

## Capital Com (UK) Limited - TERMS AND CONDITIONS

### SECTION A - GENERAL INTRODUCTION

#### PART 1. BACKGROUND AND OVERVIEW

1.1. *Terms and Conditions.* These Terms and Conditions for CFD Trading, Spread Betting and Share Dealing Services (the “**Terms**”) are offered to our Customers (“**you**”, “**your**”, “**yourself**” or “**Customer**”, as appropriate) by Capital Com (UK) Limited (“**we**”, “**us**”, “**our**”, “**ours**”, “**ourselves**”, “**CAPITAL.COM**”, the “**Firm**”, as appropriate). CAPITAL.COM is a Firm authorised and regulated by the Financial Conduct Authority (“**FCA**”) (Firm Reference Number: 793714), with its registered office at 2nd Floor, 4 Orchard Place, London SW1H 0BF.

1.2. *Acceptance as Customer.* If you are accepted as our Customer, the Terms together with the provisions of the Risk Disclosure Statement, the Order Execution Policy, the Privacy Policy, the Conflicts of Interest Policy, the Complaints Handling Procedure and the Cookies Policy (together the “**Policies**”), will together constitute the legal agreement between you and us (the “**Agreement**”). The Policies can be found on our Website and Mobile App, as well as include important information which we are required to provide to our Customers under the Applicable Regulations. For your own benefit and protection, the Firm highly recommends you take sufficient time to read and understand the Terms, the Policies and any other information published on our official website <https://capital.com> (the “**Website**”) and/or Mobile Application (the “**Mobile App**”) prior to opening an Account and/or carrying out any activity with us.

1.3. *Services.* The Firm shall provide the following investment services (the “**Services**”) pursuant to the Agreement:

- (a) CFD trading;
- (b) Spread Betting services; and
- (c) Share Dealing services.

For the purposes of Section C of these Terms, (a) and (b) will be referred to as the CFD Trading and

Spread Betting Services.

1.4. *Legal relationship.* The Agreement supersedes any previous agreement between you and us on the same subject matter and will govern the legal relationship between us including all Orders that we receive from you, all Transactions entered into by us on your behalf and the custody of Instruments bought on your behalf or transferred to us on your behalf. The Agreement will only become effective once we have notified you that you have been accepted as a Customer and opened your Account. You may only place Orders after that time.

1.5. *No Third Parties.* By entering into this Agreement you warrant, represent and undertake that you:

- (a) have the authority and capacity to enter into the Agreement;
- (b) are entering into the Agreement in your own name and behalf and not as another party’s agent or representative;
- (c) will not permit any third party to act on your Account and/or deal with us in any way on your behalf, which includes (without limitation) placing Orders and depositing and or withdrawing funds.

1.6. *Powers of Attorney.* Unless otherwise agreed in writing, powers of attorney over an Account are not permitted.

1.7. *Execution only.* The Services will be provided exclusively on an execution-only basis (i.e. without recommendation or advice).

1.8. *Contact and Support.* If you have any queries or do not fully understand the provisions of the Terms, the Policies or any other document made available to you by us, then please contact us at support@capital.com, through live support on the Website or Mobile App, via the “Contact Us” section of the Website or Mobile App or by telephone on +44 20 3097 8888

## PART 2. DEFINITIONS

### 2.1. *Definitions.* In the Agreement:

**'Account'** means the personal trading account you hold with us and is designated with a particular account number.

**'Agreement'** has the meaning given in clause 1.2 of Section A above (and includes the Agreement as amended, varied, supplemented or replaced from time to time).

**'Applicable Regulations'** means any applicable laws and regulations of the United Kingdom or any other jurisdiction to which CAPITAL.COM is directly or indirectly subject, including (without limitation):

- a. FCA Rules;
- b. Rules, regulation, directives and guidelines issued from the European Securities and Market Authority ("**ESMA**");
- c. The Data Protection, Privacy and Electronic Communications (Amendments, etc) (EU Exit) Regulations (UK-GDPR) amending and transposing into UK law the Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data; and
- d. any regulations relating to money laundering and the prevention of financial crime;

**'Associated Company'** means in relation to an entity, any holding company or subsidiary company (as defined in the Companies Act 2006 (as amended)) from time to time of that entity and/or any subsidiary company of any such holding company.

**'Base Currency'** means the official currency of the Account, which the Customer can specifically choose from the US dollar, the Euro, Pound sterling or any other currency that may be designated by the Firm as a Base Currency from time to time.

**'Business Day'** shall mean any day (other than a Saturday, Sunday or a bank holiday) when banks are open for general commercial business in the United Kingdom.

**'Buy'** means a Transaction under which you will buy an Instrument.

**'CASS Rules'** means the client money and assets rules specified in the Customer Assets Sourcebook ("**CASS**") in the FCA Handbook.

**'Contract for Differences'** or **'CFD'** means a financial contract that pays the difference in the settlement price between the opening and the closing trades without owning the underlying products, for example shares, indices, commodities or fluctuations in foreign exchange (rolling spot foreign exchange products).

**'Cookies Policy'** means the document on our Website which details our use of cookies.

**'Charges'** means any transaction or account costs, fees or other charges including custody fees payable by you as notified to you from time to time.

**'Client Money'** means any money of any currency in any form which the Firm holds, receives for or from a Customer.

**'Commission'** means an amount charged when opening and closing a Transaction.

**'Complaints Handling Procedure'** means the document on our Website which details our procedure for handling complaints.

**'Conflicts of Interest Policy'** means a document that identifies all potential conflicts of interest with Customers and describes all of our organisational and administrative controls designed to manage and mitigate such conflicts of interest such that we can be reasonably confident that risks of damage to Customers as a result of any conflict will be prevented.

**'Confirmation'** means a written record, giving the details of a deal, including all Charges applicable to that deal and the total amount payable by or to you in settlement of that deal.

**'custodian'** means, as the context may require, CAPITAL.COM itself or a bank or financial institution providing custody services (safeguarding of assets) on behalf of CAPITAL.COM.

**'Deal'** means the purchase of, sale of, or subscription for, specified Instruments in accordance with an Order.

**'Electronic Trading Services'** means any electronic services (together with any related

software or application) accessible by whatever means we offer including without limitation trading, direct market access order routing or information services that we grant you access to or make available to you either directly or through a Third Party Electronic Trading Services provider and used by you to view information and/or issue Orders.

**‘Exchange’** means any securities exchange, clearing house, self-regulatory organisations, alternative trading system, organised trading facility, or multilateral trading facility as the context may require from time to time.

**‘FCA’** means the Financial Conduct Authority.

**‘FCA Rules’** means the rules (including guidance) set out in the FCA Handbook and Sourcebooks or in other instruments issued by or under the authority of the FCA.

**‘Instrument’** includes (i) any Share or other transferable security or (ii) any CFD or (iii) any Spread Bet, in each case in respect of which we offer to deal in Transactions.

**‘KID’** means a Key Information Document as required by the PRIIPs (Packaged Retail and Insurance-based Products) Regulation.

**‘Market Maker’** means a person (legal or natural) who holds themselves out on the financial markets on a continuous basis as being willing to deal on their own account by buying and selling financial instruments against their proprietary capital at prices defined by them.

**‘Margin’** means such assets as CAPITAL.COM may require you to deliver and maintain in your Account from time to time in respect of margin transactions, in a form and amount acceptable to CAPITAL.COM.

**‘Mobile App’** means the mobile application from which your Account, the Trading Platform and the Electronic Trading Services can be accessed.

**‘Order’** means any order given by you in respect of any Instruments pursuant to the Agreement.

**‘Order Execution Policy’** means a document that describes all of our order execution arrangements in place to ensure that, when executing an order, we take all sufficient steps to obtain the best possible results for Customers in accordance with the Applicable Regulations relating to best execution.

**‘Policies’** means the Risk Disclosure Statement, the Order Execution Policy, the Privacy Policy, the Conflicts of Interest Policy, the Complaints Handling Procedure and the Cookies Policy.

**‘Privacy Policy’** means the document on our Website that details how we manage and use your personal information, when and how it may be disclosed, how you may apply for details of the information relating to you that is held by us and other matters relevant to the same.

**‘professional Customer’** has the meaning given to it in the FCA Rules.

**‘retail Customer’** has the meaning given to it in the FCA Rules.

**‘Retail Service Provider’** means Market Makers that a broker connects to in order to automatically process retail customer orders.

**‘Risk Disclosure Statement’** means a statement, which is available on our Website and is intended as a general description of risks associated with our products and services.

**‘Secured Obligations’** means the amount from time to time owed by you to us pursuant to this Agreement (after giving credit for any amounts that may be owing by us to you at that time).

**‘Sell’** means a Transaction under which you will sell an Instrument.

**‘Share’** means the investment specified in article 76 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 or other transferable security.

**‘Spread Bet’** means a financial instrument which allows Customers to speculate on the movement of the price of the market of the underlying asset and is an investment within the meaning of Schedule 2 of the Financial Services and Markets Act 2000 (as amended).

**‘Statement’** means a written Confirmation of any Transaction, any Orders that you set and/or edit, and any Commission and other applicable Charges and Taxes that we apply.

**‘Taxes’** means any taxes or levies including stamp duty, stamp duty reserve tax, financial transaction taxes and/or other applicable taxes or levies notified

to you from time to time.

**'Terms'** means these Terms and Conditions for CFD Trading, Spread Betting and Share Dealing Services.

**'Third Party Electronic Trading Services'** means any Electronic Trading Services provided by a third party (e.g. MT4 and MT5).

**'Trading Platform'** means the CAPITAL.COM trading platform and any other trading platform operated, used or provided by the Firm from time to time for the purposes of the Services. For the avoidance of doubt, this shall include a trading platform provided as part of any Third Party Electronic Trading Services.

**'Transaction'** means a transaction effected pursuant to an Order placed by you.

**'Underlying Market'** means an exchange, Market Maker, Retail Service Provider and/or other similar body and/or liquidity pool on which an Instrument is traded or trading as the context requires.

**'Website'** means our official website <https://capital.com/>.

2.2. *General interpretation.* In these Terms:

2.2.1. A reference to a "Clause" or "Schedule" or "Part" shall be construed as a reference to, respectively, a Clause or Schedule or Part of these Terms, unless the context requires otherwise.

2.2.2. References to any statute or statutory instrument or Applicable Regulations include any modification, amendment, extension or re-enactment thereof.

2.2.3. A reference to a "document" shall be construed to include any electronic document.

2.2.4. The masculine includes the feminine and the neuter and the singular includes the plural and vice versa as the context admits or requires.

2.2.5. Words and phrases defined in the FCA Rules and the Applicable Regulations have the same meaning in these Terms unless expressly defined in these Terms.

2.2.6. A reference to the term "in writing" includes the provision of text electronically delivered via a durable medium as defined above.

2.3. *Schedules.* The provisions contained in the attached Schedule(s) (if any) shall apply. We may from time to time send to you further Schedules in respect of the Transactions. In the event of any conflict between the provisions of any Schedule and these Terms, the provisions of the Schedule shall prevail.

2.4. *Headings.* Headings are for ease of reference only and do not form a part of these Terms.

## SECTION B - COMMON TERMS

Section B sets out the provisions on which we will enter into Transactions either on CFD, Spread Bets or Shares with you and govern each Transaction entered into or outstanding between you and us.

### PART 1. AVAILABILITY OF THE SERVICES

1.1. *Availability of Services.* The Electronic Trading Services of CAPITAL.COM are only available to Customers who:

- a. are at least eighteen (18) years old;
- b. are domiciled or located in a country where the distribution or use of CFDs and/or Spread Bets would not be contrary to local laws or regulations. For the avoidance of doubt, it is your responsibility to ascertain the terms of, and comply with any local laws or regulations to which you are subject;
- c. are not domiciled or located in the United States of America or the European Union;
- d. have provided the Firm with the necessary information required by the Firm to open an Account in accordance with Applicable Regulations; and
- e. at the Firm's request have provided information and documentation necessary to establish the source and ownership of funds deposited with the Firm.

1.2. *Availability of the Services depending on the jurisdiction:* The use of and access to the Trading Platform and the Electronic Trading Services may not be permitted or may be blocked in some jurisdictions. It is your responsibility to verify that you are permitted to use and access the Trading Platform and the Electronic Trading Services according to the jurisdiction of your domicile or any country in which you may be located. Should you try to access the Trading Platform and/or the Electronic Trading Services from a country other than your country of your domicile, it is possible that access will not be permitted and you will be unable to access the Trading Platform and Electronic Trading Services and therefore unable to open any positions or close any existing positions.

1.3. *Limiting Availability of the Services by the Firm:* The Firm may, in its sole discretion, refuse to offer its Services to any person and change its eligibility criteria at any time.

1.4. *Use of the Trading Platform.* Where we grant you access to the Trading Platform, we shall grant you, for the term of this Agreement, a personal, limited, non-exclusive, revocable, non-transferable and non-sublicensable licence to use Trading Platform pursuant to and in strict accordance with this Agreement. We are providing the Trading Platform to you only for your personal use and only for the purposes, and subject to the terms, of this Agreement. You acknowledge that all proprietary rights in our Trading Platform are owned by us or by any applicable third-party licensors or service providers engaged by us, and are protected under copyright, trademark and other intellectual property laws and other Applicable Regulations. You receive no copyright, intellectual property rights or other rights in or to the Trading Platform, except those specifically set out in this Agreement. In the event that you receive any data, information or software via Trading Platform other than that which you are entitled to receive under this Agreement, you will immediately notify us and will not use, in any way whatsoever, such data, information or software. The Customer must regularly update the Website and Mobile App software, so that CAPITAL.COM can grant the appropriate level of services.

1.5. *Limitations of Trading Platform.* The Trading Platform is not an exchange or a market. This means that you can only enter into Transactions with us on the Trading Platform, and not third parties.

1.6. *Third Party Electronic Trading Services.* It is your sole responsibility to understand and evaluate the functionality of any Third Party Electronic Trading Services before agreeing to download or access them or entering into Transactions with us using any Third Party Electronic Trading Services. If you are in any doubt as to whether you are using a Third Party Electronic Trading Service, you should contact us in accordance with clause 1.8 of Section A of this Agreement and clause 17.5 of this Section B.

Additional terms and conditions may apply regarding the use of any Third Party Electronic Trading Services. You are responsible for ensuring

that you read and understand these terms and conditions. By using the Third Party Electronic Trading Services, you will be deemed to have read, understood and agreed to those terms and conditions.

For the avoidance of doubt, we do not control, endorse or confirm the accuracy or completeness of any Third Party Electronic Trading Services or their suitability to you. Third Party Electronic Trading Services are provided to you on an 'as is' basis, 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.

It is a condition of your use of any Third Party Electronic Trading Services that you agree to any reasonable conditions that we place on the use of such products and pay any Charges and any applicable Taxes that we notify you of from time to time.

By entering into this Agreement, you authorise us to disclose information about you and your Account (including your personal data and your Account activity) to the Third Party Electronic Trading Services provider and also to that Third Party Electronic Trading Services provider's affiliates and subcontractors as required for the purpose of providing services to you.

In no event will we be held liable for any claim, damages or other liability, including loss of funds, indirect losses (such as loss of profits), data or service interruptions, whether in an action of contract, tort or otherwise, arising from, out of or in connection with the use, operation, performance and/or error or malfunction of any Third Party Electronic Trading Services. You therefore use any Third Party Electronic Trading Services at your own risk.

## **PART 2. CUSTOMER VERIFICATION AND CATEGORISATION; APPROPRIATENESS**

**2.1. Customer verification.** We are obliged under the Applicable Regulations to verify the identity of our Customers. We have undertaken a risk-based approach to this process, which might require obtaining amongst other things, documentary proof of your identity or address. You agree that: (i) we may use additional online electronic verification tools for that purpose; and (ii) we may request (amongst other things) further details, documents,

photo, liveness and/or video evidence from yourself. If you cannot satisfactorily prove your identity, you may not be able to open an Account with us or the Firm may have to close an existing Account.

Furthermore we may, at our sole discretion at any time during the business relationship, request additional documents including but not limited to the identification documents, proof of funds, evidence of your sources of funds and proof of ownership of the payment methods used by you.

**2.2. Customer categorisation.** In compliance with the FCA Rules, the Firm will deal with the Customer according to the type of categorisation/classification. All Customers are on-boarded with retail Customer categorisation (as defined in the FCA Rules), unless we have informed you otherwise in writing. If we categorise you as a professional Customer (as defined in the FCA Rules), you may lose the protection of certain FCA Rules, which we will inform you of, further details of which are set out at clause 2.5 of this Section B below.

**2.3. Re-categorisation.** The Firm may re-categorise Customers into a different category upon receiving a written request for re-categorisation. The Firm will examine the Customers' request and notify the Customer of its acceptance or rejection of such request depending on whether the Customer meets the categorisation criteria. For the avoidance of doubt, if we consider that re-categorisation is inappropriate for you, you will not be re-categorised.

**2.4. Retail protections.** Your protection as a retail Customer under the FCA Rules and other Applicable Regulations includes, but is not limited to:

- a. our obligation to provide appropriate information to you before providing the Services;
- b. the restriction on the payment or receipt by us of any inducements;
- c. our obligation to ensure that all information we provide to you is clear, fair and not misleading;
- d. the requirement that you receive from us adequate reports on the Services provided to you;
- e. a retail Customer will be given more information/disclosures with regards to the

- Firm, its services and any investments, its Charges, Commissions and the safeguarding of Customers' funds and financial instruments;
- f. CAPITAL.COM will request Customers to provide information regarding their knowledge and experience in the investment field relevant to the specific type of product or service offered or demanded so as to enable the Firm to assess whether the investment service or product envisaged is appropriate for the Customer. In case the Firm considers, on the basis of the information received, that the product or service is not appropriate for the Customer, the Firm will alert the Customer accordingly;
  - g. when executing orders CAPITAL.COM will take all sufficient steps to achieve what is called "best execution" of the Customers' orders, that is to obtain the best possible result for their Customers as defined in the Firm's Order Execution Policy. The Order Execution Policy is provided on our Website, or by email on request. Unless you notify us to the contrary, you will be deemed to consent to our Order Execution Policy when these Terms come into effect. If you do not consent, we reserve the right to refuse to provide our Electronic Trading Services to you;
  - h. CAPITAL.COM will inform its Customers of material difficulties relevant to the proper carrying out of their order(s) promptly upon becoming aware of such difficulties;
  - i. CAPITAL.COM will provide Customers with full and explicit information on the execution of the relevant Customer orders;
  - j. CAPITAL.COM will make adequate arrangements for financial instruments held on behalf of a Customer to prevent their use by the Firm for its own account by depositing them with a third party in a manner that would make them identifiable from the Firm's financial instruments held with that third party (if any) and identifiable from the financial instruments held by that third party as well;
  - k. Customers may be entitled to compensation under the Financial Services Compensation Fund scheme;
  - l. CAPITAL.COM will make adequate arrangements to prevent the use of Customer funds for its own account by depositing them entirely into segregated bank accounts.
- 2.5. *Professional Customers' loss of protections.* If you have been categorised as a professional Customer, you will lose the protections afforded to retail Customers under the FCA Rules. Although the below list is not exhaustive, the following are the main protections which you will lose:
- a. Communication and understanding of risk. The way in which we communicate with you as a professional Customer 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.
  - b. 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.
  - c. 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.
  - d. Best Execution. The factors we consider when determining the delivery of Best Execution may differ between retail and professional Customers.
  - e. Products and appropriateness. We will consider your knowledge and experience as a professional trader when assessing how appropriate a product is for you.
  - f. Negative Balance Protection. As a professional Customer 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.

- g. **Leverage.** Professional Customers do not have restrictions on leverage, but it should be noted that higher leverage can work against investors and magnify losses.
- h. **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.
- i. **Depreciation in Value.** We are required to inform retail Customers where the initial value of their positions in 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 Customers.
- j. **The UK Financial Services Ombudsman.** The services of the Financial Services Ombudsman may not be available to professional Customers, unless their employment is not professional trading.

**2.6. Appropriateness and complex products.** We will assess the appropriateness of complex products for you by reference to your knowledge, experience and understanding of the risks involved. You shall be solely responsible for your decision if you decide to proceed with the Transaction after receiving warning that the proposed transaction may not be appropriate to your circumstances.

**2.7. Appropriateness and non-complex products.** We are not required to assess the appropriateness of Transactions involving non-complex products

(which includes Shares). You will therefore not benefit from the FCA Rules requiring an appropriateness assessment for Transactions in those products.

**2.8. Number of accounts.** Once a Customer's identity is verified there may only be one Account registered, under which multiple sub-accounts may be opened.

### **PART 3. PLACING ORDERS**

**3.1. Placing Orders.** Unless telephone trading services are offered and agreed by us, you must place Orders in electronic form through the Website or the Mobile App. You accept that all instructions should be placed manually and any use of an automated data entry system or tampering in any way with the Trading Platform and/or the Electronic Trading Services is expressly and strictly prohibited. If you cannot close an open Transaction due to technical difficulties with the Trading Platform, you may close such Transaction by telephone by contacting our Customer Support team on +44 20 8089 7893.

**3.2. Telephone Trading.** You may use telephone trading services if: (a) we invite you to use telephone trading services offered by us during trading hours of the relevant Underlying Market provided you meet certain requirements as determined by us from time to time; or (b) you require the telephone service as an alternative form of communication where your normal other form of communication (for example via our Trading Platform) is unavailable.

The Costs and Charges quoted via the telephone service may in certain circumstances differ from that which is displayed on our Trading Platform or Website. We will not accept any instructions in relation to a Transaction where such instructions are received solely in the form of messages left on our answer phone or voicemail facilities. Where you instruct us by telephone in accordance with the terms of this Agreement, you must only do so by talking directly to one of our authorised staff members via one of our recorded landlines. We reserve the right not to provide a two-way price to you on the Instruments we offer you.

Although Orders may be placed over the telephone as provided under this clause 3.2 of Section B, it is

your responsibility to monitor and manage such telephone Transactions and your Account via the Trading Platform. Execution of an Order will only be confirmed by telephone and/or email if this is specifically requested.

3.3. *Types of Orders.* The types of Orders available and the details of when those Orders might be placed are set out on the Trading Platform and our Order Execution Policy. We may introduce new types of orders from time to time by updating the current information on our Trading Platform or Website. For the avoidance of doubt, Guaranteed Stop Loss Orders are not available when using the Third Party Electronic Trading Services.

3.4. *Orders as a purchase of Services.* We will treat each Order you place as a request to purchase Services under this Agreement. Once an Order is triggered, we will attempt to fill your Order within a reasonable time and at the next price available to you in that Underlying Market. For the avoidance of doubt, your Order is triggered by our price during our trading hours, and not the Underlying Market and its opening hours. Once an Order is triggered, you may not cancel or amend the Order unless we expressly agree to such cancellation or amendment.

3.5. *Discretion to accept Orders.* We may, but shall not be obliged to, accept instructions to enter into a Transaction. We therefore may, at our absolute discretion, accept or reject an Order from you. We may cancel any Order previously given by you provided that we have not acted on your Order. Acceptance of an Order does not commit us to execute the Order.

3.6. *Refusal of Orders.* For the avoidance of doubt, we may refuse your Order without providing a reason for this decision and shall not be held liable for any losses you may incur, consequential or otherwise, cost or damage to you or any other third party. All Orders undertaken by us will be dependent on but not limited to market conditions, liquidity, unambiguous instructions and compliance with our internal policies, procedures and Applicable Regulations. There may be commercial or regulatory risks involved in certain transactions or any other reason as identified by us to refuse an Order.

3.7. *Rejection of Orders - specific cases.* We shall not accept an Order when:

- a. the relevant market is closed for trading;

- b. you do not have enough money in your Account to execute the Transaction;
- c. you have exceeded any limit applicable to you or in respect of your dealings with us;
- d. we are concerned that the Order may not have come from you;
- e. that by carrying out the Order we or you may be in breach of Applicable Regulations or the Agreement; and/or
- f. we need to verify the Order with you for some reason (e.g., suspected fraud or mistake).

3.8. *Cancellation/Withdrawal of Instructions.* Non-market orders may be cancelled via the Trading Platform, but we can only cancel your instructions if you explicitly request so, provided that we have not acted on those instructions up to the time of your request. Executed transactions may only be withdrawn or amended by you with our consent. For the avoidance of doubt, we shall have no liability for any claims, losses, damages, costs or expenses (including legal fees) arising directly or indirectly out of the failure of such order to be cancelled.

3.9. *Supervening events.* If we accept an Order and then an event takes place which means that it is no longer reasonable or practicable for us to act on that Order, we will be entitled to disregard or cancel your Order. If we disregard or cancel your Order, then we shall not have any liability to you as a result of such action (although in our reasonable discretion we will reimburse you for any Charges which you have incorrectly incurred) and we shall not re-enter that Order. Examples include but are not limited to:

- a. a change in the Applicable Regulations, so that the Order or the Transaction to which the Order relates is no longer in compliance with the Applicable Regulations;
- b. 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, dividend or the insolvency of the company; or
- c. if we cease to offer the Order you have

requested.

3.10. *Cancellation at request of Market.* We may be required to cancel an Order or Transaction if requested or recommended by an Underlying Market and you agree to use all reasonable endeavours to assist us in this regard. We shall not have any liability to you as a result of such action (although we will in our reasonable discretion reimburse you for any Charges which you have incorrectly incurred) and we shall not re-enter the relevant Order.

3.11. *Notification.* If we disregard or cancel an Order or Transaction under the terms of the above provisions, then we shall use our reasonable endeavours to notify you of that fact through the Trading Platform.

3.12. *Own judgement and suitability.* We are not providing you with any investment, legal, regulatory, tax or other form of advice. You accept that it is your responsibility to invest responsibly and seek independent professional advice before you place an Order and enter into a Transaction.

3.13. *Quotations.* If we choose to provide a quote for a Transaction, we may provide a quote either orally by telephone or electronically via one of our Electronic Trading Services or by such other means as we may from time to time notify you. Our provision of a quote to you does not constitute an offer to open or close a Transaction at those levels. A Transaction will be initiated by: (a) you offering to open or close a Transaction in respect of a specified Instrument at the level quoted by us; or (b) you placing an Order to open or close a Transaction in respect of a specified Instrument at a level specified by you in that Order and that Order being triggered in accordance with the terms of that order type.

3.14. *Order size.* At our reasonable discretion, we may introduce or amend the minimum or maximum size of any Order in any Instrument. CAPITAL.COM will use its reasonable endeavours to provide Customers with the option to close any affected Orders.

3.15. *Settlement funds.* By placing an Order, you agree that you will have sufficient funds in your Account on the date when you are required to make the payment to settle the trade. When an Order has been placed and has a 'pending' status, the funds required to execute such an Order will be blocked until the pending order is executed or cancelled,

and such funds will not be able to be used to execute other Orders.

3.16. *Control of Orders Prior to Execution.* We have the right to set limits and/or parameters to control your ability to place orders at our reasonable discretion. Such limits and/or parameters may be amended, increased, decreased, removed or added by us at our absolute discretion and may include (without limitation):

- a. controls over maximum or minimum order amounts and maximum or minimum order sizes;
- b. controls over our total exposure to you;
- c. controls over prices at which orders may be submitted (to include, without limitation, controls over orders which are at a price which differs greatly from the market price at the time the order is submitted to the order book);
- d. controls over the Electronic Trading Services (to include, without limitation, any verification procedures to ensure that any particular order or orders have come from you); and/or
- e. any other limits, parameters or controls which we may be required to implement in accordance with Applicable Regulations.

3.17. *Position limits.* We may require you to limit the number of open positions which you may have with us at any time and we may in our sole discretion close out any one or more Transactions in order to ensure that such position limits are maintained. In such circumstances, we will generally try to contact you ahead of closing one or more Transactions, but for the avoidance of doubt we may close such Transactions even if we have not contacted you.

## **PART 4. EXECUTION OF ORDERS**

4.1. *Execution only.* We deal on an execution only basis and do not advise on the investment or other merits of particular Transactions, or their taxation consequences as each tax treatment depends on the individual circumstances of each Customer and Customers' tax jurisdiction.

4.2. *Incidental information.* Where we do provide generic trading analysis, market commentary or other information:

- a. this is incidental to your dealing relationship with us. It is provided solely to enable you to make your own investment decisions and does not amount to advice;
- b. where information is in the form of a document containing a restriction on the person or category of persons for whom that document is intended or to whom it is distributed, you agree that you will not pass it on to any such person or category of persons;
- c. we give no representation, warranty or guarantee as to the accuracy or completeness of such information or as to the tax consequences of any Transaction;
- d. you accept that prior to dispatch, we may have acted upon it ourselves or made use of the information on which it is based. We do not make representations as to the time of receipt by you and cannot guarantee that you will receive such information at the same time as other Customers. Any published research reports may appear in one or more screen information services.

4.3. *Order Execution and Conflicts of Interest Policies.* Your transactions will be handled in accordance with our Order Execution Policy and Conflicts of Interest Policy, both are available separately on our Website. We will take all sufficient steps to achieve best execution for your orders in accordance with the Applicable Regulations and our Order Execution Policy when we execute Transactions on your behalf. The Firm shall apply best execution rules in cases where you have not provided the Firm with specific instructions. The actions taken by the Firm for the purposes of ensuring best possible result, are available within the Firm's Order Execution Policy. In respect of retail Customers, the best possible result is determined in terms of the total consideration.

4.4. *Absence of instructions.* If there are no specific instructions from the Customer on how to execute the Order, we will consider several execution factors to ensure that we manage the order on terms most

favourable to the Customer. These execution factors include:

- a. price;
- b. speed;
- c. likelihood of execution and settlement;
- d. costs;
- e. size and nature of the order; and
- f. any other considerations relevant to the execution of the order.

We do not consider the above list exhaustive and the order in which the above factors are presented shall not be taken as an indication of their priority.

4.5. *Specific execution instructions.* The Customer acknowledges that any specific instructions given by it may prevent the Firm from taking the steps that it has designed and implemented in order to ensure the best possible result for the execution of those Orders in respect to the elements covered by those instructions.

4.6. *Market Orders.* Orders are executed at the bid/ask prices offered through us. Pending orders are created at a market price requested by you and offered through us, which can be the price you requested or better/worse depending on the market conditions and the type of Order you requested. We reserve the right, at our full discretion, not to execute the order, or to change the quoted price of the Transaction in case of technical failure of the Trading Platform or in case of extraordinary or abnormal fluctuations of the price of the financial instrument as offered in the market. We do not accept any liability by reason of any delay or change in market conditions before any particular Transaction is affected.

4.7. *Delay in Order Execution.* The Customer accepts that some Instruments trade on highly illiquid markets (which means that such Instruments cannot be easily and readily sold or exchanged for cash without a substantial loss in value), or by way of an auction or other non-standard bidding process, which may cause delays in executing Orders in such financial instruments. Therefore, the Trading Platform will process the Customer's Order as soon as is reasonably possible and we will not be liable for any loss to the Customer in this regard.

4.8. *Order expenses.* When carrying out an Order, we may incur additional reasonable expenses. If (after reasonable efforts to contact you) we are unable to contact you to tell you about such

expenses, you accept that we may proceed to execute your Order and incur those expenses on your behalf, which will then be payable by you.

4.9. *Trade confirmations.* Confirmations for all Transactions that we have executed on your behalf will be available on the Mobile App and the Trading Platform. The Trading Platform will also include details of your cash position and margin level (if any). Any Confirmation and any Statement of your Account will be conclusive and binding on you in the absence of manifest error.

4.10. *Prevailing market prices.* In cases where the prevailing market represents prices different from the prices posted online by the Firm on the Website and the Mobile App, the Firm will attempt, on a reasonable endeavours basis and in good faith, to execute Market Orders on or close to the prevailing market prices. This may or may not adversely affect Customer's realised and unrealised gains and losses.

4.11. *Order aggregation.* We may aggregate Orders received from our Customers. Aggregation means that we may combine your Order with those of other Customers for execution as a single order. We may combine your Order with those of other Customers if we reasonably believe that this is in the overall best interests of our Customers as a whole. However, on occasions, aggregation may result in you obtaining a less favourable price once your Order has been executed. You acknowledge and agree that we shall not have any liability to you as a result of any such less favourable price being obtained.

4.12. *Exchanges, Liquidity or Retail Service Providers and Market Makers.* We may deal through Exchanges and a number of Liquidity Providers and/or Retail Service Providers and/or Market Makers. We may place your Orders outside of an Exchange if this complies our Order Execution Policy. By entering into this Agreement, you agree to us entering into Transactions on your behalf outside a regulated market or a multilateral trading facility.

4.13. *Third party execution.* We may, at our reasonable discretion, arrange for Orders to be executed with or through a third-party. We will not be liable to you for any act or omission of any such third-party, except where we have acted negligently, fraudulently or in wilful default in relation to the appointment of the third-party.

4.14. *Public information.* We may be obliged under

Applicable Regulations to make public certain information regarding our Transactions with you. You acknowledge and agree that we are entitled to disclose such information and that such information held by us shall be our sole and exclusive property.

4.15. *Your information.* You agree to provide us with all information that we may reasonably request for the purpose of complying with our obligations under Applicable Regulations and that you consent for us to provide to any third-party such information about you and your relationship with us pursuant to this Agreement (including but not limited to your Transactions, money or assets on your Account) as we consider, acting reasonably, appropriate or as required to comply with any Applicable Regulations or term of this Agreement.

## **PART 5. PAYMENT, PERFORMANCE AND SETTLEMENT**

5.1. *Payments due.* Unless we agree otherwise, all Charges (including Commission) payable by you are due immediately and must be paid on entering into the Transaction. If you Buy an Instrument, the consideration for the Transaction and, in addition, all applicable Charges and Taxes to that Transaction will be your responsibility and will be deducted from your Account and held by us pending settlement. It is your responsibility to ensure at all times that sufficient cleared funds are on your Account to satisfy settlement of any Transaction and all Charges and Taxes associated with that Transaction. If you Sell an Instrument, the consideration for the Transaction minus all applicable Charges and Taxes to that Transaction will be available on your Account for reinvestment but will be unable to be withdrawn from your Account until the Transaction has settled. It is your responsibility to ensure at all times that sufficient cleared funds are on your Account to satisfy settlement of any Transaction and all Commission, Charges and Taxes associated with that Transaction.

5.2. *Cancelling or blocking deposits.* We have the right not to accept funds deposited by you and/or to cancel your deposits in the following circumstances:

- a. if you fail to provide the Firm with any documents it requests from you either for identification purposes or for any other reason;

- b. if the Firm suspects or has concerns that the submitted documents may be false or counterfeit;
- c. if the Firm suspects you are involved in illegal or fraudulent activity;
- d. if the Firm is informed that your credit or debit card (or any other payment method used) has been lost or stolen;
- e. if the Firm identifies that a third party is depositing or has deposited funds in your Account; or where you have requested us to transfer funds to a third party;
- f. where the Firm considers that there is a chargeback risk; and/or
- g. when you deposit ten thousand (10,000) USD or more (or an equivalent of the same in the relevant Base Currency) or if you make over ten (10) separate deposits to your Account and the Firm is unable to verify your credit or debit card details or is unable to verify any other payment method used.

5.3. *Cancelled deposits.* If your deposit is cancelled, and if there is no confiscation of your funds by a supervisory authority on the grounds of money laundering suspicion or for any other legal infringement, your funds will be returned only to the bank account from which they were originally remitted.

5.4. *Payment methods.* Customers can deposit funds to their account(s) at any time. Your funds will normally be cleared through a payment service provider within one to three (1-3) Business Days. The following payment methods can be used: debit cards, credit cards, bank transfers and payments via electronic online payment solutions. Additional limitations and restrictions apply subject to region, and/or currency, and/or amount of payment. The Firm reserves the right to amend the list of payment methods without notification to its Customers. A maximum of three (3) payment cards can be attached to an Account at any one time.

5.5. *Minimum deposits.* The Firm reserves the right to impose a minimum amount of money that must be deposited to your Account at any one time (the "**Minimum Deposit**"). You will be notified about any

such Minimum Deposit on the Trading Platform and/or our Website.

5.6. *Bank transfers.* The Firm reserves the right to impose a minimum deposit amount for bank transfers (the "**Minimum Bank Transfer Deposit**"). You will be notified about any such Minimum Bank Transfer Deposit on the Trading Platform and/or our Website.

5.7. *Prepaid cards.* Anonymous prepaid cards involve a higher risk for money laundering and terrorist financing activities. This risk is outside of the Firm's risk appetite. As such, the Firm shall not accept deposits originating from anonymous/prepaid cards. In this respect, when such a deposit method is identified by the Firm, the deposited funds shall be immediately returned to the card used by the Customer.

5.8. *No Third-Party Payments.* Only you (as the holder of the Account) can deposit funds into your Account. No third party payments will be accepted. For the avoidance of doubt, if you are an individual, payments from a corporate entity that you own will not be accepted. In addition, we may not accept payments from a bank account if it is not evident to us that the bank account is in your name. In case of doubt, we reserve the right to request documentary confirmation of the ownership of the incoming funds. To this end we may, in our absolute discretion, reject payments from you or a third party and return funds to source.

5.9. *Payments Base Currency.* All payments to us under this Agreement shall be made in the relevant Base Currency of the Customer's Account.

5.10. *Currency mismatch.* Investing in financial instruments with an underlying asset(s) in a currency other than your Base Currency entails a currency risk as the financial instrument is settled in a currency other than your Base Currency and hence the value of your return may be affected by its conversion into a different base currency.

5.11. *Currency conversions.* For the purposes of any calculation (unless expressly stated otherwise), we convert amounts denominated in any other currency into the Base Currency at the prevailing rate at the time of the calculation as shown on the Trading Platform. The Firm reserves the right to add a mark-up on the conversion rates in relation to the prevailing market conditions.

5.12. *Additional costs.* You should be aware of the possibility that other taxes or costs may exist that are not paid through or imposed by us. It is your sole responsibility to bear these additional costs. You may pay us, or reimburse us for any taxes applicable, currently or in the future, to trading in Spread Bets and/or CFDs and/or Shares, pursuant to this Agreement.

5.13. *Performance of Transactions.* You will promptly deliver any instructions, money, or documents deliverable by you under a Transaction in accordance with the terms of your Order as modified by any instructions given by us. Execution of any Order shall be conditional on your compliance with this requirement.

5.14. *Dealing with errors.* In cases of technical or human errors during a Transaction resulting in crediting unsolicited funds to your Account or other payment method you agree that the erroneous Transaction will be void from the outset and you will be liable to return to us the funds concerned.

5.15. *Settlement dates.* The settlement date cannot be changed once you offer to enter into a Transaction.

5.16. *Settlement delays.* We are not responsible for any delay in the settlement of a Transaction resulting from circumstances beyond our control, or the failure of any other person or party (including you) to perform all necessary steps to enable completion on the settlement date. Our obligation is only to pass on to you, or to credit to your Account, such deliverable documents or sale proceeds (as the case may be) as we actually receive. If you are dealing in Instruments that are not settled through a central securities depository system (i.e., residuals), settlement delays are likely to occur.

5.17. *Withdrawals.* Without prejudice and subject to these Terms and all Applicable Regulations, funds may be withdrawn by you from your Account once your withdrawal request is processed and approved, provided that such funds are not being utilised for margin purposes or have otherwise become owed to us, and there is a remaining positive balance on your Account. Subject to that, you shall have the right to withdraw money from your Account up to the amount of the free money available.

5.18. *Processing of withdrawals.* We will process your request to withdraw funds within 24 hours, or

the next working day if your request is received outside of our normal business hours. On certain occasions, to process the transaction we may be required to conduct additional internal review and/or request documents to be supplied by you, in line with Applicable Regulations. Whilst we appreciate that making such requests may be an inconvenience for you, your withdrawal will be processed quicker if you are able to provide the documents to us as quickly as possible. It may take up to five (5) Business Days, depending on the payment method used, for the funds to reach your bank account or card, since the approval of the transaction. Unfortunately, we cannot control this aspect of the process. For the avoidance of doubt, there is no minimum withdrawal amount.

5.19. *Originating bank.* When your withdrawal request has been processed, funds will be sent to the originating bank, meaning to the same bank, credit card or other source for execution owned by you. No payment will be made by the Firm to any other account or to any third party payee.

5.20. *Inactive Account.* You acknowledge and accept that, if there has not been any activity (which for the purposes of this clause means no open Transactions and no pending Orders) on your Account for a consecutive period of six (6) months or more, the Firm shall be entitled to classify the Account as an inactive account ("**Inactive Account**"). The Firm reserves the right to close Inactive Accounts at its sole discretion. In this case all the remaining funds held on the Inactive Account will be refunded to the payment method used for depositing. For the avoidance of doubt, an Account which holds Instruments but has not traded for six (6) months or more will not be considered inactive.

## **PART 6. CONFLICTS OF INTEREST / INDUCEMENTS**

6.1. *Conflicts of interest.* Under Applicable Regulations, the Firm is required to have arrangements in place to manage conflicts of interest between the Firm and its Customers and between other Customers. The Firm will make all reasonable efforts to avoid conflicts of interest when they cannot be avoided. The Firm shall ensure that you are treated fairly and at the highest level of integrity and that your interests are protected at all times.

6.2. *Electronic Trading Services.* You acknowledge that we provide our Electronic Trading Services to a broad range of Customers and have numerous counterparties and circumstances may arise in which we, our Associated Companies, or any relevant person may have a material interest in a Transaction with or for you or where a conflict of interest may arise between your interests and those of other Customers or counterparties or of ourselves.

6.3. *Management of potential conflicts.* CAPITAL.COM has implemented sufficient controls and procedures for the management of conflicts of interest. Nevertheless, in cases where the controls established by the Firm are not sufficient to manage such conflicts related either to the Customer or the Firm, CAPITAL.COM will disclose the conflicts of interest before proceeding with further business with the Customer.

6.4. *Conflicts of Interest Policy.* Please refer to our Conflicts of Interest Policy on our Website for further information on how we manage conflicts. Upon request, we will provide you with any further details in that regard.

6.5. *Matched principal basis.* All Transactions that we undertake are on a matched principal basis, which means that we will always remain your counterparty for the Transaction and that you can only close those Transactions with us. We will act as a buyer when you Sell and as a seller when you Buy.

6.6. *Price differentials.* The prices that we offer you on the Trading Platform may not be the same as that obtained by us or in hedging or back to back transactions between us and our liquidity provider that we use to determine our price.

6.7. *Inducements.* Subject to the FCA Rules on Inducements, the Firm 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 your introduction to us or Transactions conducted by you. Any such third party payments or fees will only be made where we are satisfied that such payments do not impair our obligation to act in the best interests of the Customer.

## **PART 7. INFORMATION AND ACCOUNT MONITORING; TRANSACTION REPORTING**

7.1. *Product information.* Under the requirements imposed by the FCA in relation to Product Governance we have determined the target market for the Financial Instruments offered by CAPITAL.COM. As part of the account opening procedure, you acknowledge that you should provide the necessary information to enable us to determine whether you fall within the identified target market of customers. Such information aims to evaluate whether your needs, characteristics and objectives are in line with the characteristics and risks of the complex products offered by CAPITAL.COM. If you provide us with incorrect or incomplete information, you will adversely affect our ability to correctly carry out our obligation and thus, you may be allowed to enter into Transactions in Instruments that should not be marketed and offered to you. For the avoidance of doubt, in light of the execution-only service that we offer, we do not have any regulatory obligation to assess whether our products are suitable for our customers.

7.2. *KID.* Where required by Applicable Regulations, we will provide you with certain disclosure documents, including “Key Information Document” (also known as a “KID”) as updated from time to time. The KIDs for CFDs and Spread Bets are available on our Website. The KID provides you with key information about our products. The contents of the KIDs do not form part of our Agreement with you; they are aimed at providing a transparent and succinct overview of our products before you invest. The KIDs include information on the expiry date, margin requirement and the hours of trading. As the KID constitutes an overview of the risks involved, it is provided to you only for the purpose of helping you to understand the nature, costs, risk and rewards of the relevant products and to help you to compare it with other products. Please read the contents of the KID thoroughly before you submit your first Order of that type. If you are unsure about any of the content of the KID you should not trade. If you require any further information in relation to the KID or online information, please immediately contact us at support@capital.com, through live support on the Website or Mobile App, via the “Contact Us” section of the Website or Mobile App or by telephone on +44 20 3097 8888.

7.3. *Statements.* We shall provide a Statement and a Confirmation of your Transactions, as well as an account balance and a record of all Transactions for your Account, via the Trading Platform. In the

absence of manifest error, the Statement and Confirmation shall be conclusive and binding on you. You shall check the electronic Statements received from us and notify us promptly of any discrepancy.

7.4. *Account monitoring.* You accept full responsibility for monitoring your Account and you agree to notify us immediately if you become aware of:

- a. the loss, theft or unauthorised use of your username or password or account number;
- b. your failure to receive a message or partial message from us indicating that an Order was received, rejected and/or executed; or
- c. any inaccurate information in your Account(s) balances, statements, contract notes, records or assets or money held or transaction history.

7.5. *Confidentiality of password.* You must make sure that your password remains confidential at all times and you must take all responsible steps to stop any other person using your password and not disclose your full password to any other person. If you do not comply with these obligations, this may affect the way we can provide the Services to you and we may:

- a. refuse to open an account for you or accept your assets;
- b. refuse to deal for you;
- c. refuse to make payments or transfer Instruments from your Account;
- d. close your Account; and/or
- e. take any other responsible step necessary to comply with Applicable Regulations.

7.6. *Notification of loss.* You hereby undertake to inform us every time a card used by you to deposit funds into your CAPITAL.COM account has been lost, blocked, deactivated or otherwise suspended. Save for cases where a card has expired, we shall not be liable if we should satisfy your withdrawal request by way of paying money back to a card which has been lost, blocked, deactivated or

otherwise suspended without your prior notification thereof.

7.7. *Provision of information.* You shall provide us with any information we may require to comply with all Applicable Regulations. You warrant that any information provided to us by you is complete, accurate and not misleading in any material respect. We reserve the right to reject applications from high-risk jurisdictions in accordance with our ongoing legal and regulatory responsibilities.

7.8. *Compliance with Applicable Regulations.* We may take any action which we, in our reasonable discretion, consider desirable to ensure compliance with Applicable Regulations. We shall not be liable for losses, damages or delays arising from our compliance with any Applicable Regulations. You warrant on a continuous basis that by entering into this Agreement and any Transactions under it, you will not violate any Applicable Regulations.

7.9. *Account limitations.* We reserve the right to place a limitation on the sale of any Instruments or to suspend your Account in the following cases:

- a. where there is a suspicion of unlawful activity;
- b. where we consider it necessary or advisable to do so due to your non-compliance with the Applicable Regulations or breach of any provisions of this Agreement;
- c. where we, in our reasonable discretion, consider there is suspicions of restricted or abusive trading activity;
- d. when we have issued you with a notice informing you of our intention to end our business relationship with you or close your Account;
- e. where we have reasonable grounds to believe that allowing you to continue trading will be detrimental to you as a Customer;
- f. where you have not provided your express consent whenever we have requested it; or
- g. in any other case where, in our opinion, there are reasonable grounds to impose such a limitation or suspension.

7.10. *Transaction reporting.* In accordance with Applicable Regulations, we may be required to make public certain information regarding our Transactions with you. Accordingly, you acknowledge and agree that we are entitled to disclose such information and that such information held by us shall be deemed our sole and exclusive property. You agree to provide us with all information that we may reasonably request for the purpose of complying with our obligations under Applicable Regulations and you also consent for us to provide to any third party such information about you and your relationship with us pursuant to this Agreement (including but not limited to your Transactions or funds on your Account) as we consider appropriate or as required to comply with any Applicable Regulation or this Agreement.

If you are a legal entity, our Transactions with you may need to be reported under the EMIR Regulation on OTC Derivatives, Central Counterparties and Trade Repositories (648/2012). If they are required to be reported, you agree that we will generate the unique trade identifier in relation to each relevant Transaction.

If you are a legal entity, you will need to obtain and provide us with a valid Legal Entity Identifier (LEI) in order to allow you to enter into Transactions with us.

## PART 8. IMPROPER TRADING

8.1. *Manipulation.* You shall not act in any way other than in the normal course of business, or seek to manipulate the relevant financial market and/or the Trading Platform or the Electronic Trading Services, including but not limited by entering into a Transaction which may qualify as:

- a. Market abuse (including but not limited to an insider trading or abusive use of confidential information) or any similar practices which may qualify as market abuse;
- b. Acting in concert with a third party or similar in an abusive or manipulating way when using the Trading Platform;
- c. Trading Platform abuse, price manipulation, time manipulation or similar practices or any other arbitrage practice (including but not limited to

latency abuse) which aims to manipulate or take unfair advantage of the way in which we construct, provide or convey our bid or offer price;

- d. Exploiting errors in prices, etc;
- e. Use of an automated data entry system, mass data entry system, any electronic devices, robots, high speed trading system, or any kind of software or program, or automated software algorithms which might manipulate, alter, tamper with or otherwise abuse our Trading Platform or Electronic Trading Services or give you an unfair advantage when using our Trading Platform and/or Electronic Trading Services;
- f. any other unfair, abusive, manipulative, or illegal way of using the Trading Platform or Electronic Trading Services or use of any device, software, program, algorithm or any trading strategy that aims to manipulate, alter, tamper with or take unfair advantage of the Trading Platform or the Electronic Trading Services.

Without prejudice to the above, the Firm may allow using tools which are technically integrated into the platforms used by the Firm for the provision of the Electronic Trading Services (including the Third Party Electronic Trading Services). However, the Firm reserves the right to assess whether such use remains appropriate, not qualified as improper or abusive trading and does not violate these terms and the terms of use of the relevant platform. In case of any breach, the Firm is entitled to undertake the measures prescribed by this Agreement, including as described in this clause.

8.2. *Sanctions.* In case, and under our sole discretion, we identify that there is an act set forth in clause 8.1 of this Section B which is made by you, we shall have the right to cancel or void any Order or Transaction made in violation of clause 8.1 of this Section B (regardless of whether the position is still open or closed), to close your Account and to terminate this Agreement. In such a case, we shall not be held liable for any losses or damages incurred by you.

8.3. *Price misquotations.* The Firm's objective is to provide the most efficient trading liquidity available in the form of streaming, tradable prices for most of the financial instruments we offer on the Trading Platform. As a result of the highly automated nature of the delivery of these streaming, tradable prices, you acknowledge and accept that price misquotations may occur from time to time. In our reasonable discretion, we will reimburse you for any Charges which you have incorrectly incurred.

8.4. *Abuse of misquotations.* Should you execute Transactions falling within the definition of Market Abuse or execute trading strategies with the objective of exploiting price misquotation(s) or act in bad faith, the Firm shall consider this as improper or abusive behaviour.

8.5. *Response to abuse.* Should the Firm determine, at its sole discretion and in good faith, that you are taking advantage, benefitting, attempting to take advantage or to benefit of such misquotation(s) or that you are committing any other improper or abusive trading (including but not limited to fraud, market manipulation or insider trading) then the Firm will have the right to:

- a. adjust the price spreads available to you;
  - b. restrict your access to streaming, instantly tradable quotes, including providing manual quotation only;
  - c. obtain from your Account any historic trading profits that you have gained through such improper or abusive trading as determined by us at any time during our trading relationship;
  - d. reject an Order or cancel a Transaction;
  - e. make any corrections or adjustments to your Account;
  - f. immediately terminate our trading relationship and close your Account as described in clause 12.9 of this Section B;
  - g. suspend or block your Account, including freezing of any funds;
  - h. exercise any of our Termination Rights as described in clause 11.2 of this Section B; and/or
- i. report and disclose any such details of the relevant Transactions or any such other information as may deem necessary, to the FCA or any other applicable authority in order to comply with the Applicable Regulations.

In such a case, we shall not be held liable for any losses or damages incurred by you.

## **PART 9. REPRESENTATIONS AND WARRANTIES**

9.1. *Representations.* By entering into the Agreement with us you represent and warrant on a continuous basis that:

- a. the information and/or documents provided to us by you are true and accurate and you will undertake to advise the Firm of any change in circumstances which affects the information provided or causes the information to become incorrect or incomplete, and to provide us with suitably updated information;
- b. you are duly authorised and have a right to enter into, execute and deliver this Agreement, to issue Orders to us, to instruct us to enter into each Transaction on your behalf and to perform obligations under the Agreement;
- c. you are entering into this Agreement in your own name and your own behalf and not as another party's agent or representative;
- d. you have obtained all authorisations and/or consents required in connection with this Agreement;
- e. execution, delivery and performance of this Agreement and using our Services will not violate any law or rule applicable in the jurisdiction in which you are resident, or any agreement by which you are bound;
- f. you will not send money to your Account(s) with us from, or request that money be sent from your Account(s) to, a bank account other than that identified in your Account;

- g. you will not use the prices we make available to you for any purpose other than for your own trading purposes, and you agree not to redistribute the prices we make available to you to any other person whether such redistribution be for commercial or other purposes;
- h. you will use the Services offered by us pursuant to this Agreement in good faith and you will not use any electronic device, software, algorithm, automated data entry system, robots, high speed trading or any other software, program, device or scheme aimed at manipulating, abusing or tampering with our Trading Platform and/or the Electronic Trading Services or any trading strategy or any arbitrage practices that aims to manipulate or take unfair advantage of the way in which we make available bid or offer prices and/or the Services in general;
- i. Where we are required to provide you with a KID in respect of any Transaction, you agree to us providing you with such key information document on our Website; and
- j. you will provide us with the information we reasonably require to comply with our obligations under this Agreement and you will provide us with any information that we may reasonably request from you from time to time for the purposes of our compliance with Applicable Regulations.

## PART 10. CUSTOMER FUNDS

10.1. *Holding Customer Funds.* We treat all monies received from you or held by us on your behalf as “Client Money” in accordance with the requirements of the CASS Rules. Any Client Money received by us will be held in a bank account at a bank approved by us and will be segregated (i.e. held separately) from our own money in accordance with the FCA’s Rules. Unless otherwise agreed in writing, your Client Money will be pooled with the monies of other Customers in a general pooled account at a selected third party banking institution.

Where we consider it appropriate to do so, and in accordance with our regulatory obligations, we may from time to time hold Client Money in segregated

client money bank accounts with fixed terms or notice periods (of up to 95 days). Such fixed term deposit accounts or notice periods will not affect your ability to deal with or withdraw your money in the ordinary course of business. However, there is a risk that, in exceptional circumstances, the longer notice period could result in a delay in returning some or all of your money to you until the expiry of the relevant fixed term or notice period.

10.2. *Interest.* We will not be obliged to pay interest to you on the money held by us and you waive any entitlement of interest on such money under the CASS Rules or otherwise.

10.3. *Third Parties outside the United Kingdom.* We may hold money that you deposit with us with banks that are outside of the United Kingdom. The legal and regulatory requirements that may apply to such banks will be different from that of the United Kingdom in the event of insolvency or similar proceedings.

10.4. *Insolvency risk.* In the event of insolvency or any other similar proceedings in relation to a financial or credit institution where Client Monies are held, the Firm (on behalf of the Customer) and/or the Customer may only have an unsecured claim against the financial or credit institution, and the Customer will be exposed to the risk that the money received by the Firm from the financial or credit institution, is insufficient to satisfy the claims of the Customer in respect of the Account. The Firm does not accept any liability or responsibility for any resulting losses. To mitigate this risk, we carry out due diligence in the selection, appointment and periodic review of the entity with which we deposit your funds. We take into account the need for diversification of funds as part of our due diligence and constant exposure monitoring is being undertaken by the Firm.

10.5. *Liability for third parties.* We will exercise all reasonable due skill, care and diligence in the selection of any third-party holding money under this clause 10 of Section B. We shall not be liable for the solvency, acts or omissions of any bank or other third-party holding money under this clause 10 of Section B, except as a result of our gross negligence, fraud, or wilful default.

10.6. *Unclaimed Customer Money.* In the event that there has been no movement on your Account balance for a period of at least six (6) years (notwithstanding any payments or receipts 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 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 Customers or above £100 for professional Customers.

10.7. *Professional Customers.* If, after all the required checks have been performed, you have been categorised as a professional Customer, we may agree that the money transferred by you to us will no longer be held in accordance with CASS Rules. The Title Transfer Collateral Arrangement Agreement ('the TTCA Agreement') must be agreed and signed by you. The original copy of the TTCA Agreement must be sent to us by post or a scanned copy sent to us by email. Following the signature of the TTCA Agreement we will treat the money received from you as a transfer of full ownership of such money to us for the purpose of securing or covering all your obligations. 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. By placing money with us under a TTCA, you agree that all the money you place on your Account is done so in anticipation of a Transaction and therefore has the purpose of securing or covering all your 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.

## PART 11. TERMINATION RIGHTS

11.1. *Termination Rights.* The following shall constitute Termination Rights:

- a. you fail to make any payment when due or close any open positions when due or required by us under this Agreement or to observe or perform any other provision of the Agreement after notice of non-performance has been given by us to you;
- b. you default in your obligations to us under this Agreement or commit any breach of any other obligations under this Agreement

including but not limited to satisfying any margin call;

- c. you fail to perform any other obligation under the Agreement after we have given you three (3) Business Days' notice of your obligation;
- d. where any Transaction or combination of Transactions or any realised or unrealised losses on any Transactions or combination of Transactions opened by you results in your exceeding any credit or other limit placed on your dealings;
- e. the initiation by a third party of proceedings for your bankruptcy (if applicable) or 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 is or becomes untrue;
- g. you fail or omit to disclose to us your capacity as the beneficial owner of more than one Account you may maintain with us;
- h. you take advantage of delays occurred in the prices and you place orders at outdated prices, you trade at off-market prices, you manipulate the system to trade at prices not quoted to you by us and you perform any other action that constitutes improper trading;
- i. you behave inappropriately towards CAPITAL.COM or any of our representatives and employees (such inappropriate behaviour can include but is not limited to abusive language, racism, discrimination, defamation, abusive chat or email correspondence, misuse of social media channels and spam, etc);
- j. any Termination Right (however described) occurs in relation to you under any other agreement between us.

11.2. *Consequences of the Termination Right.* At any time following the occurrence of a Termination Right:

- a. we may terminate the Agreement with immediate effect by giving notice to you;
- b. you may not then give any further Orders;
- c. subject as stated below, you shall nevertheless remain obliged to perform any obligations contracted prior to termination;
- d. we may, as applicable, close out any Transactions remaining on your Account by entering into reverse transactions or in any other manner that we reasonably deem appropriate;
- e. if the closing out of all of your Transactions (i) results in a positive net balance in your favour, we will pay that amount to you, unless we have been instructed otherwise by the authorities or other specific circumstances apply and (ii) results in a negative net balance, then you will pay that amount to us;
- f. subject to payment of the net balance under (e) above, neither party shall have any further obligations to the other party in respect of the Transactions that have been closed out.

## PART 12. TERMINATION WITHOUT DEFAULT; CANCELLATION

12.1. *Cooling-off.* You have a right to cancel these Terms for a period of ten (10) Business Days commencing on the date on which you have accepted these Terms (the “**Cancellation Period**”).

12.2. *Notice.* Should you wish to cancel these Terms within the Cancellation Period, you should send notice in writing to the contact details as set out in clause 17 of Section B (“**Miscellaneous Provisions**”) under the heading “Notices” or electronically through the “Contact Us” section of our Website or the Mobile App. Cancelling these Terms within the Cancellation Period will not cancel any Transaction entered into by you during the Cancellation Period. If you fail to cancel these Terms within the Cancellation Period you will be bound by its terms but you may terminate these Terms in accordance with the other terms of this clause 12 of Section B.

12.3. *Voluntary termination.* Unless required by Applicable Regulations, a party may terminate this Agreement (and the relationship between us) for its own convenience in the absence of a Termination Right on that party’s side by giving in prior ten (10) Business Days written notice of termination to the other party.

12.4. *Consequences of termination.* Upon terminating these Terms:

- a. all amounts payable by you to us will become immediately due and payable including (but without limitation):
  - i. all outstanding Charges and Commissions;
  - ii. any dealing expenses incurred by terminating these Terms; and
  - iii. any losses and expenses realised in closing out any Transactions or settling or concluding outstanding obligations incurred by us on your behalf.
- b. The Firm shall apply best execution rules in cases where you have not provided the Firm with specific instructions regarding the closing of your positions.
- c. The Firm shall return any Customer funds remaining in your Account to your bank account, specifically to the account from which the funds were debited. Your funds may be returned to another bank account to which you are the beneficiary in exceptional circumstances and as long as you provide us with the required documents to verify that the account belongs to you.

12.5. *Mutual consent.* It is also possible to terminate this Agreement with immediate effect by mutual consent.

12.6. *Existing rights and obligations.* Termination shall not affect the outstanding rights and obligations and Transactions which shall continue to be governed by these Terms and the parts agreed between us in relation to such Transactions until all obligations have been fully performed. In particular, all Charges and other amounts accrued due from you shall remain payable.

12.7. *Termination by us.* The Firm may terminate the Agreement by giving you notice to that effect. In such a case, the Agreement shall terminate 10 Business Days after the date on which such notice is given.

12.8. *Reasons.* The Firm is not obliged to inform the Customer on what grounds it has terminated the agreement with the Customer, regardless of whether there is default or not.

12.9. *Immediate termination.* CAPITAL.COM may terminate this Agreement immediately on written notice if:

- a. there is event considered an Event of Force Majeure (as set out in clause 15.3 of this Section B) or a Termination Right;
- b. there is a breach of any of your obligations under this Agreement;
- c. we suspect that you may be engaged in suspicious activities (including but not limited to credit card fraud, money laundering, funding terrorism, market abuse and/or any relevant criminal conduct);

12.10. *Amounts payable upon termination.* Upon termination of this Agreement, all amounts payable by you to us will become immediately due and payable. Termination will not affect any outstanding Transaction or any legal rights or obligations which may already have arisen.

12.11. *Termination in case of death.* We may close your open Transactions and your Account(s) upon receiving notice of your death. Your estate will remain liable for any sums owed to us. We may (but, prior to any grant of representation, are not bound to) act on the instructions of your personal representative(s).

## **PART 13. DESCRIPTION AND ACKNOWLEDGMENT OF RISKS**

13.1. *Risk Disclosure Statement.* The Firm shall provide you in good time before the provision of investment services or ancillary services with a Risk Disclosure Statement. Our Risk Disclosure Statement available on our Website is intended as a general description of risks associated with our specific products and services and may not identify

all possible risks. You must always check by yourself that the Services are suitable and appropriate for you in light of your specific circumstances. The description of risk referred to in the Risk Disclosure Statement will include, where relevant to the specific type of instrument concerned and the status and level of knowledge of the Customer, the following elements:

- a. the volatility of the price of such instruments and any limitations on the available market for such instruments;
- b. there might be Instruments that may not be readily realisable. You may have difficulty selling those Instruments in some circumstances and it may be difficult to sell them at any price;
- c. there is a possibility for profit or loss from transactions on foreign markets or in foreign currency denominated contracts which will also be affected by fluctuations in foreign exchange rates;
- d. the other risks depending on the nature of the Instruments.

13.2. *General description of risks.* The Risk Disclosure Statement is intended as a general description of risks associated with our Services and may not identify all possible risks. You must always check by yourself that the Services are suitable and appropriate for you in light of your specific circumstances.

## **PART 14. TAX DISCLOSURES**

14.1. *OECD Common Reporting Standard (CRS) and Automatic Exchange of Information (AEOI).* Regulations based on the CRS require the collection and reporting of certain information about a Financial Account Holder's tax information. If the Financial Account Holder's tax residence is located outside the country where the Financial Institution (FI) maintaining the account is located, the Firm may be legally obliged to pass on financial information provided with respect to your Account to the local tax authorities and they may exchange these information with tax authorities of another jurisdiction(s) pursuant to intergovernmental agreements to exchange financial account information. The United Kingdom is a reporting Jurisdiction; we, as a UK financial institution, may

need to report some of your trading account information to the UK competent authority namely, Her Majesty's Revenue and Customs (HMRC), in accordance with the AEOI regulations.

To ensure accurate reporting under AEOI, you will have to provide us with the following:

- a. Taxpayer Identification Number(s) (TIN(s)) or any other equivalent level of identification;
- b. Confirmation of your tax residency or residencies;
- c. Your date of birth; and
- d. any other information that may be necessary and required to perform accurate reporting.

14.2. *Foreign Account Tax Compliance Act (FATCA)*. We are required by the Applicable Regulations (including without limitation, FATCA) to confirm and to verify the identity of each Customer who registers in our system and opens an Account with us. Therefore, you will be prompted to provide us with information when you register with us, including: (1) your name, (2) your address, (3) your date of birth, (4) your phone number, (5) your TIN(s) and any other personally identifiable information that we may ask for from time to time such as a copy of your passport, a proof of addresses or other identifying documents or information, and the countries of which you are a tax resident, and confirm whether you are a US citizen or your place of birth is in the United States of America or any other proof of your current location or domicile. You shall notify CAPITAL.COM in writing within 30 days of any material change in the information previously provided to us. For the avoidance of doubt, failure to provide such information and/or documentation may result in restrictions being placed on your Account.

14.3. *US Instruments*. We will ask you to sign the relevant US tax form before we accept an Instruction to Deal from you to Buy an Instrument listed in the US or which has an underlying asset or security in the US. If you have not previously provided us with a valid US tax form and you already hold such US Instruments, we will ask you to complete the relevant US tax form. If you do not return the signed and completed US tax form before the date we specify (usually 30 days), we reserve the right to sell your Instruments. You have an ongoing obligation to inform us if your tax status

changes. We may apply the default rate of taxes applied by the relevant tax authorities.

## PART 15. EXCLUSIONS AND LIMITATIONS

15.1. *Exclusion of liability*. Neither we nor our directors, officers, employees or agents shall be liable for any losses, damages, costs or expenses incurred or suffered by you under this Agreement (including any Transaction or where we have declined to enter into a proposed Transaction) unless such loss arises directly from our or their respective negligence, wilful default or fraud.

15.2. *Liability for acts of the third-parties*. We will not be liable for acts or omissions from third-parties including but not limited to information provided by such third-parties, except where we have acted negligently, fraudulently or in wilful default on the appointment of these third-parties. In addition, we shall not be liable for any act taken by or on the instruction of an Exchange of regulatory body.

15.3. *Force Majeure*. We shall not be liable to you for any partial or non-performance of our obligations hereunder by reason of any cause beyond our reasonable control, including without limitation any breakdown, delay, malfunction or failure of transmission, communication or computer facilities, industrial action, act of terrorism, act of God, pandemics, acts and regulations of any governmental or supranational bodies or authorities or the failure by the relevant exchange, other regulatory or self-regulatory organisation, vendor or service provider of ours for any reason, to perform its obligations ("**Events of Force Majeure**").

15.4. *Manifest error*. We reserve the right to unilaterally either void from the outset or amend retroactively the conditions of any Transaction that contained or was based on any error that we reasonably believe to be obvious or palpable. We may take such consequential action as may be appropriate to rectify any such error.

15.5. *Market delays*. Market conditions can cause temporary delays to the execution of Orders. It is your obligation to make sure that any earlier pending Order(s) is/are cancelled before placing a new Order in the same Instrument. We do not accept any liability for any actual or potential loss you may suffer if you fail to clarify your Order status in this way.

15.6. *Special or consequential loss.* In no circumstance, shall we have liability for losses suffered by you or any third party for any special or consequential damage, loss of profits, loss of goodwill or loss of business opportunity arising under or in connection with these Terms, whether arising out of negligence, breach of contract, misrepresentation or otherwise.

15.7. *System errors.* Save in the event of our negligence, wilful default or fraud, we will not be liable to you for damage or loss which you may suffer as a result of transmission errors, technical faults, malfunctions, illegal intervention in network equipment, network overloads, malicious blocking of access by third parties, internet malfunctions, interruptions or other deficiencies on the part of internet or servers service providers. You acknowledge that access to Electronic Trading Services may be limited or unavailable due to such system errors, and that we reserve the right upon notice to suspend access to Electronic Trading Services for this reason. You hereby agree and acknowledge that in the event of downtime of the Trading Platform you shall waive any claims against CAPITAL.COM of missed profits and/or claims that you would have executed an order on a specific price during the downtime. You acknowledge that sometimes there may be technical issues or faults of the Trading Platform.

15.8. *Malicious software.* Save in the event of our negligence, wilful default or fraud, we will not be liable for any loss or damage caused by any viruses, worms, software bombs or other technologically harmful material that may infect your computer equipment, computer programs, data or other proprietary material due to your use of our Trading Platform or Website or to your downloading of any material posted on it, or on any website (including our Website) linked to it.

You will ensure that no computer viruses, worms, software bombs or similar items are introduced into our computer system or network and you will indemnify us for any loss that we suffer arising as a result of any such introduction.

15.9. *Exceptional cases of our liability.* Nothing in this Agreement will limit our liability for death or personal injury resulting from our negligence.

15.10. *Tax issues.* Investing in Instruments may be subject to tax, however, this will depend on your

personal circumstances. The Firm does not provide advice to its Customers on any tax issues related to any of its services. Thus, you should seek independent tax advice if you are unsure on tax implications due to our Services. 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. Where we are required by law to provide information to a tax authority this provision of information will be governed by our Privacy Policy. We will use reasonable steps to forward to you any tax documents which we may receive relating to you or any money standing to your account or Instruments held on your account.

15.11. *Adverse tax implications.* Without limitation, we do not accept liability for any adverse tax implications of any Transaction whatsoever.

15.12. *Tax obligations.* You understand that certain transactions in certain financial instruments may carry a tax obligation under any applicable tax regime, stamp duty, transfer tax, dividend tax, withholding tax or other taxes or duties in any jurisdiction. Where there is such a tax obligation, we shall pass it on to you by debiting from your Account.

## **PART 16. COMPLAINTS AND DISPUTES**

16.1. *Recording.* In order to assist us in monitoring compliance with Applicable Regulations relating to conduct, to avoid misunderstandings and/or for other training or compliance purposes, we may monitor telephone conversations, email and other communications, and will create and keep a sound recording of calls. You agree that any such recordings will be our sole property and you accept that they will constitute evidence of the communications between us. You also agree that telephone conversations may be recorded without the use of a warning tone or any other further notice. In accordance with Applicable Regulations, all recordings will be retained by the Firm for a period of at least five (5) years and will be provided to Customers involved upon request.

16.2. *Complaints procedures.* We are obliged to put in place internal procedures for handling complaints fairly and promptly. In the event you are dissatisfied with the Electronic Trading Services provided to you by the Firm you can submit the claim through the

“Complaints Procedure” section of our Website, send an email to the following address: support@capital.com or by telephone on +44 20 3097 8888. You must provide the following information to assist us in dealing with your complaint:

- a. Your Account number;
- b. Cause of your complaint. Please indicate the cause of your complaint, which may include one of the following: execution of orders, quality or lack of information provided, terms of contract, Charges, general admin/customer services, issues in relation to withdrawal of money;
- c. Details of the person or department of the Firm to whom you think the complaint relates to.

16.3. *Complaints handling.* To resolve your complaint we will take the following steps:

- a. We will confirm, within three (3) Business Days, receipt of your complaint and provide you with your Unique Reference Number. You should use said reference number in all future contact with us, the Financial Ombudsman Service and/or FCA regarding your complaint.
- b. After thorough investigation, we will reply to your complaint within eight (8) weeks, informing you about the outcome of our investigation, the actions that will be taken to resolve the matter, where appropriate, and offering you a solution. In the event that we are unable to respond within eight (8) weeks, either due to the complexity of the complaint or otherwise, we will inform you of the reasons for the delay and indicate the period of time within which it is possible to complete our investigation. This period of time will not usually exceed three (3) months from the submission of the complaint.
- c. In the event that our final decision does not fully satisfy you, you may refer your complaint to the Financial Ombudsman Service free of charge. The Financial Ombudsman Service is an independent service for settling disputes for finance businesses and their Customers. Details for the Financial Ombudsman Service will be provided on our final response as well

as the details on how to file a complaint with the FCA.

16.4. *Financial Services Compensation Scheme.* 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. Further information about compensation arrangements is available on our website and from the Financial Services Compensation Scheme website ([www.fscs.org.uk](http://www.fscs.org.uk)).

## PART 17. MISCELLANEOUS PROVISIONS

17.1. *Records conclusive.* Our records 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.

17.2. *Notices.* Unless otherwise agreed, all notices, instructions and other communications to be given by us under this Agreement shall be given to the contact details provided by you to us. Likewise, all notices, instructions and other communications to be given by you under this Agreement shall be given to us in writing at the address below: Name: Capital Com (UK) Limited, Address: 2nd Floor, 4 Orchard Place, London SW1H 0BF, email address: support@capital.com. You shall notify us of any change of your information for the receipt of notices, instructions and other communications immediately.

17.3. *Amendments.* We may, by giving you notice to that effect, make amendments to this Agreement (including these Terms). The following provisions shall apply to any such amendments:

- a. the amendments shall only become effective 10 Business Days after they have been notified to you;
- b. during the 10 Business Day notice period, you may terminate the Agreement by notice in accordance with clause 12.3 of Section B of this Agreement (although any such termination shall not affect your rights

or obligations in respect of any prior Transactions); and

- c. 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.

17.4. *Amendments and termination.* If you do not agree to the proposed amendments then you may give notice to terminate the Agreement before the amendments take effect (but without prejudice to any pre-existing obligations). You may not then deliver any new Orders.

17.5. *Communications.* You may communicate with us by email at support@capital.com, through live support on the Website or Mobile App, via the "Contact Us" section of the Website or Mobile App or by telephone on +44 20 3097 8888.

17.6. *Applicable Regulations.* This Agreement and all Transactions are subject to the Applicable Regulations so that:

- a. nothing in the Agreement shall exclude or restrict any obligation which we have to you under the Applicable Regulations;
- b. we may take or omit to take any action we consider necessary to ensure compliance with any Applicable Regulations;
- c. all Applicable Regulations and whatever we do or fail to do in order to comply with them will be binding on you; and
- d. such actions that we take or fail to take for the purpose of compliance with any Applicable Regulations shall not render us or any of our directors, officers, employees or agents liable to you in any respect whatsoever.

17.7. *Action by regulatory body.* If the FCA, or any other regulatory body takes any action which affects a Transaction, then we may take any action which we, in our reasonable discretion, consider desirable

to respond to such action or to mitigate any loss incurred as a result of such action. Any such action shall be binding on you. If the FCA, or any other regulatory body makes an enquiry in respect of any of your Transactions, you agree to cooperate with us and to promptly supply information requested in connection with the enquiry.

17.8. *Data privacy.* We and our related entities are responsible for the protection of privacy and the safeguarding of your personal and financial information. Your personal data is safely stored in the Firm's electronic systems and is treated as confidential. We will not disclose any of the personal data to a third party that is not an affiliate, partner, or an associate related to the provision of the Services, unless (i) we have your consent or (ii) or the Firm is required to do so by Applicable Regulations. We will not hold any information about our Customers' debit or credit cards, or any payment method used by Customers to make their deposits where not required by the Applicable Regulations and will at all times be in compliance with the required cardholder data security standards. The Privacy Policy on our Website outlines how we manage the personal information we hold about our Customers through their interaction with the Firm on social media or any other dealing with us. We are also bound by principles contained in The Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations (UK-GDPR) amending and transposing into UK law Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data;

17.9. *Data Protection queries.* Should you have any question or concern regarding your personal data please contact us at: gdpr.uk@capital.com. We have appointed a Data Protection Officer to assist us with compliance with applicable privacy regulations. To communicate with our DPO, please email dpo@capital.com. For more information please refer to our Privacy Policy.

17.10. *Assignment.* This Agreement shall be for the benefit of and binding upon us both and our respective successors and assigns. You shall not assign, charge or otherwise transfer or purport to assign, charge or otherwise transfer your rights or obligations under this Agreement or any interest in this Agreement, without our prior written consent, and any purported assignment, charge or transfer in violation of this clause shall be void. You agree that we may without further notice to you and subject to

Applicable Regulations, transfer by whatever means we consider appropriate all or any of our rights, benefits, obligations, risks and/or interests under this Agreement to any person who may enter into a contract with us in connection with such transfer and you agree, that we may transfer to such person all information which we hold about you.

17.11. *Intellectual Property.* You acknowledge and agree that the copyrights, trademarks, database and other property or rights in any information distributed to or received by you from us, together with the contents of our Website and Trading App, brochures and other material connected with our Electronic Trading Services that contains or constitutes such information, will remain the sole and exclusive property of ours or any third party identified as being the owner of such rights. You agree that you will not:

- a. use the Trading Platform and the Electronic Trading Services in any other manner except as permitted by and in accordance with this Agreement;
- b. copy, record translate or amend whole or part of the software comprising the Trading Platform and/or the Electronic Trading Services;
- c. interfere, tamper, alter, amend or modify the software comprising the system of the Trading Platform and/or the Electronic Trading Services or any part or parts thereof unless expressly permitted by us;
- d. reverse engineer, decompile or disassemble the software comprising the Trading Platform and/or the Electronic Trading Services or otherwise attempt to derive source code of the Trading Platform and/or the Electronic Trading Services, nor purport to do any of the same or permit any of the same to be done, except in so far as such acts are expressly permitted by law;
- e. transfer or distribute any rights to the Trading Platform and/or the Electronic Trading Services under this Agreement;
- d. separate or alter any part of the Trading Platform and/or the Electronic Trading Services;

e. attempt to reconstruct or discover any computer code, underlying ideas, or computer programming of the Trading Platform and/or the Electronic Trading Services by any means whatsoever;

f. generally in any manner damage, tamper with or impair the Trading Platform and/or the Electronic Trading Services or any intellectual property rights relating thereto.

17.12. *Rights and Remedies.* Our rights and remedies under this Agreement will be 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.

17.13. *Set-off.* Without prejudice to any other rights to which we may be entitled, we may at any time and without notice to you set-off any amount (whether actual or contingent, present or future) owed by you to us against any amount (whether actual or contingent, present or future) owed by us to you. For these purposes, we may ascribe a commercially reasonable value to any amount which is contingent or which for any other reason is unascertained.

17.14 *Severance.* If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable for any reason then such provision 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.

17.15. *Rights of Third Parties.* A person who is not a party to this Agreement may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.

17.16. *English law.* The interpretation, construction, effect and enforceability of the Agreement shall be governed by the laws of England and Wales.

17.17. *Jurisdiction.* The parties to this Agreement submit to the exclusive jurisdiction of the courts of England and Wales to settle any suit, action or other proceedings related to this Agreement.

## SECTION C - CFD TRADING AND SPREAD BETTING SERVICES

**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 CFDs or Spread Bets work and whether you can afford to take the high risk of losing your money.**

This Section C sets out various provisions that will apply only to your use of the CFD and Spread Bets Trading Service, together with Section B. For the avoidance of doubt, Spread Bets will not be available to corporate Customers (i.e. Customers who are a legal entity).

CAPITAL.COM is an execution-only matched principal broker for CFDs and Spread Bets. The Firm licences the Website, the Mobile App and the Trading Platform which enable the provision of the Electronic Trading Services to our Customers. You will open each CFDs and/or Spread Bet with us as a principal. This means that unless we have otherwise agreed in writing, you will be responsible for performing your obligations under each CFD and/or Spread Bet opened by you. Dealings with the Customers are carried out by us on an execution-only basis.

An explanation of some of the risks associated with CFDs and Spread Bets is set out in the Risk Disclosure Statement and you should ensure that you fully understand such risks before entering into any Transactions with us. For the avoidance of doubt, when you transact in CFDs and/or Spread Bets, you do not own the underlying products.

Customers must be aware that leveraged CFD and Spread Bets transactions carry a high degree of risk. Accordingly:

- a. the amount of initial margin may be relatively small with regard to the value of the

Instrument so that Transactions are 'leveraged' or 'geared';

- b. a relatively small market movement may have a proportionately larger impact on the funds that the Customer has deposited or will have to deposit. This may work against as well as for the Customer;
- c. the Firm exclusively reserves the right to widen its variable spreads, adjust leverage and/or increase the margin requirements without notice under certain market conditions including, but not limited to, when the CAPITAL.COM Trading desk is closed, around fundamental announcements, as a result of changes in credit markets and/or at times of extreme market volatility; and
- d. in such circumstances, the Customer agrees to indemnify the Firm for any and all losses that may occur due the widening of spreads and the adjustment of leverage

**Unleveraged CFDs.** The Firm may from time to time offer CFDs without leverage. Any such instruments remain complex products with a degree of risk, although do not require the Firm to publish an associated risk warning stating the percentage of retail investor accounts losing money. The unleveraged CFDs will be fully margined with a 1:1 ratio (margin : deal size) and may be subject to a maximum number of orders and a total exposure limit (notification of which will be made available on our Trading Platform and/or Website). Save for the provisions contained in Part 2 (Margining Arrangements) of this Section C, all provisions of this Agreement will otherwise apply to unleveraged CFDs. For further information, please refer to the relevant KID.

### PART 1. TRADING PROCEDURES AND ORDERS

1.1. **Placing Orders.** Unless telephone trading services are offered and agreed by us in accordance with clause 3.2 of Section B, you must place Orders in electronic form through the Website or the Mobile App.

1.2. **Hedging Mode.** The Firm offers its Customers "Hedging Mode" trading. Hedging Mode allows you to have both long and short CFDs or Spread Bet positions open on a single market at the same time in the same account. This feature can be enabled or

disabled in the Trading Platform settings.

1.3. *Order pricing.* You acknowledge and agree that the price at which execution occurs may be materially different to the price specified in your Order. This may result from sudden price movements in the underlying assets or other reasons that are beyond our control.

1.4. *Settlement.* The CFDs and Spread Bets offered by the Firm do not involve the delivery of the underlying asset and, therefore, there is no settlement as there would have been had the Customer had bought the underlying asset.

1.5. *Best result.* The Firm shall apply best execution rules in cases where you have not provided the Firm with specific instructions. The best possible result for our retail Customers will be determined in terms of the total consideration (unless the objective of the execution of the order dictates otherwise), represented primarily by the price of the financial instrument and the costs related to the execution such as spread and overnight premium. The costs related to the executions include the expenses incurred by Customers which are directly related to the execution of their Order. The other execution factors of speed, likelihood of execution, size, nature or any other relevant consideration will, in most cases, be secondary to the price and costs considerations, unless they would deliver the best possible result for the Customer in terms of total consideration.

1.6. *Negative balance protection.* It is possible for adverse market movements to result in the loss of more than your Account balance, so that it becomes negative. If this is the case, for retail Customers we will bear the negative consequences of such adverse events and any of the losses incurred by retail Customers will be limited to their then current Account balance. It is noted that the negative balance protection applies on an account basis and therefore the maximum loss for Customers on an account basis never exceeds the Customers' available funds in the specific account. For the avoidance of doubt, professional Customers are responsible for making additional payments should their account fall into a negative balance. Therefore, professional Customers could lose more than the sum they have invested when trading with the Firm.

1.7. *Abuse of programme.* Any trading strategy based on the use of the Negative Balance Protection mechanism and creating unfair

advantages to the Customer can be considered as improper or abusive behaviour, which will grant us an absolute right to suspend the trading account, terminate this Agreement or take other enforcement measures in accordance with the other provisions of the Agreement.

1.8. *Weekend offers.* Particular instruments can only be traded on Saturday and Sunday, and therefore any open positions will be automatically closed on Monday. The close price of such instruments will be the average price generated during the first twenty (20) minutes when the market opens.

## PART 2. MARGINING ARRANGEMENTS

2.1. *Liability for further payments.* When we effect a Transaction, you should note that, depending upon the nature of the Transaction, you may be liable to make further payments when the Transaction fails to be completed or upon the earlier settlement or closing out of your position.

2.2. *Provision of margin.* You shall provide and maintain Margin in accordance with the terms of this Agreement to secure your obligations to the Firm. You must maintain at all times the minimum Margin requirements for the open Transactions in your Account.

2.3. *Variable margin payments.* You may be required to make further variable payments by way of Margin against the purchase price of the CFD or Spread Bet, instead of paying (or receiving) the whole purchase (or sale) price immediately.

2.4. *Market movements and margin.* The movement in the market price of the CFD or Spread Bet will affect the amount of Margin payment you will be required to make.

2.5. *Margin monitoring.* You need to continuously monitor your Account in order to avoid open positions being closed due to unavailability of funds. The Firm is under no obligation to make calls for Margin. The Firm will make reasonable endeavours to notify you as soon as it is reasonably practicable on the amount of any Margin payment required.

2.6. *Payment of Margin calls.* You agree to pay us on demand such sums by way of margin as are required from time to time as we may in our discretion reasonably require for the purpose of

protecting ourselves against loss or risk of loss on present, future or contemplated Transactions under these Terms.

2.7. *Failure to pay Margin call.* In the event that you fail to meet a Margin call, we may immediately close out any of the relevant positions, as well as any pending orders that may negatively affect your margin balance once executed.

2.8. *Cash Margin.* Margin must be paid in cash in the Base Currency of your Account. A cash Margin paid to us is held as Client Money in accordance with the requirements of the CASS Rules. Margin deposits shall be made by wire transfer, credit card or by such other means as the Firm may direct.

2.9. *Set-off.* If there is a Termination Right or the Agreement is terminated, we shall set-off the balance of the cash Margin owed by us to you against your obligations owing to us (as reasonably valued by us).

2.10. *General lien.* Without prejudice to any rights to which we may be entitled under this Agreement or any Applicable Regulations, we shall have a general lien on all cash or collateral held by us or our Associated Companies or our nominees on your behalf until the satisfaction of the Secured Obligations. You agree to execute such further documents and to take such further steps as we may reasonably require to secure further the Secured Obligations.

2.11. *Margin Close-Out Protection.* We will make adequate arrangements for Margin Close-Out Protection. The standardised margin close-out rule has been set at 50% of the total initial margin. The threshold has been set out in FCA's mitigation measures to ensure an adequate common minimum level of protection for retail investors. A Margin close-out rule is imposed on a gradual basis. This feature cannot be deactivated.

2.12. *Tiered Margining.* The Firm, subject to Applicable Regulations, may offer a tiered Margin ratio system by applying different Margin requirements depending on the considered trade volume (hereinafter "Tiered Margining"). The Tiered Margining runs in a way where the higher the Customer's aggregated position in the market, the greater the Margin ratio is required and the lower the maximum leverage available to open a new position. In case of offering a Tiered Margining you will be able to find the lists of tiers of Margin

depending on trade volume (hereinafter "**Margin Tiers**") on our Website or on the Mobile App.

### **PART 3. MATURITY/TERMINATION OF POSITIONS ON CFD AND SPREAD BETS**

3.1. A CFD or a Spread Bet may mature or terminate under the following circumstances:

- a. The CFD or Spread Bet will end with the closing of the Customer's position;
- b. The Customer's position may be closed by the Customer at any time during the trading hours indicated on CAPITAL.COM;
- c. The Customer's position may be closed at the initiative of the Firm when there is excessive usage of the margin or the position's margin falls below required minimum as set by the Firm to protect the Customer from the accumulation of large losses that would be expressed in a negative account balance;
- d. The Customer's position may be closed at the initiative of the Firm in the case that an underlying asset of the CFD or Spread Bet is no longer trading;
- e. The Customer's position may be closed at the maturity of an underlying asset (for instance with CFDs or Spread Bets on futures and commodities);
- f. The Customer's position may be closed at the initiative of the Firm in the case that changes to the liquidity of the instrument in the market mean that risk cannot be properly hedged;
- g. The Firm may terminate a Customer's position at its sole discretion.

### **PART 4. FEES, CHARGES AND SPREADS**

4.1. *Charges.* Charges are payable by you as a Customer of the Firm in respect of the CFD Trading and Spread Betting Service. 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.

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.

**4.2. Spreads.** The Firm will quote to Customers two prices in respect of the CFD Trading and Spread Betting Service, the “ASK” at which Customers can buy a respective CFD or Spread Bet, and the “BID” at which Customers can sell a respective CFD or Spread Bet. The difference between the ASK and the BID prices is called the “SPREAD”. The SPREAD is the only trading cost that the user has to pay for the trading part of the Electronic Services. No other charges or commissions are paid by the Customers to enter or exit a trade. The Firm’s spreads are quoted on both the Website or Mobile App and on the Website. The spreads are dynamic due to the uncertain nature of the markets and are set at the absolute discretion of the Firm. Different instruments have different spreads. The spread may factor in:

- Liquidity of the product’s underlying market
- General market and economic conditions
- The Firm’s risk appetite
- The Firm’s costs and profit margin
- The greater competitive landscape

The Firm is using a proprietary model to create its pricing. A unique internally developed pricing algorithm sources prices from many price liquidity providers, assuring that the Firm provides to its Customers the best price it can.

**4.3. CFD expiry.** Certain CFDs and Spread Bets shall have an expiry date. On the expiry date an open position will be closed automatically at the then prevailing or last available market price. Weekend FX CFDs have a settlement price as defined in the relevant KID. Any affected pending order(s) will be cancelled. Nothing precludes the Customer from closing the relevant position and cancelling the affected pending orders prior to the expiry date. The expiry date for the relevant CFD or Spread Bet will be published on the relevant section of our Website and on the Mobile App.

Transactions in Spread Bets will automatically roll over to the next date for the relevant underlying

market unless the Customer opts out of this in respect of a specific Spread Bet or in respect of all Spread Bets on the Account.

**4.4. Overnight Funding Adjustment.** If you hold a position open overnight, an overnight funding adjustment, or “swap”, will be applied to your Account. The size of the overnight adjustment is specified for each Instrument on our Website and the Mobile App, and can be a credit or a debit depending on the market and the direction of your position.

## PART 5. CORPORATE EVENTS

**5.1. Corporate Events definition.** Customers have no rights or obligations in respect of the underlying instruments or assets relating to their CFD and/or Spread Bet trades. Specifically, in case of an equity CFD and/or Spread Bet you will not receive any voting rights. However, the underlying instrument can be affected by various Corporate Events. A “Corporate Event” is any action or event, whether temporary or otherwise, in relation to an underlying asset(s) of the CFD and/or Spread Bet, or in relation to the issuer of an underlying asset(s) of the CFD and/or Spread Bet, which would have an effect on the value, legal characteristics or ability to trade the underlying asset(s) or the CFD and/or Spread Bet based on or referencing such underlying asset(s), including but not limited to: distributions or the grant of entitlements to existing holders of rights in the underlying asset(s), dividend payments, the granting of rights to purchase, subscribe or receive any underlying asset(s) (whether for free, on preferential payment terms or otherwise) or cash, placings, rights issues, bonus/scrip issues, capitalisation issues and similar issues, mergers or takeovers relating to the issuer of the underlying asset(s), sub-divisions, splits, reductions (including share buy-backs), consolidations, reclassifications, restructurings, cancellation or suspension of listing of the underlying asset(s) or the issuer of the underlying asset(s), and any action or event analogous to any of the foregoing or otherwise that may have a diluting or concentrating effect on the value of the underlying asset(s) of the CFD and/or Spread Bet.

**5.2. Consequences of Corporate Events.** In case a Corporate Event will occur while the Customer is holding an open CFD and/or Spread Bet position or has a pending order affected by such event, we will endeavour to notify the Customer in advance of such Corporate Event, accomplished or yet to occur,

as soon as it is reasonably practicable, however the Firm reserves the right to act without prior notifications. According to the type of Corporate Event, the Firm will inform the Customer of the action(s)/adjustment(s) to be taken, if any, including the possibility of closing the affected position(s) or it being no longer reasonable or practicable for us to act on an Order (as set out in clause 3.9 of Section B of this Agreement). In relation to the above, depending on the type of Corporate event, the Firm may be required to make an adjustment to the size and/or value and/or number of the related position(s), including also the possibility of opening the new position(s) or closing of the existing position(s) at the last available price. Such adjustment will account for the diluting or concentrating effect of the Corporate Event in order to preserve the economic equivalent of the rights and obligations of the parties in relation to that position(s). Any action taken by the Firm will be effective from the date determined by the Firm and shall be binding, however, for the avoidance of doubt, the said actions may be retrospective. Closing of Customer's CFD and/or Spread Bet position(s) affected by a Corporate Event will not take place in case of dividend payments related to underlying equities. In this case adjustments will be made to the Customer's Account, such adjustment will be calculated by the Firm based on the size of the dividend, the size of Customer's position, taxation and whether it is a buy or a sell trade.

5.3. *Product termination.* We may require you to close any of your positions which you may have with us and which may be or have been affected by Corporate Events or product termination due to low/no liquidity, no price provider or other relevant reasons, or we may in our sole discretion close any of such positions at last available prices.

## SECTION D - SHARE DEALING SERVICES

***This Section D together with Section B governs all instructions to Deal related to Shares received from you, all transactions on Shares entered into by us on your behalf and the custody of Shares bought on your behalf or transferred to us on your behalf.***

We shall provide execution-only Share Dealing Service ("**Share Dealing Services**"). This means that the Share Dealing Services will be carried out by us on a non-advised basis, and we are not providing you with any investment, legal, regulatory or other form of advice. You may wish to seek independent advice in relation to any Transaction you propose to enter into under this Agreement. You are required to rely on your own judgement in entering into, or refraining from, providing us with an instruction to Deal or from entering into, or refraining from entering into, a Transaction. You are not entitled to ask us to provide you with investment advice relating to an Instrument, an instruction to Deal or a Transaction or to make any statement of opinion to encourage you to enter into a particular Transaction.

We will hold and safeguard and/or administer your funds and Financial Instruments (Shares), including as custodian. CAPITAL.COM may delegate certain obligations under this Agreement to third parties as set out below.

We are not able to facilitate the transfer of Instruments to other firms. In the event that you no longer wish to hold your Instrument with the Firm, the Instruments held in your Account will need to be liquidated (which may result in additional charges imposed by third parties). For the avoidance of doubt, Instruments cannot be put into certificate form and mailed.

For the avoidance of doubt, the Share Dealing Services are only available to Customers who opened a Share Dealing Services Account prior to December 2022.

### PART 1. TRADING PROCEDURES AND ORDERS

1.1. *Placing Orders - Shares.* Unless telephone trading services are offered and agreed by us in accordance with clause 3.2 of Section B, you may

place Orders in electronic form through the Website or the Mobile App. Unless otherwise indicated, we will execute your Orders as principal or on a matched principal basis. You will enter into a Transaction by 'buying' or 'selling'. In this Agreement, a Transaction that is entered into by 'buying' is referred to as a 'Buy'; a Transaction that is entered into by 'selling' is referred to as a 'Sell'. A Transaction must always be made for a specified number of Instruments. We will provide you with the Buy and Sell prices for Instruments in the relevant Underlying Market.

1.2. *Acceptance of Orders.* If an Order is accepted, we will confirm to you whether a Transaction results in the Underlying Market, being the partial or full fill of your Order. We will attempt to execute all eligible Orders as soon as reasonably practicable. There is no guarantee that your Order will be filled in full or in part in the Underlying Market. Where a delay occurs because we are unable to interact with the relevant Underlying Market for any reason, we will attempt to execute the Order as soon as reasonably practicable.

1.3. *Market movements.* You acknowledge and accept that the market price of any Instrument may have moved during the time between our receipt and acceptance of your Order and our attempt to execute your Order. In these circumstances, the third party who has provided the quotation to us is not obliged to honour the indicative price you have received and, if that is the case, we may reject your Order. Such movements in price may be in your favour or against you. For more information regarding the execution of Transactions please also refer to our Order Execution Policy.

1.4. *Amendments and cancellations.* Once accepted by us, your Order cannot be amended or cancelled by you, unless, before the execution we have confirmed to you that we have had to make an amendment or cancel your Order due to market circumstances, or unless otherwise agreed by the Firm. Non-market orders may be cancelled by you via the Trading Platform, Website or Mobile App, but we can only cancel your instructions if they have not been executed at the time of your cancellation. Orders that have been executed may not be cancelled unless, exceptionally, we agree to that

course. The Firm shall have no liability for any claims, losses, damages, costs or expenses, including legal fees, arising directly or indirectly out of the failure of such order to be cancelled (whether as a result of the late notice of cancellation or otherwise).

1.5. *Delays in executing Orders.* You accept that some small and micro-cap shares trade on highly illiquid markets (which means they cannot be easily and readily sold or exchanged for cash without a substantial loss in value), which may cause delays in executing Orders in such Instruments. In these circumstances you agree that CAPITAL.COM will process your Order as soon as is reasonably possible. CAPITAL.COM will not be liable for any financial losses, perceived or actual, that you may suffer as a result of these delays.

## **PART 2. LIMITATIONS TO SHARE DEALING SERVICES**

2.1. *No leverage.* This Section (D) applies to Transactions made without leverage. Where a Transaction is to be executed under this Section, you may only sell Instruments held on your Account, which is known as the “*Prohibition on going short*”.

2.2. *Illiquid Instruments.* You accept that some small and micro-cap shares trade on highly illiquid markets (which means they cannot be easily and readily sold or exchanged for cash without a substantial loss in value), or by way of an auction or other non-standard bidding process which may cause delays in executing Orders in such Financial Instruments. In these circumstances you agree that CAPITAL.COM will process your Order as soon as is reasonably possible. CAPITAL.COM will not be liable for any financial losses, perceived or actual, that you may suffer as a result of these delays.

2.3. *US Persons.* We do not offer our Share Dealing Services to “US persons” (as defined by the Internal Revenue Service “IRS”). If You become a US person after your Account has been opened, you must inform us immediately. This may result in your Account being closed with any Instruments liquidated and cash returned to you. If we allow you to trade in Instruments and then identify you as a US person, we may close any open positions you may hold and then block or close your Account.

## **PART 3: FEES, CHARGES, SPREADS AND DEPOSITS**

3.1. *Charges.* Unless we agree otherwise, all sums payable by you are due immediately and must be paid on entering into the Transaction. If you Buy an Instrument, the consideration for the Transaction and, in addition, all applicable Charges and Taxes to that Transaction will be your responsibility and will be deducted from your account and held by us pending settlement. Monies deducted will not be treated as Client Money on the day of expected settlement. If settlement does not occur on the day of expected settlement the monies will be treated as Client Money. It is your responsibility to ensure at all times that sufficient cleared funds are on your account to satisfy settlement of any Transaction and all Charges and Taxes associated with that Transaction. If you Sell an Instrument, the consideration for the Transaction less all applicable Charges and Taxes to that Transaction will be available on your account for reinvestment but will be unable to be withdrawn from your account until the Transaction has settled. It is your responsibility to ensure at all times that sufficient cleared funds are on your Account to satisfy settlement of any Transaction and all Commission, Charges and Taxes associated with that Transaction.

Fees and charges are payable by you as a Customer of the Firm in respect of the Share Dealing Services. A copy of our current charges is published at the Charges and Fees section of our Website and the Mobile App. The Firm provides you with an itemised breakdown of costs and charges periodically.

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.

3.2. *Spreads.* The Firm will quote to Customers two prices, the “ASK” at which Customers can buy a respective Instrument, and the “BID” at which Customers can sell a respective Instrument. The difference between the ASK and the BID prices is called the “SPREAD”. The SPREAD is the only trading cost that the user has to pay for the trading part of the Electronic Trading Services. No other charges or commissions are paid by the Customers to enter or exit a trade. The Firm’s spreads are quoted on both the Mobile App and web platforms

and on the Website.

3.3. *Commissions.* When you enter into a Transaction, you may be required to pay us a Commission. Details of the Commission that will be charged can be found at the Charges and Fees section of our Website, our trading platforms, or can be requested by contacting [support@capital.com](mailto:support@capital.com).

3.4. *Other Charges.* You must pay, or reimburse, us for any Charges applicable, now or in the future, to your Instructions to Deal or Transactions and any taxes applicable, now or in the future, on any Commission or Charges payable by you pursuant to this Agreement.

3.5. *Market settlement practices.* All Deals transacted between us will be carried out in accordance with the standard settlement practices and/or market rules of the relevant exchanges. Where available, we use central securities depositories for the settlement of the applicable Instruments. The charges and rates we quote are for Instruments settled by the applicable central securities depository. If an Instrument ceases to be able to be settled through the applicable central securities depository, you accept that we may have to use alternative dealing facilities to Buy or Sell that Instrument and/ or levy an increased charge for Buying or Selling that Instrument.

3.6. *Current settlement practices.* With respect to Shares, transactions in European and UK Shares are currently settled on a T+2 basis (meaning that the Transaction settles with the applicable Underlying Market two (2) Business Days after it is made). Despite this, upon the execution of an order on Shares, the Firm shall proceed with the settlement of such an order immediately and will assume all settlement risk on behalf of the customer.

3.7. *DVP.* You agree that we may settle transactions and, therefore the transfer of securities may happen after payment has been made (known as the "**Delivery Versus Payment basis**") and in entering into this Agreement, you agree that we may at our discretion use the Delivery Versus Payment basis exemption as permitted by the Applicable Regulations.

3.8. *Settlement Limitations.* We may refuse to allow a withdrawal on your Account if it would leave insufficient funds in the Account to pay for any unsettled Transactions. When you make payment

into your Account and then make a withdrawal shortly afterwards, we reserve the right to delay settlement for up to eight (8) Business Days to ensure your payment has cleared.

If you Sell an Instrument, the consideration for the Transaction less Commission and all applicable Charges and/or Taxes for that Transaction will be available on your account for reinvestment prior to settlement and your Account will reflect this. However, you will be unable to withdraw this sum from your Account until the Transaction has settled. Should the transaction fail to settle, we may reverse the Transaction, return any Commission and all applicable Charges and Taxes for that Transaction and cancel the credit of any cash to your account and amend your account to reflect the same.

#### PART 4. CUSTODY

4.1. *Holding Customer Assets.* We will hold any Instrument bought on your behalf until we receive further instructions from you to sell that financial instrument or transfer it into your own name. We will hold your Instruments on your behalf in accordance with the CASS Rules.

4.2. *Third party custodians.* We may, subject to the CASS Rules, appoint any other third party to hold your Financial Instruments. We will exercise reasonable skill and care in the selection, appointment and periodic review of such third parties, but we are not liable for their acts, omissions, insolvency or dissolution. Any discrepancy in terms of Customer Assets and any resulting shortfall will be dealt with in accordance with the CASS Rules.

4.3. *Records.* Detailed records of all your Instruments and assets held by us will be kept at all times to show that your Instruments are held on your behalf, for your benefit and do not belong to us or any sub-custodian.

4.4. *Nominees.* Instruments purchased by us on your behalf or transferred to us will be registered in the name of a nominee company or our name or a sub-custodian. We will be responsible and liable for our nominee to the same extent as for our own acts, including losses arising from fraud, wilful default or negligence.

4.5. *Trust.* Whenever your Instruments are registered in the name of a nominee company

nominated by us, that Nominee will hold them in trust for you. This means that you are the beneficial owner of the Instruments. Any Instruments held by a Nominee will be held in a pooled account.

4.6. *Effect of pooled arrangements.* Your Instruments will be registered in the same name as those of other Customers (pooled together with other Customers' Instruments in a pooled co-mingled custody account, like with like). This means that Instruments will not necessarily be immediately identifiable by way of separate certificates. If we or our third-party nominee were to become insolvent there may be delays in identifying individual assets, and possibly an increased risk of loss if there should be a shortfall because additional time will be needed to identify the assets held for specific Customers. In addition, in the event of an unreconciled shortfall caused by the default of a custodian, you may share proportionately in that shortfall.

4.7. *Clearing systems.* You authorise us and any custodian or sub-custodian to hold or transfer Instruments (or entitlements to them) to a securities depository, clearing or settlement system. Instruments that cannot be settled through a central securities depository system may be held overseas by a third-party (including custodian, sub-custodian, registrar, bank, intermediate broker, or settlement agent) in the name of CAPITAL.COM or a third-party nominee.

4.8. *Overseas custodians.* You agree that because of the nature of Applicable Regulations or market practices in certain overseas jurisdictions, we may decide that it is in your best interest for your Instruments held with us to be registered or recorded in our name or in the name of the authorised person who is a custodian for the purposes of the FCA Rules, and if it is not feasible for us to do this, then:

- a. your Instruments may be registered or recorded in the name of the firm or custodian as the case may be;
- b. your Instruments may not be segregated and separately identifiable from the Instruments of the firm or custodian in whose name your Instruments are registered; and
- c. as a consequence, in the event of a failure, your Instruments may not be as

well protected from claims made on behalf of our general creditors. You should note that when we arrange for a third-party to hold your Instruments overseas there may be different settlement, legal and regulatory requirements than those applied in FCA.

4.9. *Interest.* You will not be entitled to any interest in respect of Instruments held by us as custodian and any interest will be retained by us.

4.10. *Dormant assets.* In the event that we have not received instructions from you in relation to any of the Instrument held in your Account (e.g., to purchase, sell or move the assets) for a period of at least twelve years (notwithstanding any receipts of dividends or interest or similar items and irrespective of any movement of your Account balance) and we are unable to trace you despite having taken reasonable steps to do so, you agree that we may cease to treat your assets as Customer Assets.

## **PART 5. PROVISION OF INFORMATION, VOTING RIGHTS, INTEREST, DIVIDENDS AND CORPORATE EVENTS**

5.1. *Corporate information.* We are not obliged to, but we may arrange for you to receive the report, accounts and other information issued by a company. We are not obliged to notify you of or arrange attendance at any annual general meetings or extraordinary general meetings applicable to your Instruments, and/or arrange the exercise of any voting rights attaching to your Instruments we hold on your behalf or transferred to us on your behalf, whether exercisable at an annual general meeting or otherwise. We are also not obliged to inform you of any class action or group litigation that is being proposed or taken concerning Instruments that we are holding on your behalf.

5.2. *Dividends, interests and other income payments.* We will be responsible for claiming and receiving dividends, interest payments and other income payments accruing to your Instruments we hold on your behalf. We may, but are not obliged to, offer you any other rights or special offers that are made available to holders of Instruments. As we will hold your Instruments in one or more pooled accounts, you may receive dividends or distributions net of applicable taxes which have been paid or

withheld at rates that are less beneficial than those that might apply if the Instruments were held in your own name or not pooled.

5.3. *Consolidation.* A corporate event is something which will bring about a change to the Instruments you hold (such as but not limited to share consolidation or share split, reorganisations, mergers, dividends distributions, etc). Corporate events can be subject to immediate changes without notice. You accept that any corporate event can take place at any time. You acknowledge and accept that these changes are beyond the Firm's control, who will not be liable for any financial losses that may occur as a result of these delays.

5.4. *Adjustments.* If a corporate event impacts an Instrument that is being traded in your Account, we will use reasonable endeavours to make adjustments in a way that is fair and which aligns with market practice, depending on the circumstances of each event and according to our reasonable discretion, although we are not obliged to do this. Adjustments may include changing the price or quantity of Instruments in your Account, to reflect the economic equivalent of such rights.

5.5. *Close-out.* Notwithstanding above, we reserve the right to close out any open positions impacted by a corporate event (including but not limited to delisting and insolvency) in a fair way and taking into account the treatment we may receive from Exchange or Underlying Market or our counterparty and/or any relevant third party. We may sell Customers' shares prior to or following such corporate events at our sole discretion.

5.6. *Account for dividends.* If you are holding Instruments, such as shares, which grant you the right to receive a dividend or interest payment from a company, provided that you have held such shares prior to and on the relevant ex dividend date, we will pay this money into your Account on receipt by us. We may deduct from this payment any applicable tax however it will be your responsibility to satisfy these liabilities if we did not make such deduction.

5.7. *Reflection of corporate events.* We will reflect a corporate event on your Account as soon as practicable after we have received confirmation that the corporate event has been completed from our custodians. Adjustment of Instruments in your Account after a corporate event may create tax liabilities for you. We may deduct tax when making

adjustments.

5.8. *Fractional entitlements.* Where a Corporate Event results in a fractional entitlement to part of an Instrument, we will use reasonable endeavours to aggregate those fractional entitlements, and sell those fractional Instruments and credit your Account with a cash value which may be subject to certain fees and charges