

## **Overview of Material Amendments to Capital Com (UK) Limited's Terms and Conditions**

**Key Information:** The Terms and Conditions have been restructured and are now separated into the following 4 sections:

### **SECTION A—GENERAL INTRODUCTION**

### **SECTION B—COMMON TERMS**

### **SECTION C—TERMS APPLICABLE TO CFD TRADING AND SPREAD BETTING**

### **SECTION D—TERMS APPLICABLE TO THE SHARE DEALING SERVICE**

The most material amendments are summarised below. The majority of the changes have been made to the Common Terms at Section B (of the new Terms and Conditions).

For the avoidance of doubt, all clause references mentioned in this document refer to the new Terms and Conditions. In addition, all terms defined in the new Terms and Conditions shall apply in this summary document (unless otherwise defined).

***Finally, this is not an exhaustive summary of the changes. You are required to read and acknowledge the new Terms and Conditions in their entirety.***

#### **1. Change to Registered Office Address**

Section A, clause 1.1: The Firm has changed its registered office to 2nd floor, 4 Orchard Place, London SW1H 0BF.

#### **2. Loss of Protections afforded to Professional Clients and Negative Balance Protection**

Section B, clause 2.5: A list of the main regulatory protections afforded to retail clients under the FCA Rules, which are sacrificed by professional clients are listed in this clause. This includes Negative Balance Protection. Clause 2.5(f) makes it clear that 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”*.

#### **3. Appropriateness and Complex and Non-Complex Products**

Section B, clause 2.6: This new clause emphasises that we will assess the appropriateness of complex products (e.g. CFDs and Spread Bets) for you by reference to your knowledge, experience and understanding of the risks involved. However, you shall be solely responsible for your decision if you decide to proceed with a Transaction after receiving warning that the proposed transaction may not be appropriate to your circumstances.

Section B, clause 2.7: This clause clarifies that we are not required to assess the appropriateness of Transactions involving non-complex products (which includes Shares). For these types of Transactions, therefore, you will not benefit from the FCA Rules requiring an appropriateness assessment.

#### **4. Number of accounts.**

Section B, clause 2.8: This clause clarifies that, once a Customer's identity is verified, there may only be one Account registered. However, multiple sub-accounts may be opened.

#### **5. Payment Methods**

Section B, clause 5.4: A new restriction has been added in this clause, which limits the amount of payment cards that can be attached to an Account at any one time to three (3).

#### **6. Minimum Deposit**

Section B, clause 5.5: This clause clarifies that the minimum amount of money that can be deposited to an Account at a time is GBP 20 (and above).

## **7. Bank Transfers**

Section B, clause 5.6: The minimum bank transfer amount has been reduced to GBP 100 (from GBP 250).

## **8. Inactive Account**

Section B, clause 5.20: The period of time after which the Firm shall be entitled to classify an Account as an Inactive Account due to there being no open Transactions and no pending Orders) has been reduced to six (6) months (from 12 months). In addition, this clause clarifies that the Firm reserves the right to close Inactive Accounts at its sole discretion. In such circumstances, all the remaining funds held on the Inactive Account will be refunded to the payment method used for depositing.

## **9. Unclaimed Customer Money**

Section B, clause 10.6: This clause has been amended to clarify that in the event that there has been no movement on an Account balance for a period of at least six (6) years and we are unable to trace you, you agree that we may cease to treat your money as Client Money and pay away the money to a registered charity. If you later make a valid claim to us, we shall pay to you any amount owed to you by us if it is above £25 for Retail Clients or above £100 for Professional Clients.

## **10. Professional Customers and TTCA**

Section B, clause 10.7: This new clause confirms that, for Professional Clients, we may agree that the money transferred to us will no longer be held in accordance with the CASS Rules. In such circumstances, you will no longer have a proprietary claim over money transferred to us, we can deal with it in our own right and you will rank as a general creditor of ours. In such circumstances, a Title Transfer Collateral Arrangement Agreement ('the TTCA Agreement') must be agreed and signed by you.

## **11. Termination Rights**

Section B, clause 11: The term "Events of Default" was utilised in the previous Terms and Conditions. This has been replaced by the term "Termination Rights" in the new Terms and Conditions.

## **12. Termination in case of Death**

Section B, clause 12.11: This new clause states that, upon receiving notice of your death, we may close your open Transactions and your Account(s). Your estate will remain liable for any sums owed to us. In addition, we may (but, prior to any grant of representation, are not bound to) act on the instructions of your personal representative(s).

## **13. Force Majeure**

Section B, clause 15.3: "Pandemics" has been added as an Event of Force Majeure.

## **14. Complaints Procedures**

Section B, clause 16.2: This clause has been amended to refer to a new email address to which complaints should be directed: [support@capital.com](mailto:support@capital.com), as well as the telephone number +44 20 3097 8888.

## **15. Complaints Handling**

Section B, clause 16.3(a): The number of Business Days for us to confirm receipt of your complaint and provide you with your Unique Reference Number has been reduced to three (3) (from five (5)).

## **16. Amendments**

Section B, clause 17.3: Our ability to make amendments to the Agreement (including the Terms and Conditions) has been increased to 10 Business Days (from 48 hours). In addition, this clause has been amended to make clear that we will only make amendments that are designed: "(i) to reflect changes in the way we operate our business as a result of market or technological developments; (ii) to reflect changes in the scope of the products or services that the Customer may access under the Agreement; (iii) to reflect the incidence of third party costs; (iv) to comply with or reflect any changes in Applicable Regulations; and (v) to clarify any areas of uncertainty".

### **17. Data Protection Queries**

Section B, clause 17.9: This clause has been amended to clarify that the Firm's contact with regards to any queries about Data Protection will be the Compliance Department which can be contacted through email on: [gdpr.uk@capital.com](mailto:gdpr.uk@capital.com).

### **18. CFD and Spread Betting Services**

Section C: At the beginning of this section, the following warning has been added highlighting Customers to the risks of trading CFDs and Spread Bets: ***“CFDs and Spread Bets are high risk investment products and are not suitable for all investors. We have therefore identified our target market and we would generally expect our services to be used by individuals who: (a) have the ability to bear 100% loss of all funds invested; (b) have an acceptable level of knowledge and/or experience to understand the characteristics of CFDs and Spread Bets and the risks associated with trading on margin and with leverage; and (c) have a high-risk tolerance.*”**

***We publish a risk warning stating the percentage of retail investor accounts losing money when spread betting or trading CFDs with us and this is available on our Website.***

***You should consider whether you understand how spread bets or CFDs work and whether you can afford to take the high risk of losing your money.”***

### **19. Charges**

Section C, clause 4.1: This clause clarifies that (for CFDs and Spread Bets) a copy of our current Charges is published at the Fees and Charges section of our Website and the Mobile App. The Firm provides you with an itemised breakdown of costs and charges periodically. However, for the avoidance of doubt, some Charges are variable and change in response to market conditions such as volatility, liquidity and economic news. Without any changes to our pricing structure, you will not be personally notified of any fluctuation in such Charges, but the information will be shown at the Fees and Charges section of our Website and the Mobile App.

### **20. Share Dealing Service**

Section D: At the beginning of this section, the Customer is highlighted to the fact that we are not able to facilitate the transfer of Investments to other firms. The Investments held in your Account will need to be liquidated (which may result in additional charges imposed by third parties).

### **21. Charges**

Section D, clause 3.1: This clause clarifies that a copy of our current charges for Share Dealing is published at the Charges and Fees section of our Website and the Mobile App. In addition, the Firm provides you with an itemised breakdown of costs and charges periodically.