

CFD AND SPOT FOREX TERMS: DEPOSIT ACCOUNTS

1. Structure

- 1.1 When we engage in cfd or spot forex trading with you, we do so on the basis of: -
- our General Terms;
 - these terms, i.e. our CFD and Spot Forex Terms.
- 1.2 The CFD and Spot Forex Terms deal with matters that are specific to cfd or spot forex trading. The General Terms contain terms that apply generally to spread bets, spot forex trading and cfd's.

2. Definitions

- 2.1 Words with capital letters have particular meanings as defined in the General Terms and in clause 11.

3. Initial Margin

- 3.1 Initial Margin is due to GFT Global Markets on each opening cfd or spot forex trade you place. Initial Margin must be maintained in respect of all open positions. In addition if you place a trade on a market order basis (as referred to in 3rd bullet point of clause 7.4 of the General Terms), Initial Margin is due when we accept that trade and when we execute that trade.
- 3.2 Initial Margin is calculated using the IM Factor, as follows: -
- for cfd trades: (trade size multiplied by GFT Price) multiplied by IM Factor (for the trade you wish to place, or have placed);
 - for spot forex trades: trade size multiplied by IM Factor (for the trade you have placed or wish to place).

Note that: -

- if you place a trade on a direct deal basis (as referred to in the 3rd bullet point of clause 7.4 of the General Terms), Initial Margin will be calculated when we accept your trade based on the GFT Price and IM Factor on acceptance;
 - if you place a trade on a market order basis (as referred to in the 3rd bullet point of clause 7.4 of the General Terms), Initial Margin will be calculated when we accept your trade based on the GFT Price and IM Factor on acceptance; Initial Margin will be calculated when we execute your trade based on the GFT Price and IM Factor on execution;
 - in relation to open positions, Initial Margin will be calculated based on the then current GFT Price and IM Factor of the trade you have placed.
- 3.3 Please refer to the Market Information Sheets to ascertain the relevant IM Factor for any given cfd or spot forex Market.
- 3.4 You must make sure you know how Initial Margin is calculated and the relevant IM Factor for the cfd or spot forex trade you propose to place. If you are in any doubt, please call our dealing desk or Customer Services Team.
- 3.5 GFT Global Markets can: -
- waive Initial Margin in relation to any particular cfd or spot forex trade;
 - vary IM Factors. See clauses 23.1, 29.1, 30.1 and 32.1 of the General Terms and note that the new IM Factor applies to open positions so additional Initial Margin may become due to maintain open positions.

4. Minimum and maximum trade size

- 4.1 There are limits on the trade size of any cfd or spot forex trade you wish to place, as follows: -
- **minimum size:** your trade size must at least be equal to the minimum trade size we set;
 - **maximum size:** your trade size cannot be more than: -

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- the maximum trade size we set; or
- if lower, the maximum trade size calculated as follows: -

Current Position divided by (GFT Price multiplied by IM Factor for the trade you wish to place).

Note: -

- if you place a trade on a direct deal basis (as referred to in the 3rd bullet point of clause 7.4 of the General Terms), minimum and maximum trade sizes must be complied with when we accept your trade (and maximum trade size is calculated using the GFT Price on acceptance);
- if you place a trade on a market order basis (as referred to in the 3rd bullet point of clause 7.4 of the General Terms), minimum and maximum trade sizes must be complied with when we accept your trade and when we execute your trade. In this case maximum trade size is calculated using the GFT Price on acceptance and then using the GFT Price on execution.

4.2 All the information you need to calculate your Current Position is available from the following sources. These sources also set out IM Factors and minimum and maximum trade sizes:-

- DealBook®. In particular you need to access your Account to ascertain your Current Position;
- the Market Information Sheets, located at www.gftuk.com.

4.3 We can: -

- change minimum and maximum trade sizes, see clauses 23.1, 29.1, 30.1 and 32.1 of the General Terms;
- waive any minimum and maximum trade sizes.

4.4 You must make sure you know the current IM Factor and minimum and maximum trade sizes applicable to any cfd or spot forex trade you wish to place. You must also ensure you understand how to calculate maximum trade sizes. If you are in any doubt, please call our dealing desk or our Customer Services Team.

4.5 If the maximum trade size is nil or less you will not be permitted to trade unless you deposit funds in your Account, so that there are sufficient funds in your Account to enable you to place the trade.

4.6 If you trade the maximum trade size (or more) on any particular Market any adverse Market movement may result in Variation Margin becoming due. See clause 9.

5. Roll-Over of Spot Forex Trades

5.1 Subject to clause 5.4, open spot forex trades roll-over on a daily basis at 20:00.

5.2 Subject to clause 5.4, spot forex trades roll-over as follows: -

- the original trade is closed (at the relevant GFT Price) and due for settlement;
- a new spot forex trade is opened (in the same Market, at the same time that the original spot forex trade is closed), at the relevant GFT Price applicable to spot forex trades;
- GFT Global Markets UK uses the Tom/Next swap rate as the bench mark for these roll-overs and therefore any opening spot forex trade (i.e. as per the 2nd bullet point above) struck after 20:00 on any of our trading days (for the relevant Market) will be subject to a new value date;
- any Guaranteed Stop Loss Order that was attached to the spot forex trade that is being rolled over is automatically cancelled and ceases to have effect when that original trade is closed (as referred to above). However, when we open a new spot forex trade (as above) we will attach to that new trade a new Guaranteed Stop Loss Order. The level at which the new Guaranteed Stop Loss Order will be opened will reflect the distance between the spot forex trade that has been closed (as above) and the Guaranteed Stop Loss Order that was attached to it (i.e. the distance at the time of closure).

5.3 No commission is charged on the roll-over of a spot forex trade.

5.4 Despite the provisions of clause 5.1, we can refuse to roll-over a spot forex trade if: -

- the funds in your Account are insufficient to enable that trade to roll-over (as per clause 5.2) (taking into account, for example, Initial Margin, trade sizes and all other requirements relating to placing a trade). If you have opened more than one spot forex trade and the funds in your Account are sufficient to allow some to roll-over, but not others, then none of your spot forex trades will roll-over, they will all be closed;
- for any other reason we are entitled to refuse to open a trade for you, see for example clause 7.6 of the General Terms.

If we do refuse to roll-over a spot forex trade, we will close that trade at the time referred to in clause 5.1 and at the relevant GFT Price.

6. Financing Charges

6.1 A daily financing charge is applied in respect of cfd trades relating to cash indices, foreign exchange, spot metals and individual equities.

The financing charge is levied for each day that the trade remains open (including weekends and public holidays). The financing charge is applied to all open positions at 22:00 on each day.

6.2 In the case of cfd trades relating to individual equities and cash indices, the financing charge is debited from your Account in the case of long cfd trades and credited to your Account in the case of short cfd trades. In the case of cfd trades relating to foreign exchange if the first currency has a higher interest rate, then you are credited financing for running a long position and debited financing for running a short position. If the first currency has a lower interest rate, then you are debited financing for running a long position and credited financing for running a short position. The relevant financing charge will be debited from or credited to your Account on the next Business Day after the day to which it relates.

6.3 Please refer to the Market Information Sheets or our Customer Services Department for details of how the financing charge is calculated. The amount of the financing charge will vary due to the elements that constitute the charge. For example, interest rates form part of the calculation; therefore the amount payable will vary in accordance with interest rate changes.

6.4 We reserve the right to vary: -

- the method of calculating the financing charge and/or any elements that form part of the calculation;
- the types of cfd trades to which the financing charge is applied.

The above applies to all open positions as well as new positions. We will give you at least 14 days notice of any such change if it will affect your open positions (subject to our rights under clause 6.5). In all other cases we can make such changes with immediate effect.

6.5 If an Event Outside Our Control and/or a Market Disruption Event occurs we can immediately vary: -

- the method of calculating the financing charge and/or any elements that form part of the calculation;
- the types of cfd trades to which the financing charge is applied.

The above applies to all open positions as well as new positions.

6.6 Details of current financing charges will be on the Market Information Sheets (available on www.gftuk.com). Details of changes to the financing charges will also be published on the Market Information Sheets and may either be effective immediately or on such later dates as we specify (in accordance with clause 6.4 and 6.5). It is your responsibility to make sure you know how to calculate the financing charge. If you are in any doubt, contact our Customer Services Team.

7. Commissions and other charges

7.1 Certain cfd trades are subject to a commission charge, both on the opening and closing of each trade. Some trades are also subject to a minimum commission charge. Please refer to the Market Information Sheets for details of commission rates (including any minimum commission), how commission is calculated and the trades to which it applies.

7.2 ITX trades are charged a commission fee per round turn lot. Please refer to the Market Information Sheets for details of how this commission is calculated.

8. Calculation of profits and losses

8.1 Subject to adding or deducting amounts in relation to the cfd or spot forex trade concerned in accordance with clause 8.2 and to relevant adjustments (see for example clause 32 of the General Terms, Corporate Action) when you close a cfd or spot forex trade: -

- you have made a profit if the GFT Price you sold at (whether to open or close) exceeded the GFT Price you bought at (whether to open or close);
- you have made a loss if the GFT Price you sold at (whether to open or close) was less than the GFT Price you bought at (whether to open or close).

8.2 Profits and losses on cfd or spot forex trade are calculated as follows: -

- In the case of cfd trades: -
 - trade size on closing multiplied by (difference between closing GFT Price and opening GFT Price of the relevant trade);
 - less all amounts payable by you to us in relation to that trade, such as commission and financing (see clauses 6 and 7);

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- plus any financing charge payable by us to you in respect of that trade (see clause 6).
- In the case of spot forex trades, profit and losses are calculated as follows:-
 - amount of base currency on closing multiplied by (difference between GFT Global Markets' currency exchange rate at the opening of the trade concerned and GFT Global Markets' currency exchange rate on closure of the trade concerned);
 - less all amounts payable by you to us in relation to that trade, such as commission (see clause 7).

8.3 If you wish to calculate whether any particular open trade is in profit or loss at any given time, you can do so as provided in clause 8.1, but using the relevant Marked to Market price as the closing GFT Price.

9. Variation Margin and closure of positions

When is Variation Margin payable?

9.1 You must pay Variation Margin to us if the Risk Level is 75% or less (e.g. 50%). Risk Level is a percentage calculated as follows: -

- (Total Equity divided by Margin Req) multiplied by 100.

9.2 For the purpose of calculating whether Variation Margin is payable, and if so how much, all relevant figures will be converted into your Base Currency in accordance with clause 27 of the General Terms.

How much is payable?

9.3 The amount of Variation Margin you must pay to us depends on your Available Equity. Available Equity is calculated as set out in clause 11.1.

The amount of Variation Margin you must pay to us ("Variation Margin") is the amount needed to return your Available Equity to zero. For example if your Available Equity is minus £250.00 you must pay us £250.00.

When must payment be made?

9.4 Variation Margin is payable immediately upon your Risk Level reaching 75% or less (e.g. 50%). It is due for payment immediately on a Variation Margin Call being made and is payable (in full) in accordance with the following timescales: -

Amount of Variation Margin due	Timescale for payment
Less than £10,000 (or currency equivalent).	Within 5 Business Days (including the date of the Variation Margin Call if a Business Day).
£10,000 or more (or currency equivalent).	If the Variation Margin Call was made before noon on a Business Day, full payment must be made on that Business Day. In any other circumstances, full payment must be made on the next Business Day.

Please note that if Variation Margin due is less than £10,000 (or currency equivalent) but then rises to £10,000 (or currency equivalent) or more the timescale for payment will be that applicable to Variation Margin of £10,000 (or currency equivalent) or more (in other words you will not be permitted 5 Business Days in which to pay one tranche).

9.5 You must monitor your Account, and all relevant factors, so that you know the current Risk Level, Available Equity and whether or not Variation Margin is payable. All the information you need in order to make these calculations is available from the following sources: -

- DealBook®;
- the Market Information Sheets, located at www.gftuk.com.

You must also make sure you understand how to calculate Risk Level, Available Equity and Variation Margin. If you are in any doubt call our Customer Services Team.

Will I receive Variation Margin Calls or any other reminders to pay Variation Margin?

9.6 We are not obliged to tell you if Variation Margin is payable nor to make a Variation Margin Call. We have no liability to you if we fail to tell you that Variation Margin is payable and/or fail to make a Variation Margin Call.

9.7 Despite clause 9.6, we will endeavour to make a Variation Margin Call to you:-

- when the Risk Level reaches 75%;
- when the Risk Level reaches 50%.

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9.8 We will be regarded as having made a Variation Margin Call if we send you an e-mail requesting payment of Variation Margin. In addition, e-mail will generally be the only method by which we make a Variation Margin Call on you. Therefore you must ensure that you maintain an e-mail address at all times and keep us up to date and informed of your current e-mail address.

9.9 We will also be regarded as having made a Variation Margin Call if we: -

- use any means of communication to contact you requesting payment of Variation Margin, for example SMS text, pager, voicemail, telephone, fax or post;
- send you a message via DealBook®;
- have left a message with someone we reasonably believe will pass the message to you (e.g. a spouse or work colleague), even if you do not contact us;
- have used other reasonable means to contact you, even if we have been unable to do so and have not been able to leave a message for you.

Please note that we will generally only use the means of communication in this clause 9.9 if: -

- we have reasonable concerns that an e-mail we have sent has not been received by you;
- for any reason we are unable to send you an e-mail;
- acting reasonably, we think it appropriate to do so.

What happens if I fail to pay Variation Margin or my Risk Level falls to 25% or less?

9.10 If any of the following occur we are entitled to close all open positions on your Account and cancel all Orders: -

- if Risk Level is 25% or less;
- if you have failed to pay the full amount of Variation Margin due in accordance with the timescales in clause 9.4.

9.11 We can close your open positions and cancel all Orders as referred to in clause 9.10 with or without giving you notice. If we do so without giving notice, we will inform you that we have done so either by e-mail or as referred to in clause 9.9.

Other Matters

9.12 The following also apply in relation to Variation Margin: -

- all payments you make to us must be in your Base Currency, unless we agree otherwise;
- we only accept payment of Variation Margin by telegraphic transfer, debit card or any other method of immediate electronic transfer acceptable to us;
- subject to the Regulatory System, we can allow your open positions to run, and allow you to open new positions, even if you have not paid Variation Margin payable;
- Variation Margin does not represent your total liability to us. You must also, for example, pay to us any losses you have incurred on closed positions as well as any other amounts payable under the Terms.

10. Corporate Action

10.1 Please note in particular our rights in relation to Corporate Action, clause 32 of the General Terms.

11. Definitions

11.1 The following expressions have the following meanings: -

“Account”	an account with us for either cfd or spot forex trading or both.
“Available Equity”	Total Equity less Margin Req.
“Cash”	the balance of your Account after all credits and debits have been made (for example in respect of closed positions, but not Unrealised P&L or open positions).
“CFD and Spot Forex Terms”	these terms and conditions as amended and/or replaced, see clause 41 of the General Terms.
“Current Position”	the total of the following: -

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	<ul style="list-style-type: none">• Total Equity;• Less Margin Req.
“DealBook® ”	the electronic dealing system we make available to you via the internet, to facilitate spread betting, trading in cfd and/or spot forex trading including the systems known as DealBook®360, DealBook® WEB, DealBook® Mobile and DealBook® Mobile Basic.
“Floating P&L”	the total of all open positions on your Account, Marked to Market.
“General Terms”	our general terms and conditions as amended and/or replaced in accordance with clause 41 of those general terms.
“IM Factor”	the percentage or multiplier specified by GFT Global Markets (in its absolute discretion) in relation to each Market.
“Initial Margin” (also known as “Margin”)	funds required by us in order for you to open (and maintain) a trade, calculated in accordance with clause 3.2. Please note that on DealBook® “Initial Margin” is referred to as “Margin”.
“Margin”	this means the same as “Initial Margin”, please refer to that definition.
“Margin Req”	the total of all Initial Margin in respect of all open positions on your Account.
“Marked to Market”	the value of an open position calculated at the current GFT Price.
“Market Information Sheets”	our cfd and spot forex market information sheets, as amended and/or replaced in accordance with the General Terms. The Market Information Sheets are available at www.gftuk.com .
“Risk Level”	a percentage calculated as follows:- <ul style="list-style-type: none">• (Total Equity divided by Margin Req) multiplied by 100.
“Total Equity”	the sum of the following:- <ul style="list-style-type: none">• Cash;• Plus any positive Floating P&L;• Less any negative Floating P&L;• Plus any positive Unrealised P&L;• Less any negative Unrealised P&L.
“Unrealised P&L”	this only applies in relation to spot forex transactions you effect with your Account. Your “Unrealised P&L” is the profit or loss on a closed spot forex transaction that has not been reflected in your Cash (for your information in the case of a spot forex transaction the profit or loss on a closed position will not be reflected in your Cash until the 2 nd day after the trade has been closed, excluding the day on which it was closed).
“Variation Margin”	as defined in clause 9.3.
“Variation Margin Call”	a request for payment of Variation Margin, as referred to in clauses 9.8 and 9.9.

11.2 Unless otherwise stated, a reference (in these CFD and Spot Forex Terms) to a clause is to a clause in these CFD and Spot Forex Terms.

12. Law and Jurisdiction

- 12.1 Our relations prior to the establishment of any contract between us, all trades and these Terms shall be governed by and construed in accordance with the laws of England.
- 12.2 Except for the right of GFT Global Markets below, the courts of the United Kingdom will have exclusive jurisdiction over any claim or matter arising under or in connection with these Terms and the legal relationships established by these Terms. Nothing in this clause shall limit the right of GFT Global Markets to take proceedings against the Client in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdictions.

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12.3 You irrevocably consent to any process in any legal action or proceedings arising out of or in connection with these Terms being served on you by post in accordance with clause 42 of the General Terms. Nothing in these Terms will affect the right of either party to serve process in any other manner permitted by law.

13. Regulation of GFT Global Markets

13.1 GFT Global Markets' main business is the provision of spot forex, spread betting and cfd products and services. Its registered office is 34th Floor (CGC 34-03), 25 Canada Square, London, E14 5LQ and its registered number is 5394757. GFT Global Markets is registered on the FSA's register of authorised persons under number 438879.

13.2 GFT Global Markets is authorised and regulated by the Financial Services Authority.