

## CCUK ELECTIVE PROFESSIONAL CLIENT REQUEST FORM

In response to your request to become an elective professional client at Capital.com (UK) Limited (“CCUK”, “the Firm”, “we”, “us”), we provide this document to you under Financial Conduct Authority (“FCA”) rules<sup>1</sup> as a clear written warning of the protections and investor compensation rights you may lose by being categorised as an elective professional client, as opposed to a retail client.

<p>Client Name:</p>  <p>Account Number(s):</p>
<p>I wish to be treated as a professional client and can confirm that (please tick at least 2 out of the 3 statements below):</p> <ul style="list-style-type: none"> <li>• <input type="checkbox"/> I have carried out on average 10 transactions of significant size (notional value of £10,000 equities and £50,000 other instruments) per quarter in the relevant market during the last four consecutive quarters. Evidence of this will be required.</li> <li>• <input type="checkbox"/> The value of my financial instrument portfolio, defined as shares, derivatives (only available cash deposits or profits realised from investing in derivatives), debt instruments and cash deposits, exceeds five hundred thousand Euros (EUR500,000). Evidence of this will be required.</li> <li>• <input type="checkbox"/> I work, or have worked, for at least one year in a professional position in the financial sector where I required knowledge of the planned transactions or services. We may require you to provide evidence of this.</li> </ul>
<p>We will be in contact to request further information in relation to your responses.</p>
<p>Signed</p>
<p>Date</p>
<p>Please email the completed form back to <a href="mailto:compliance.uk@capital.com">compliance.uk@capital.com</a></p>

<sup>1</sup> While accurate at the time of publication, FCA rules are subject to change. We will seek to keep this document up to date and may update the contents of this document, but we are not required to notify you of any such changes.

## LOSS OF PROTECTION NOTICE

To the extent that you have been categorised as a professional client, you will lose the protections afforded to retail clients under the rules of the Financial Conduct Authority (“FCA”).

Although the below list is not exhaustive, the following are the main protections which you will lose:

**Communication and understanding of risk** - The way in which we communicate with you as a professional client may differ, this includes the risk warnings we display to you, the communication we have with you regarding financial promotions and the sophistication of the language we use when communicating with you.

**Risk Warnings** - The Firm will not be required to provide you with any standardised risk warning that may be introduced in the future that relate to transactions in any of our products.

**Prior Disclosure of Charges** - The Firm will not be required to inform you of the charges applicable to the services we will be providing, although it is our practice to do so.

**Best Execution** - The factors we consider when determining the delivery of Best Execution may differ between retail and professional clients.

**Products and appropriateness** - We will consider your knowledge and experience as a professional trader when assessing how appropriate a product is for you.

**Negative Balance Protection** - As a professional client you will be responsible for making additional payments should your account fall into a negative balance. You could lose more than the sum you have invested when trading with the Firm.

**Leverage** - Retail clients have restrictions to leverage of between 30:1 and 5:1. Professional clients will not have these restrictions, but it should be noted that higher leverage can work against investors and magnify losses.

**Client Money** - Where your funds are subject to a Title Transfer Collateral Arrangement (“TTCA”), full ownership of the money is transferred to us for the purpose of covering your obligations. Accordingly, your funds subject to TTCA are not treated as ‘Client Money’ for the purposes of the FCA’s Client Money Rules and will not be segregated from the money held in our bank account(s) and may be used in the course of our business. In the event of our insolvency, you will rank as a general creditor in respect of any funds subject to TTCA. We will not be liable for the solvency, acts or omissions of any bank or other third-party holding your money. You may notify us at any time that you do not wish for us to treat the money held in your trading account(s) in this manner but that may mean that we can no longer provide the same services to you.

**Compensation** - Under the UK Financial Services Compensation Scheme (“FSCS”) you may be entitled to claim compensation from that scheme if the Firm cannot meet its obligations to you. This will depend on your individual eligibility, determined under the rules applicable to the scheme.

**Depreciation in Value** - We are required to inform retail clients where the initial value of their positions in leveraged financial instruments or contingent liability transactions depreciates by 10 per cent and thereafter at multiples of 10 per cent. This requirement does not apply to professional clients.

**The UK Financial Services Ombudsman (“FOS”)** - The services of the FOS may not be available to professional clients, unless their employment is not professional trading.

**Terms of Business** - We will be under no obligation to set out in writing the basis on which our services are provided, although it is our practice to do so. Our Terms & Conditions, and Policies, remain applicable to you to the extent they are not in conflict with your status as an elective professional client.

If you have any questions regarding your categorisation as an elective professional client, as set out in our Terms and Conditions, or require any further information, you should contact us before signing this notice.

Additionally, you may request to be re-categorised as a retail client at any point. Please contact your account manager to make such a request and have your trading protections reinstated. If the Firm becomes aware that you no longer fulfil the initial conditions required, your account manager will contact you and we may re-categorise you to retail client.

**I have read and understood the terms and warnings within this Loss of Protection Notice.**

<b>Company (if applicable)</b>
<b>Signed</b>
<b>Print Name</b>
<b>Date</b>