown or failure of transmission, communication or computer facilities, interruption of power supply, or electronic or communications equipment failure; or

(e) the failure of any relevant supplier, broker, agent or principal of ours, exchange, clearing house or regulatory or self-regulatory organisation, for any reason to perform its obligations.

(2) If we determine that a Force Majeure Event exists we may at our absolute discretion without notice and at any time take one or more of the following steps:

(a) increase your Deposit or Margin requirements;

(b) close any or all of your open Bets, other than any Controlled Risk Bet, at such Closing Level as we reasonably believe to be appropriate (and, in the case of a Controlled Risk Bet, where there is no quotation available, we may close any such Bet at the time when we reasonably believe that, but for the existence of the Force Majeure Event, the level set by you for closing the Bet would have been reached);

(c) suspend or modify the application of any or all of the Terms of this Agreement to the extent that the Force Majeure Event makes it impossible or impractical for us to comply with the Term or Terms in question; or

(d) alter the Determination Date for a particular Index.

23. Queries, complaints and disputes

(1) Any queries should be raised with our customer services department or with our dealers. Unresolved queries and complaints are handled by our compliance department according to our complaints procedures, a copy of which is available on our website(s) and is available on request.

(2) If you are dissatisfied with the result of our compliance department's investigation or with any action taken by us as a result thereof: (a) in respect of Spread Bets you may be able to refer the complaint to the Financial Ombudsman Service for further investigation; (b) in respect of Binary/Fixed Odds Bets or any other form of bet that we may enter into with you other than Spread Bets you may be able to refer the matter to the Independent Betting Arbitration Service (IBAS) for arbitration. See our complaints handling procedure for further details.

(3) Without prejudice to any of our other rights to close a Bet under this Agreement, in any case where we are in dispute with you over a Bet or alleged Bet or any communication relating to a Bet, we may, at our absolute discretion and without notice, close any such Bet or alleged Bet, where we reasonably believe such action to be desirable for the purpose of limiting the maximum amount involved in the dispute and we will not be under any obligation to you in connection with any subsequent movement in the level of the Index concerned. If we close one or more of your Bets under this Term such action will be without prejudice to our right to contend in relation to any dispute that such Bet had already been closed by us or was never opened by you. We will take reasonable steps to inform you that we have taken such action as soon as practicable after doing so. Where we close a Bet or alleged Bet in accordance with this Term, the closing will be without prejudice to your rights:

(a) to seek redress or compensation for any loss or damage suffered in connection with the disputed or alleged Bet or communication, prior to the closing; and

(b) to open a new Bet at any time thereafter, provided that such Bet is opened in accordance with this Agreement, which will be applied, for the purposes only of calculating any relevant limits or money required from you, on the basis that our view of the disputed events or communication is correct.

(4) We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to the first £50,000 (or £48,000 up until 1 January 2010). Further information about compensation arrangements is available from the Financial Services Compensation Scheme.

24. Miscellaneous

(1) We reserve the right to Suspend your account at any time. If we Suspend your account, it means that: you will generally not be permitted to open any new Bets or increase your exposure under your existing Bets, but you will be permitted to close, part close or reduce your exposure to us under your existing Bets; you will no longer

be permitted to Bet with us via our Electronic Betting Service, rather you will be required to Bet with us via the phone. We also reserve the right to Suspend a specific Bet that you have open with us. If we Suspend a Bet, it means that: you will generally not be permitted to increase your exposure to us under the Suspended Bet, but you will be permitted to close, part close or reduce your exposure to us under the Suspended Bet; in relation to the Suspended Bet, you will no longer be permitted to deal with us via our Electronic Betting Service, rather you will be required to deal with us via the phone.

(2) This Agreement will, unless the context otherwise requires, also apply to any "bets" within the meaning of the Gambling Act 2005 (or any superseding Act) which are accepted by us and which are not regulated under the Act.

(3) Our rights and remedies under this Agreement are cumulative, and our exercise or waiver of any right or remedy will not preclude or inhibit the exercise of any additional right or remedy. Our failure to enforce or exercise any right under this Agreement will not amount to a waiver or bar to enforcement of that right.

(4) We may assign the benefit and burden of this Agreement to a third party, in whole or in part, provided that any assignee agrees to abide by the Terms of this Agreement and subject to the approval of the FSA. Such assignment will come into effect 10 business days following the day you are deemed to have received notice of the assignment in accordance with Term 13(10). You agree that you will not assign the benefit and burden of this Agreement, whether in whole or in part, to any third party without our prior written consent.

(5) You acknowledge and agree that the copyrights, trade marks, database and other property or rights in any information distributed to or received by you from us (including, but not limited to, our prices), together with the contents of our websites, brochures and other material connected with our spread betting service and in any database that contains or constitutes such information, will remain our sole and exclusive property or that of our Licensors or any third party identified as being the owner of such rights.

(6) You agree that you will not permit or facilitate, and will take steps to prevent, any sale, dissemination, re-distribution or re-publication of the information referred to in Term 24(5) to any third party.

(7) If any Term of this Agreement (or any part of any Term) is held by a court of competent jurisdiction to be unenforceable for any reason then such Term will, to that extent, be deemed severable and not form part of this Agreement, but the enforceability of the remainder of this Agreement will not be affected.

(8) You will be responsible at all times for the payment of all taxes due and for providing any relevant tax authority with any information relating to your dealings with us. You agree that if we provide you with any information or express any opinion in relation to the tax treatment of your dealings with us it will not be reasonable for you to rely upon any such statement and it will not constitute tax advice.

(9) Our records, unless shown to be wrong, will be evidence of your dealings with us in connection with our services. You will not object to the admission of our records as evidence in any legal or regulatory proceedings because such records are not originals, are not in writing or are documents produced by a computer. You will not rely on us to comply with your record keeping obligations, although records may be made available to you on request at our absolute discretion.

25. Amendment and termination

(1) We may amend this Agreement and any arrangements made hereunder at any time by written notice to you. You will be deemed to accept and agree to the amendment unless you notify us to the contrary within 10 days of the date of our amendment notice. If you do object to the amendment, the amendment will not be binding on you, but your account will be Suspended and you will be required to close your account as soon as is reasonably practicable. Any amendment to this Agreement will come into effect on the date specified by us which will, in most cases, be at least 10 business days after you are deemed to have received notice of the amendment in accordance with Term 13(10) (unless it is impracticable in the circumstances to give 10 days' notice). Any amended agreement will supersede any previous agreement between us on the same subject matter and govern any Bet entered into after, or outstanding on, the date the new edition comes into effect. We will only make changes for legitimate reasons, including but not limited to:

- (a) making this Agreement clearer;
- (b) making this Agreement more favourable to you;
- (c) reflecting legitimate increases or reductions in the cost of providing our service to you;
- (d) providing for the introduction of new systems, services, changes in technology and products;
- (e) rectifying any mistakes that may be discovered in due course;
- (f) reflecting a change of Applicable Regulations or law.

(2) This Agreement and any arrangements hereunder may be Suspended or terminated by either party at any time upon giving the other party written notice of Suspension or termination which will take effect immediately, unless otherwise specified in the notice. Any such Suspension or termination will not affect any obligation which may already have been incurred by either party in respect of any

outstanding Bets or any legal rights or obligations that may already have arisen under the Agreement or any dealings made thereunder.

26. Governing law

(1) This Agreement and each Bet entered into between us and you is in all respects governed by English law and the courts of England and Wales will have non-exclusive jurisdiction to settle any disputes that may arise in relation thereto. Nothing in this Term 26 will prevent us from bringing proceedings against you in any other jurisdiction.

(2) If you are situated outside England and Wales, process by which proceedings in England are begun may be served on you by being delivered to the address provided by you when you opened your account or to any new address subsequently notified to us. Nothing in this Term affects our right to serve process in another manner permitted by law.

27. Manifest Error

(1) We reserve the right to, without your consent, either void from the outset or amend the terms of any Bet containing or based on any error that we reasonably believe to be obvious or palpable (a "Manifest Error"). If, in our discretion, we choose to amend the terms of any such Manifestly Erroneous Bet, the amended level will be such level as we reasonably believe would have been fair at the time the Bet was entered into. In deciding whether an error is a Manifest Error we must act reasonably and we may take into account any relevant information including, without limitation, the state of the Underlying Market at the time of the error or any mistake in, or lack of clarity of, any information source or pronouncement upon which we base our quoted prices. Any financial commitment that you have entered into or refrained from entering into in reliance on a Bet with us will not be taken into account in deciding whether or not there has been a Manifest Error.

(2) In the absence of wilful default or fraud by us we will not be liable to you for any loss, cost, claim, demand or expense following a Manifest Error (including where the Manifest Error is made by any information source, commentator or official upon whom we reasonably rely).

(3) If a Manifest Error has occurred and we choose to exercise any of our rights under Term 27(1), and if you have received any monies from us in connection with the Manifest Error, you agree that those monies are due and payable to us and you agree to return an equal sum to us without delay.

28. Corporate Events, takeovers, interest and dividends

Corporate Events

(1) If any Financial Index becomes subject to possible adjustment as the result of any of the events set out in Term 28(2) below (a "Corporate Event") affecting a related financial instrument, we will determine the appropriate adjustment, if any, to be made to the size and/or value and/or number of the related Bet(s) (and/or to the level of any Order) to account for the diluting or concentrating effect necessary to preserve the economic equivalent of the rights and obligations of the parties in relation to that Bet immediately prior to that Corporate Event and/or replicate the effect of the Corporate Event on someone with an interest in the relevant underlying Instrument, to be effective from the date determined by us and which may, for the avoidance of doubt, be retrospective.

(2) The events to which Term 28(1) refers are the declaration by the issuer of a financial instrument (or, if the financial instrument is itself a derivative, the issuer of the security underlying that instrument) of the terms of any of the following:

- (a) a subdivision, consolidation or reclassification of shares, a share buy-back or cancellation, or a free distribution of shares to existing shareholders by way of a bonus, capitalisation or similar issue;
- (b) a distribution to existing holders of the underlying shares of additional shares, other share capital or securities granting the right to payment of dividends and/or proceeds of liquidation of the issuer equally proportionately with such payments to holders of the underlying shares, or securities, rights or warrants granting the right to a distribution of shares or to purchase, subscribe or receive shares, in any case for payment (in cash or otherwise) at less than the prevailing market price per share as determined by us;
- (c) the voiding of a financial instrument that trades, or has traded, on a when-issued basis, in which case any Bet(s) that relates to that financial instrument will also be void;
- (d) any other event in respect of the shares analogous to any of the above events or otherwise having a diluting or concentrating effect or impact on the market value of the shares; or
- (e) any event analogous to any of the foregoing events or otherwise having a diluting or concentrating effect or impact on the market value of any financial instrument not based on shares.

(3) Any adjustment to the size and/or value and/or number of any Bet(s) (and/or to the level of any Order) will be determined reasonably and will be conclusive and binding upon you. If you hold an Up Bet that is affected by a Corporate Event, we will, should you give us notice of the same, in the form and with any period indicated

by us, give consideration to your views about the action or adjustment to be made as a result of the Corporate Event. If you hold a Down Bet that is affected by a Corporate Event then we will take whatever action is decided by us, acting reasonably. We will inform you of any adjustment or amendment under this Term as soon as reasonably practicable.

Take-overs

(4) If at any time a takeover offer is made in respect of a company, and you have a Bet that relates to the securities of that company, then:

- (a) we will use reasonable endeavours to notify you of the takeover offer;
- (b) we will apply the terms of the takeover offer to your Bet, as if you were a holder of the securities in question;
- (c) we may offer you the opportunity to assent to the takeover offer (as it applies to your Bet), or we may elect to assent on your behalf where we reasonably believe it is in your best interests to do so. If you elect to assent, or we assent on your behalf, your Bet will be Suspended and become untradeable until the closing date of the takeover offer at which point your Bet will be closed in accordance with the terms of the takeover offer. You agree that we will be entitled to cancel or adjust the size and/or value and/or number of any Bet(s) (and/or the level of any Order) to reflect the takeover offer, and that any such cancellation or amendment will be conclusive and binding upon you;
- (d) If you do not assent, and we do not assent on your behalf, but the takeover goes ahead nonetheless (for example, if drag-along rights apply), you agree that we will be entitled to cancel or adjust the size and/or value and/or number of any Bet(s) (and/or the level of any Order) to reflect the takeover offer, and that any such cancellation or amendment will be conclusive and binding upon you; and
- (e) at any time prior to the closing date of the takeover offer we may give notice to you of our intention to close a Bet in respect of that company's securities. The date of such notice will be the Determination Date of the Bet and the Closing Level will be determined by us, based on our reasonable assessment of the market value of the financial instrument at the relevant time.

Dividends

(5) Generally, when making our bid and offer prices for a Bet, we will not take into account dividends that may be paid prior to the Determination Date of that Bet. Therefore, if a dividend is paid in respect of the financial instrument to which your Bet relates (for example, where you place a Bet on a share and the company that has issued the share pays a dividend to its shareholders), and if your Bet remains open on the ex-dividend date for the relevant financial instrument, we will make an adjustment to your account on the ex-dividend day to account for this dividend payment. For Up Bets, the dividend adjustment will generally equal the amount of the net dividend receivable by a UK taxpayer holding the equivalent position in the relevant financial instrument and will be credited to your account. For Down Bets, the dividend adjustment will generally equal the pre-tax dividend amount and will become due and payable to us. The dividend will constitute part of the Stake for your Bet.

(6) Occasionally, we may quote Betting prices that contain forecasted dividends. We will make it clear on our website or in our Supplementary Documents which of our Bet prices contain forecasted dividends. For such Bets, in the event that there is declared or paid in respect of any financial instrument a special dividend or a dividend that is unusually large or small or payable by reference to an ex-dividend date that is unusually early or late or in the event that a previously regular dividend is omitted (in each case, having regard to dividend payments in previous years in respect of that same financial instrument), we may make an appropriate adjustment (including a retrospective adjustment) to the Opening Level and/or the Stake of a Bet that relates to that financial instrument.

Interest

(7) Generally, our bid and offer prices will contain an interest component.

(8) Occasionally, we may quote Betting prices that do not contain an interest component. We will make it clear on our website or in our Supplementary Documents which of our Bets do not contain an element of interest/costs of carry. For such Bets, we will make a regular adjustment (for example, daily or weekly) to account for interest/costs of carry. Whether interest is credited or debited to your account will depend on whether the Bet in question is an Up Bet or a Down Bet and the rate of interest that we apply from time to time. This adjustment will be posted to your account and will constitute part of the Stake for your Bet.

29. Suspension and insolvency

(1) If at any time trading is suspended in any financial instrument that forms the subject of a Bet, the Bet in question will also be Suspended from operation unless we are able to continue to make prices for the Bet based on prices in a different but related Underlying Market that is not suspended from trading. If Suspended, the suspension price of the Bet unless re-valued by us as set out in this Term 29, for the purposes of Margining and otherwise, will be the mid-price quoted by us at the time of suspension.

(2) Irrespective of whether the Determination Date for the Bet passes and irrespective of any Orders given by you, a Bet on a suspended financial instrument will remain open but Suspended until either one of the following takes place:

(a) the suspension in the Underlying Market is terminated and trading recommences, at which point the Suspension of your Bet will also cease and your Bet will become tradable again. Following lifting of Suspension, any Orders that are Attached to the Bet that have been triggered will be executed as soon as is reasonable in the circumstances having regard to liquidity in the Underlying Market and any hedging transactions that we have with third parties in order to hedge our exposure to you. We cannot guarantee that Orders will be executed at the first available Underlying Market price; or

(b) where the financial instrument is in respect of a company, that company is delisted from the Underlying Market, goes into insolvency or is otherwise dissolved, at which point your Bet will be dealt with in accordance with Terms 29(4) and 29(5).

(3) If you have Bet that becomes Suspended by operation of this Term, you will be deemed to have requested that the Bet be rolled forward to the Determination Date following the lifting of the Suspension or until your Bet is dealt with in accordance with Terms 29(4) or 29(5) as applicable. When we roll a Bet under this clause, the price at which we open your new Bet may be different to the price at which your original Bet is closed (so as to reflect interest payable during the period of the new Bet).

(4) If a company, whose securities represents all or part of the subject-matter of your Bet, goes into insolvency or is otherwise dissolved, the day on which the company goes into insolvency or is otherwise dissolved will be the Determination Date of that Bet and we will deal with your Bet as follows:

(a) If you have an Up Bet, the Closing Level of the Bet will be zero and on closing, we will open a corresponding proceeds line on your account so that if the company makes a distribution to shareholders, an amount equalling the eventual distribution will be credited to your account.

(b) If you have a Down Bet, the Closing Level of the Bet will be zero and on closing we will open a corresponding proceeds line on your account so that if the company makes a distribution to shareholders, an amount equalling the distribution will be debited to your account. We reserve the right to require you to maintain Margin on this proceeds line, which could for the avoidance of doubt be as much as the difference between the Suspension price and zero.

(5) If a company, whose securities represent all or part of the subject-matter of a Bet is delisted from the Exchange to which the Bet relates, but at the time of delisting such company has not gone into insolvency nor been dissolved, then we will take such action as is fair having regard to all of the circumstances regarding the delisting and any hedging transactions that we have with third parties as a result of your Bet and where possible which reflects the treatment accorded to holders of the underlying security. Without any limitation, examples of the action that we might take are:

(a) closing the Bet at a Closing Level that is based on our fair and reasonable assessment of the value of the Instrument to which the Bet relates;

(b) changing the Exchange to which the Bet refers (i.e. if the company in question has delisted on the reference Exchange, but maintains or has obtained listing on another Exchange, we may alter your Bet so that it refers to the second Exchange);

(c) maintaining the Suspension of the Bet until the company makes a distribution to holders of the security in question, at which point we will reflect that distribution on your Bet;

(d) closing the Bet and opening a proceeds line as set out in Term 29(4).

(6) We reserve the right at all times when your Bets are Suspended under Term 29(2) to revalue such Bet at such price and/or to change the Deposit or Margin rate, in both cases as we shall determine to be reasonable in the circumstances and to require payment of Deposit or Margin accordingly.

30. Privacy

(1) You acknowledge that by opening an account with us and placing Bets you will be providing us with personal information within the meaning of the Data Protection Act 1998. You consent to us processing all such information for the purposes of performing the contract and administering the relationship between us. You consent to our disclosing such information: (i) where we are required to by law; (ii) to Associated Companies; (iii) to the FSA and other regulatory authorities upon their reasonable request; (iv) to introducing brokers with whom we have a mutual relationship; (v) to such third parties as we deem reasonably necessary in order to prevent crime; and (vi) to such third parties as we see fit to assist us in enforcing our legal or contractual rights against you including but not limited to debt collection agencies and legal advisors. You acknowledge that any of the persons listed in the previous sentence may be within or outside the EEA.

(2) You authorise us, or our agents acting on our behalf, to carry out such credit and identity checks as we may deem necessary or desirable, including requesting

a reference from your bank from time to time and you agree to assist us, where necessary, in obtaining such a reference. You acknowledge and agree that this may result in your personal information being sent to our agents, who may be within or outside the EEA. You agree that we will be permitted, if so required, to furnish relevant information concerning you or your account to any person that we accept as seeking a reference or credit reference in good faith.

(3) You authorise us or our Associated Companies or any Trading Partner to telephone or otherwise contact you at any reasonable time in order to discuss any aspect of our business or of our Associated Companies' business or of our Trading Partners' business. If you do not wish us or our Associated Companies or our Trading Partners to so contact you for any direct marketing activities, you must inform us in writing.

31. Interpretation

In this Agreement:

(1)

"Agreement" means this agreement and any ancillary documents referred to herein (including the Supplementary Documents) and any amendments thereto. For the avoidance of doubt, this agreement supersedes and replaces any previous customer agreement in force between you and us which dealt with Bets;

"Act" is defined in Term 1(3);

"Applicable Regulations" means: (a) the FSA Rules; b) Rules of a relevant regulatory authority; (c) where applicable, the Rules of the relevant Exchange; and (d) all other applicable laws, rules and regulations as in force from time to time, as applicable to this Agreement and any Bet, or Electronic Betting Service;

"Associated Company" means any holding company or subsidiary company (as defined in the Companies Act 2006) from time to time of ours and/or any subsidiary company of any such holding company or its subsidiaries;

"Attached Order" means an Order that relates to or is referenced to an existing Bet that you have with us;

"Automatic Stop Figure" is defined in Term 12(1);

"Bet" means a Spread Bet or a Binary Bet or any other form of bet that we may enter into with you;

"Bets on FX" means Bets on the level of an Index in respect of currency exchange rates and "Bet on FX" has a corresponding meaning;

"Bets on Shares" means Bets on the level of an Index in respect of an individual share or equity and "Bet on a Share" has a corresponding meaning;

"Binary Bet" means a type of fixed odds bet that may be quoted by us in binary, decimal or fractional form and which has two possible outcomes;

"Buffer Limit" has the meaning given to it in Term 11;

"business day" means any day other than a Saturday, Sunday, and a UK public holiday;

"Client Money Rules" means the provisions of the FSA Rules that relate to money received by MiFID investment firms from clients;

"Closing Level" means the level at which a Bet is closed;

"Communication" means any interaction between us and you by the methods set out in Term 13(8) and "Communicate" has a corresponding meaning;

"Conflicts Policy" means a document that identifies all potential conflicts of interests with clients and describes all of our organisational and administrative controls to manage such conflicts of interests such that we can be reasonably confident that risks of damage to clients as a result of any conflict will be prevented;

"Controlled Risk Bet" is defined in Term 12(2);

"Corporate Event" is defined in Term 28(2);

"Credit Account" means any account which you open with us pursuant to which we grant you a credit limit (and in respect of Financial Spread Bets, includes a Full Standard Account);

"Currency" shall be construed so as to include any unit of account;

"Daily Bet" means a Bet that expires on a daily basis; see Supplementary Documents for further information;

"Dealing from Charts Package" is our charting software that allows you, via charts, to view price information, view your dealing exposure and open and close Bets directly via charts. You can do all of these activities via our Electronic Betting Service, but our Dealing from Charts Package offers you the opportunity to do these things on a chart.

"Dealing Handbook" means the handbook published by us which explains how to

bet with us;

"Deposit" means the money that we require you to pay us at the time you open a Bet with us, as set out in Term 14(1);

"Determination Date" means the specified date and, if applicable, time at which the result of a Bet is determined;

"Director" has the same meaning as is given to that term in the Companies Act 2006;

"dollars" and "\$" denote lawful currency of the United States of America;

"Down Bet" is defined in Term 6(1);

"euro" and "€" denote lawful currency of the Eurozone countries of the European Union;

"Electronic Betting Services" means any electronic services (together with any related software) including without limitation betting, order routing or information services that we grant you access to or make available to you either directly or through a third party service provider, and used by you to view information and/or enter into Bets;

"Electronic conversation" means a conversation between you and us held via our Electronic Betting Services;

"Eligible Counterparty" has the meaning given to this term in the FSA Rules;

"Event of Default" is defined in Term 16(1);

"Exchange" means any securities or futures exchanges, clearing house, self-regulatory organizations, alternative trading system or multi-lateral trading facilities as the context may require from time to time;

"Financial Bet" means a Bet made or to be made on the level of a Financial Index;

"Financial Index" means an Index which is referable to one or more financial instruments (including one or more shares, debt securities, futures or options, commodities, currencies, interest rates or other securities) or which is referable to a market quotation provided in relation to any such item;

"FIX" means Financial Information Exchange protocol;

"Force Majeure Event" is defined in Term 22(1);

"Force Open" means a Bet in respect of a particular Index where you already have an open Bet in respect of the same Index which would ordinarily result in the netting of these two Bets against each other and the closing or partial closing of both pursuant to Term 7 of this Agreement; but where we accept your offer to open the second Bet without offsetting it against that which preceded it so that two Bets result;

"FSA" means the Financial Services Authority or any organisation that will replace the FSA or take over the conduct of its affairs;

"FSA Rules" means the rules of the FSA as from time to time varied, amended or substituted by the FSA and, where you open an account via a Branch office of ours, "FSA Rules" includes the Conduct of Business rules of the EEA member state in which the Branch office is located;

"Index" means a measure of changes in values, prices or similar numerical representation of price, size or value in respect of any property, event or other item for which we provide quotes;

"Information Tables" it is defined in Term 5(1);

"Limit Order" has the meaning given to it in Term 11;

"Limited Risk Account" means a type of Betting account on which you are only permitted to place Controlled Risk Bets.

"Linked Bets" means two or more related Bets in respect of which we agree not to call for, or apply, the full amount of Deposit as a result of the relationship between such Bets;

"Margin" means the money that you are required to pay us if your account balance, taking into account P&L is less than the total Deposit required for your open Bets, as set out in Term 14(2);

"Manifest Error" is defined in Term 27(1) and "Manifestly Erroneous" has a corresponding meaning;

"MiFID" means Directive 2004/39/EC of the European Parliament and the Council of 21 April 2004 on markets in financial instruments;

"Market Maker Share" means all shares that are not Order Book Shares and are generally quote rather than electronic order driven;

"Minimum Size" means in respect of an Index, the minimum size of Bet which we accept which in most cases is specified in the Information Table and where not so specified we will inform you of the Minimum Size on request;

"Opening Level" means the level at which a Bet is opened;

"Order" means Stop Order and/or Limit Order and/or Buffer Limit, as the case permits;

"Order Book Share" means all non UK shares and all UK shares that are traded using a fully electronic order book and order matching system such as SETS;

"Order Execution Policy" means a document that describes all of our order execution arrangements in place to ensure that, when executing order, we take all reasonable steps to obtain the best possible results for clients in accordance with the FSA Rules;

"P&L" means realised and/or unrealised profits and/or losses, as the case permits;

"pounds" and "£" denote lawful currency of the United Kingdom at the date of issue of these terms, known as "sterling";

"Professional Client" has the meaning given to this term in the FSA Rules;

"Relevant Person" has the meaning given to this term in the FSA Rules;

"Retail Client" has the meaning given to this term in the FSA Rules;

"Rules" means articles, rules, regulations, terms of engagement, procedures, policies and customs, as in force from time to time;

"Security Devices" means one or more user identification codes, digital certificates, passwords, authentication codes, or such other information or devices (electronic or otherwise) as may be provided or specified to you, to enable your access to the Electronic Betting Services;

"Spread" is defined in Term 5(1);

"Spread Bet" means a spread bet that we enter with you, which is a bet in respect of the value or level of an Index and is an investment within the meaning of Schedule 2 of the Act;

"Stake" is defined in Term 6(3);

"Standard Size" means in respect of an Index, the maximum Stake for which we would normally accept your offer to open a Bet. Where the Bet is a Financial Bet and the financial instrument is traded on an Underlying Market, the Standard Size will normally be analogous to the maximum number of shares, contracts of other units that we reasonably believe the Underlying Market to be good in at the relevant time, having regard, if appropriate, to the exchange market size set by the London Stock Exchange or any equivalent or analogous let set by the relevant Underlying Market having regard to reasonable circumstances. We will inform you of the Standard Size for a particular Bet on request;

"Statement" means a written confirmation of our dealings with you including any Bets that you open and/or close, any Orders that you set and/or edit and any charges that we apply.

"Stop Order" has the meaning given to it in Term 11;

"Summary Conflicts Policy" means a summary of the main terms of our Conflicts Policy as it applies to Retail Clients;

"Summary Order Execution Policy" means a summary of the main terms of our Order Execution Policy as it applies to Retail Clients;

"Supplementary Documents" means any document published by us from time to time that further explains or further regulates the Bets we enter into with you under this agreement, for example, the "Bet Details", the "Dealing Handbook" and the "Fixed Odds/Binary Bet Rules";

"Suspend" has the meaning given to it in Term 24(1), and "Suspension" and "Suspended" has a corresponding meaning;

"System" means all computer hardware and software, equipment, network facilities

and other resources and facilities needed to enable you to use an Electronic Betting Service;

"Trailing Stop" has the meaning given to it in Term 11;

"Trading Partner" means any person with whom we have a contractual relationship with, for example a joint venture relationship, partnership relationship, agency relationship or introducing broker relationship;

"Unattached Order" means an Order that relates to or is referenced to a proposed Bet that will come into effect if and when the Order is executed;

"Underlying Market" means the Exchange and/or other similar body and/or liquidity pool on which a financial instrument is traded or trading in that financial instrument as the context requires;

"Up Bet" is defined in Term 6(1).

(2) A reference to:

(a) a Term is a reference to a term of this Agreement; and

(b) any Act of Parliament is a reference to such Act as from time to time amended, consolidated or re-enacted (with or without modification) and includes all instrument or orders made under such enactment.

IG Index Limited, January 2010

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