

# Client Agreement

# CBCX

# MARKETS

Phone: +1 (264)2929109  
Email: [support@cbcxtrading.com](mailto:support@cbcxtrading.com)  
Company Registration No. A000001172

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## CLIENT AGREEMENT

### 1. DEFINITIONS AND CONSTRUCTION

1.1. In these terms, including schedules, appendices and annexes (hereinafter these "Agreement") the following terms shall, unless the context otherwise requires, have the following meanings and is used in singular or plural as appropriate:

- (1) **'Account'** means an account of the Client with CBCX;
- (2) **'Agreement'** means this agreement and all schedules, Product Modules, the Product Details, any ancillary documents referred to herein and any amendments thereto.
- (3) **'AFSC'** means Anguilla Financial Services Commission.
- (4) **'Applicable laws and Regulations'** means: (a) the FINANCIAL SERVICES COMMISSION ACT and its amendments (b) the rules of a relevant Regulatory Authority, and (c) all other applicable laws, rules and regulations as in force from time to time, as applicable to this Agreement, any Transaction, or our Electronic Trading Services;
- (5) **'Associated Company'** means a company in which the Original Tenant possess a share holding or both are under the control of the same person or persons. 'Control' for this purpose has the same meaning as for close companies (CTA10/PART10, S450 and S451, see CTM60210 under United Kingdom Law); ;
- (6) **'Attached Order'** means an Order that relates to or is referenced to an existing Transaction that the Client held;
- (7) **'Authorised Employee'** has the meaning attributed to it in Clause 15.1;
- (8) **'business day'** means any day other than a Saturday, Sunday and a public holiday in Anguilla;
- (9) **'Buy'** has the meaning attributed to it in Clause 6.1;
- (10) **'CBCX'** means CBCX MARKETS LTD., a Limited Liability Company incorporated in Anguilla under company number A000001172 with registered address at Anguilla, The Valley, Babrow Building.
- (11) **'Charges'** means any transaction or account costs, fees or other charges notified to the Client from time to time;
- (12) **'CFD'** is a Contract For Difference and more specifically is an agreement between two parties to exchange the difference between the opening price and closing price of a contract;
- (13) **'Client Portal'** is an electronic gateway to a collection of digital files, services, and information, accessible over the Internet through a web browse which is a private area to view account financial information, business notification, legal documents and information, client personal information and use of management tools for the client.
- (14) **'Closing Level'** means the level at which a Transaction is closed;
- (15) **'Commission'** has the meaning attributed to it in Clause 9.2;
- (16) **'Commission Transaction'** has the meaning attributed to it in Clause 9.2;
- (17) **'Confidential Information'** has the meaning attributed to it in Clause 33;
- (18) **'Contract'** 'Contract for Differences' means any contract, whether oral or written, for the purchase or sale of any commodity, security, currency or other financial instrument or property, including any derivatives such as an option, a future, a CFD or other transaction relating thereto and is a type of Transaction the purpose of which is to secure a profit or avoid a loss by reference to fluctuations in the value or price of an Instrument but specifically excludes any Transactions which are dealt with in a separate Product Module;
- (19) **'Contract Value'** means the number of contracts or other units of the Instrument that the

Client is notionally buying or selling multiplied by our then current quote for the Transaction in question;

- (20) **'Corporate Event'** has the meaning attributed to it in Clauses 24.1 and 24.2;
- (21) **'Currency'** shall be construed so as to include any unit of account;
- (22) **'Director'** has the meaning as is given to that clause in the Companies Act 2008 (as amended);
- (23) **'Electronic Trading Services'** means any electronic services (together with any related software or application) accessible by whatever means CBCX offer including without limitation trading, direct market access, order routing, API or information services that CBCX grant the Client access to or make available to the Client either directly or through a third party service provider, and used by the Client to view information and/or enter into Transactions and Electronic Trading Service' shall mean any one of those services;
- (24) **'Eligible Counterparty'** has the meaning ascribed to it in COBS 3.6 Eligible counterparties under FCA Handbook.
- (25) **'EMI'** means electronic money institution.
- (26) **'Event of Default'** has the meaning attributed to it in Clause 17.1;
- (27) **'Exchange'** means any securities or futures exchanges, clearing house, self- regulatory organisations, alternative trading system, organised trading facility or multi-lateral trading facility as the context may require from time to time;
- (28) **'Expiry Transaction'** means a Transaction which has a set contract period, at the end of which the Expiry Transaction expires automatically;
- (29) **'FCA'** means Financial Conduct Authority, a financial regulatory body in the United Kingdom;
- (30) **'FCA Rules'** means the FCA Handbook of Rules and Guidance;
- (31) **'Force Majeure Event'** has the meaning attributed to it in Clause 23.1;
- (32) **'Force Open'** has the meaning given to it in Clause 7.1;
- (33) **'Good Till Cancelled Order'** or **'GTC Order'** has the meaning given to it in Clause 13.2(c);
- (34) **'Initial Margin'** has the meaning given to it in Clause 15.1;
- (35) **'Instruction'** has the meaning given to it in Clause 10.3;
- (36) **'Instrument'** means any stock, share, stock index, or other investment in respect of which CBCX offer to deal in Transactions;
- (37) **'Last Dealing Time'** means the last day and (as the context requires) time before which a transaction may be dealt in, as set out in the Product Details or otherwise notified to the Client, or otherwise the last day and (as the context requires) time on which the underlying Instrument may be dealt in on the relevant Underlying Market;
- (38) **'Limit Order'** has the meaning given to it in Clause 13.1;
- (39) **'Linked Transactions'** means two or more Transactions in respect of which CBCX agree not to call for, or apply, the full amount of Margin as a result of the relationship between such Transactions;
- (40) **'Liquidity Provider'** means the Market Maker, Prime Broker, Bank, and/or other similar body that is contract directly with CBCX and quote prices of Instrument CBCX provide to the Client. You may find the information of CBCX available to you on your Client Portal.
- (41) **'Losses'** has the meaning attributed to it in Clause 16.5;
- (42) **'Manifest Error'** has the meaning attributed to it in Clause 12.1;
- (43) **'Manifestly Error Transaction'** has the meaning attributed to it in Clause 12.1;
- (44) **'Margin' or 'Margining'** means the amount of money the Client is required to pay CBCX in order to open and maintain a Transaction, as set out in Clause 13;
- (45) **'Margin Call'** means a call for additional Margin or collateral by CBCX to secure the Client's

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obligations in accordance with Clause 15.6.

- (46) **'Market Maker'** means a firm that provides on request buy and sell prices for an Instrument;
- (47) **'Market Maker Share'** means all shares that are not Order Book Shares and are generally quote rather than electronic order driven;
- (48) **'Market Order'** has the meaning given to it in Clause 13.1;
- (49) **'Market Spread'** means the difference between the bid and offer prices for a transaction of equivalent size in an Instrument, or a related Instrument, in the Underlying Market;
- (50) **'Minimum Size'** means, in respect of a Transaction in which a Minimum Size applies, the minimum number of contracts or other units of an Instrument that CBCX will deal on, which in most cases is specified in the Product Details and, where not so specified, CBCX will inform the Client on request;
- (51) **'Maximum Order Size'** means the maximum number of contracts or other units that CBCX reasonably believe the Underlying Market to be good in at the relevant time, having regard, if appropriate, order size set by the Underlying Market on which the Instrument is traded;
- (52) **'MiFID'** means the Markets in Financial Instruments Directive (MiFID), a European regulation that increases the transparency across the European Union's financial markets and standardizes the regulatory disclosures required for firms operating in the European Union;
- (53) **'MiFID II'** means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU;
- (54) **'Opening Level'** means the level at which a Transaction is opened;
- (55) **'Order'** means a Stop Order, Limit Order, and Market Order as the case permits;
- (56) **'Order Book Share'** means all shares that are traded using a fully electronic order book and order matching system;
- (57) **'Parties'** means CBCX and the Client;
- (58) **'Privacy Policy'** means the document and/or web page that details how CBCX manage the Client's personal information, when and how it may be disclosed, how the Client may apply for details of the information relating to the Client that is held by CBCX and other matters relevant to the same;
- (59) **'Product Details'** means the product information as set out in the Trading Platform as amended from time to time and may be obtained from one of our employees on request;
- (60) **'Product Module'** means a product specific module which forms part of this Agreement and sets out the clauses and conditions that apply to specific types of Transactions and/or services that CBCX provide or supply to the Client;
- (61) **'Professional Client'** means a professional client as defined in the FCA Rules;
- (62) **'Reduce Only'** means a setting on Platform which the Client can not enter into new Transactions, however, there are no restrictions on the Client closing any open Transactions or cancelling any Orders;
- (63) **'Relevant Person'** means a director, partner, appointed representative, employee or officer of CBCX or our Associated Companies;
- (64) **'Retail Service Provider'** means a firm that provides on request buy and sell prices for an Instrument;
- (65) **'Risk Disclosure'** means the notice provided by CBCX to the Client regarding the risks associated with Buying and Selling Transactions under this Agreement;
- (66) **'Rollover Size'** for any Instrument is as set out in the Product Details;
- (67) **'Rules'** means articles, rules, regulations, procedures, policies and customs in force from time to time;



- (68) **'Security Details'** means one or more user identification codes, digital certificates, passwords, authentication codes, API keys or such other information or devices (electronic or otherwise), to enable the Client access to any Electronic Trading Services;
- (69) **'Sell'** has the meaning attributed to it in Clause 6.1;
- (70) **'Share CFD'** is a form of CFD that gives exposure to changes in share prices. It is not an agreement to buy or sell any amount of shares and, unless the Client and CBCX expressly agree separately in writing, it cannot result in the delivery of any shares to or by the Client. The share Instrument upon which the Share CFD is based may be an Order Book Share or a Market Maker Share;
- (71) **'Spread'** means the Market Spread and our Spread Charge;
- (72) **'Spread Charge'** means our charge to the Client on Spread Transactions as set out in Clause 9.1;
- (73) **'Spread Transaction'** has the meaning attributed to it in Clause 5.2;
- (74) **'Statement'** means a written confirmation of any Transactions, any Orders that the Client set and/or edit, and any Commission, Spread and other applicable Charges and Taxes that CBCX apply;
- (75) **'Stock Index CFD'** is a form of CFD that gives exposure to changes in the value of a stock index. It is not an agreement to buy or sell any amount of shares and unless the Client and CBCX expressly agree separately in writing, it cannot result in the delivery of any shares to or by the Client;
- (76) **'Stop Order'** has the meaning given to it in Clause 13.1;
- (77) **'Sums'** has the meaning attributed to it in Clause 16.6;
- (78) **'System'** means all computer hardware and software, applications, equipment, network facilities and other resources and facilities needed to enable the Client to use any Electronic Trading Service;
- (79) **'Taxes'** means any taxes or levies including but not limited to Securities Transfer Tax, , financial transaction taxes and/or other applicable taxes or levies notified to the Client from time to time;
- (80) **'Third Party Electronic Trading Services'** has the meaning given to it in Clause 10.19;
- (81) **'Trading Platform'** means any online trading platform made available by CBCX under these Terms.
- (82) **'Trading Platform Time'** means system time of the Trading Platform;
- (83) **'Trading Day'** means Monday to Friday (Trading Platform Time) including public holidays during which our Trading Platform is open for trading. A Trading Day starts at 00:00 and ends at 24:00 of the Trading Platform System Time;
- (84) **'Transaction'** means a contract for differences of any kind in relation to any Instrument or any combination of Instruments and means either or both Expiry Transactions or Undated Transactions as the context requires;
- (85) **'Unattached Order'** means an Order that relates to or is referenced to a proposed Transaction that will come into effect if and when the Order is executed;
- (86) **'Undated Transaction'** means a Transaction with an indefinite contract period that is not capable of expiring automatically; and
- (87) **'Underlying Market'** means an Exchange, clearing house, Market Maker, Liquidity Provider and/or other similar body and liquidity pool on which an Instrument is traded or trading in that Instrument takes place as the context requires.

## 2. RISKS ASSOCIATED

- 2.1. The attention of the Client is drawn specifically to clause 2.5 which sets out the risks of entering into transactions with CBCX.
- 2.2. The TRANSACTIONS CARRY A HIGH LEVEL OF RISK AND CAN RESULT IN LOSSES THAT EXCEED THE CLIENT'S INITIAL DEPOSIT, AND ARE THUS NOT SUITABLE FOR EVERYONE. A FULL EXPLANATION OF THE RISKS ASSOCIATED WITH THE CLIENT TRANSACTION IS SET OUT IN THE RISK DISCLOSURE DOCUMENT. PLEASE ALSO REFER TO THE PRODUCT DETAILS, RISK DISCLOSURE, AND PRIVACY POLICY DOCUMENTS FOR FURTHER INFORMATION.
- 2.3. The Client should ensure it fully understands such risks before entering into this Agreement or any Transaction. The Client should read all of the provisions in this Agreement.
- 2.4. In particular, the Client's attention is drawn to the following clauses:-
  - (a) Clause 2 (3) refers to other important documents that relate to your account with us under this Agreement;
  - (b) Clause 1(59) explains where you can find the Product Details;
  - (c) Clause 2 set out the risks of entering into Transactions with us;
  - (d) Clause 5.2 confirms that all Transactions you open will be binding on you;
  - (e) Clause 9 refers to the terms where charges that relate to your account with us under this Agreement are set out;
  - (f) Clause 14 relate to communicating with you;
  - (g) Clause 15 deals with Margin;
  - (h) Clause 16(5), 16(6), 16(7), and 16(8) relate to our rights if you owe any amounts to us;
  - (i) Clause 9(3),10,11,15(3), 15(5),17,20(4), 20(5), 21,23, 24, 25 and 26(2)set out our rights to void and/or close one or more of your Transactions in the specific circumstances set out therein.
- 2.5. The Client acknowledges, recognises and understands that:
  - (j) Margin Positions are highly speculative, may involve an extreme degree of risk, and are appropriate only for persons who accept risk of loss in excess of their Collateral with CBCX;
  - (k) because of the low level of Collateral often required in Margin Positions, changes in the price of the underlying Instrument may result in significant losses, which may substantially exceed the Client's investment, Collateral and/or margin deposit with CBCX;
  - (l) when the Client instructs or requests CBCX to enter into any Contract or purchase any Instrument, any profit or loss on such Contract or Instrument will be entirely for the Client's own account and risk;
  - (m) unless it is otherwise specifically agreed, CBCX shall not conduct any continuous monitoring of the transactions entered into by the Client neither automatically nor manually. Hence, CBCX cannot be held responsible for transactions developing differently from what the Client might have presupposed and/or to the disadvantage of the Client;
  - (n) any investments include risks, and the Client has received no assurance otherwise and no guarantees of profit or similar representations from CBCX, any entity of the CBCX Bank Group, any Introducing Broker, or representatives hereof.
- 2.6. This Agreement will come into effect on the date CBCX opens the Client account, and, for any new versions thereafter, on the date CBCX notifies the Client. This Agreement is supplied to the Client in English and CBCX will communicate with the Client in English for the duration of this Agreement.

## 3. THE SERVICES PROVIDED AND DEALINGS BETWEEN THE CLIENT AND CBCX

- 3.1. Subject to the Client fulfilling its obligations under the Terms, CBCX may enter into Contracts with the Client in relation to the following Instruments:
- (a) securities;
  - (b) futures contracts;
  - (c) leveraged foreign exchange contracts;
  - (d) Crypto currencies; and/or
  - (e) such other Instruments or Services as CBCX may from time to time agree to provide the Client.
- 3.2. The Client and CBCX will enter into any Contracts as principals, unless otherwise expressly agreed by CBCX, in which case CBCX will act as Agent. This means that CBCX takes the opposite position to a Client's order (unless otherwise expressly agreed in writing). CBCX may at its discretion cover or hedge any Contracts with its Liquidity Providers, but the Client will have no recourse against any of CBCX' Liquidity Providers.
- 3.3. All transactions in securities are executed as straight through the relevant market for execution basis unless otherwise agreed or notified to the Client. CBCX shall be entitled to consider the Client as principal in relation to any Contract even if the Client in its arrangements with any third party acts as Agent on behalf of such third party, regardless of whether the Client has identified the arrangement and/or the third party to CBCX.
- 3.4. Notwithstanding any other provision of these Terms, in providing its Services, CBCX is entitled to take any action considered necessary and reasonable to ensure compliance with the Market Rules, decisions by and agreements with regulated markets, other markets, Liquidity Providers or public authorities and/or applicable law. On request of the Client, CBCX may in addition to the main account agree to open additional sub-account(s) in the currencies requested by the Client.
- 3.5. The Client acknowledges and accepts that, CBCX may without prior notice to the Client, adjust (including credit or debit) the Client's Account to correct any irregularity arising from but not limited to any Corporate Event or taxes, without assuming any liability to the Client. The Client agrees to promptly return to CBCX any monies or Instruments distributed under such circumstance to the Client.
- 3.6. CBCX provides execution-only Services (that is, it executes an instruction or order without any prior communication that seeks to solicit or recommend the Client to trade in an Instrument) to the Client unless otherwise agreed in advance. If so otherwise agreed, then clause 3.7 applies.
- 3.7. If CBCX solicit the sale of or recommend any financial product to the Client, the financial product must be reasonably suitable for the Client having regard to the Client's financial situation, investment experience and investment objectives. No other provision of these Terms or any other document CBCX may ask the Client to sign and no statement that CBCX may ask the Client to make derogates from this clause. The phrase "financial product" includes Instruments.
- 3.8. The Client acknowledges, recognizes and accepts that (i) any recommendation and any information communicated by CBCX does not constitute an offer to enter into a Contract or an offer to buy or sell or the solicitation of an offer to buy or sell any Instrument, and (ii) such recommendation and information, although based upon information from sources believed by CBCX to be reliable, may be based solely on a broker's opinion, and (iii) any information communicated may be incomplete and may be unverified and/or unverifiable. This does not derogate from CBCX Capital Market's obligations under clause 3.7.



- 3.9. Dealings with the Client will be carried out by CBCX on a non-advised basis (i.e., an 'execution-only' basis) and the Client agrees that, unless otherwise provided in this Agreement, CBCX is under no obligation:
- (a) to satisfy ourselves as to the suitability of any Transaction for the Client;
  - (b) to monitor or advise the Client on the status of any Transaction;
  - (c) to make Margin Calls; or
  - (d) (except in the case of where the Applicable Regulations require) to close any Transaction that the Client has opened, notwithstanding that previously CBCX may have taken such action in relation to that Transaction or any other. Unless otherwise specifically agreed, CBCX does not owe the Client a duty of best execution.
- 3.10. CBCX does not provide the Client with any investment, legal, taxes, regulatory or other form of advice. The Client may wish to seek independent advice in relation to any Transaction the Client proposes to enter into under this Agreement. The Client is required to rely on the Client's own judgement (with or without the assistance of an advisor) in entering into, or refraining from entering into, any Transaction. The Client is not entitled to ask CBCX to provide the Client with investment advice relating to a Transaction or to make any statement of opinion to encourage the Client to open a particular Transaction.
- 3.11. CBCX may, at our absolute discretion, provide information:
- (a) in relation to any Transaction about which the Client has enquired, particularly regarding procedures and risks attaching to that Transaction and ways of minimising risk; and
  - (b) by way of factual market information,

however, CBCX will be under no obligation to disclose such information to the Client and in the event of CBCX supplying such information it will not constitute investment advice. If, notwithstanding the fact that dealings between the Client and CBCX are on a non-advised basis (i.e., an 'execution-only' basis), one of our employees nevertheless makes a statement of opinion (whether in response to the Client request or otherwise) regarding any Instrument or Transaction, the Client agrees that it is not reasonable for the Client to, nor will the Client be entitled to, rely on such statement as, and that it will not constitute, investment advice.

- 3.12. The Client acknowledges that the Product Details that apply at the time when the Client opens or closes a Transaction will be those displayed in the Trading Platform as amended from time to time and may be obtained from one of our employees on request.
- 3.13. CBCX offers different types of accounts with different features (for example different Margining procedures, different Margin rates, different trading limits and different risk protection features). Depending on the Client's knowledge and experience and the type of Transactions the Client generally places with CBCX, some of these account types may not be available to the Client. CBCX reserves the right to convert the Client account into a different account type if, acting reasonably, CBCX determines that a different type of account is more appropriate for the Client, more appropriate in the market circumstances (or our risk appetite changes in relation to offering that account type. CBCX also reserve the right to change the features and eligibility criteria of our accounts at anytime and CBCX will provide prior notification of such changes on our website, by email or on one of our Electronic Trading Services.
- 3.14. From time to time, CBCX may make additional account features, products and services or specific types of Transactions available to the Client. The Client will be notified in writing if these account features, products or services are subject to additional clauses. Any additional clauses applying to

a particular account feature, product or service will be effective and binding on the Client from the date that the Client first enters into a Transaction or uses the service governed by those clauses.

- 3.15. If the Client receives other services from CBCX under a different agreement, the Client may not assume that CBCX uses any information collected in relation to any other service for the purposes of the services CBCX provides to the Client under this Agreement. Likewise, the Client may not assume that CBCX uses information CBCX receives from the Client in relation to the services CBCX provides under this Agreement when CBCX provides any other service to the Client under a different agreement. Notwithstanding this, CBCX may, in our absolute discretion, use such information.
- 3.16. Underlying Market action: If a Underlying Market or regulatory body takes any action which affects a transaction, then CBCX may take any action that CBCX reasonably consider desirable to minimise any loss to CBCX which may occur as a result of such action. Any such action that CBCX take shall be binding on you.

#### **4. SPECIAL PROVISIONS FOR MANAGED ACCOUNTS AND INTRODUCED ACCOUNTS**

- 4.1. If your investments or account with us is being managed by an investment manager or the Client uses the services of an investment adviser or you were introduced to CBCX by a broker the Client acknowledges and agrees that CBCX is responsible only for execution services as set out above and that CBCX have no responsibilities, or obligations regarding any conduct, action, representation, advice, recommendation or statement of any third-party investment manager, investment adviser or broker in connection with your investment transactions with us. The Client understands that CBCX makes no warranties nor representations concerning third-party investment managers, investment advisers or brokers and that CBCX shall not be responsible for any loss to the Client occasioned by the actions of any third-party investment manager, investment adviser or broker, and that CBCX does not, by implication or otherwise, endorse or approve of the operating methods of any third-party investment manager, investment adviser or broker. The Client further acknowledges and agrees that: (i) any third-party investment manager, investment adviser or broker acts as an independent intermediary for the Client; (ii) unless the Client has been expressly advised otherwise in writing by CBCX, no such person is an affiliate, employee or agent of CBCX; and (iii) no such person is authorised to make any representations concerning CBCX or the services to be provided by CBCX hereunder except as may be expressly authorised in writing by CBCX. In the event the Client account with us is managed by another person, the Client has delivered to CBCX a copy of such person's written trading authorisation in a form acceptable to CBCX.
- 4.2. You understand and agree that if your CBCX account is managed by another person that CBCX is authorised by the Client to provide your CBCX account information including address, phone number, and e-mail address to that person to enable them to provide on-going training, assistance, updates on services as it relates to the trading activities in your CBCX account.
- 4.3. By entering into this Agreement, the Client authorises us to deduct any fees, commission and/or other remuneration which you have agreed with such investment manager, investment adviser or broker and which are payable.
- 4.4. The Client acknowledges and agrees that, under Applicable Laws and Regulations, CBCX may make or receive a payment of a fee, commission or non-monetary benefit to or from a third party ("Inducement") provided that such Inducement is designed to enhance the quality of the service supplied to you and does not impair our obligation to act honestly, fairly, professionally and in

accordance with your best interests. Pursuant to Applicable Laws and Regulations, if the Client has been introduced to us for trading purposes, CBCX will clearly disclose to you on your Client Portal the existence, nature and amount of any Inducement. Where the amount of the inducement cannot be ascertained, CBCX will disclose the method for its calculation. In order to access your Client Portal.

## 5. ORDERS AND INSTRUCTIONS

- 5.1. The Client may provide CBCX with instructions and orders in the form and using the media determined by CBCX from time to time. If the Client submits an order by other means than the Trading Platform, CBCX manually verifies the basis of the relevant order prior to processing, and this may likely result in an extended processing time. Placement of orders by telephone may be subject to higher commissions than placement of orders via the Trading Platform.
- 5.2. The Client's instructions and orders are binding on the Client when received by CBCX. If the Client wishes to withdraw an instruction or order to CBCX that has not yet been executed, the Client may contact CBCX and request that the order be cancelled, but CBCX is under no obligation to accept the cancellation of such instruction or order. A request for cancellation of an order can be made via the Trading Platform or by calling CBCX, except that requests concerning cancellation of orders, made when the Margin Requirement is not fulfilled, can only be handled by the appropriate department of CBCX. An instruction or order is not cancelled until the Client has received a written confirmation of the cancellation from CBCX.
- 5.3. No instruction or order from a Client is binding on CBCX until it has been accepted. No binding Contract or other transaction is entered into until it has been recorded as executed by CBCX and confirmed by CBCX to the Client through the Settlement/Trade Confirmation, subject to the terms hereof. If an Event of Default occurs, CBCX reserves the right to calculate the net amount of CBCX's obligations by either party in accordance with these Terms regardless of any Settlement/Trade Confirmation provided.
- 5.4. Only the Settlement/Trade Confirmation made available to the Client constitutes CBCX's confirmation of the execution of a Contract or order. Confirmation by the Trading Platform itself, when the Client transmits instructions via the Trading Platform, does not constitute confirmation of the execution of a Contract or order.
- 5.5. In the event that the Client believes to have placed an instruction or order, but the Client has not received a Settlement/Trade Confirmation, the Client must contact CBCX immediately. In the absence of such immediate notice from the Client, the order, transaction or Contract may at CBCX's sole discretion be deemed non-existent even if received by CBCX.
- 5.6. CBCX will handle orders and instructions in accordance with its Best Execution Obligations and Order Execution Policy and applicable law. If CBCX believes that it is not reasonably practicable to act upon instructions or orders from a Client within reasonable time, CBCX (i) may defer acting upon that instruction or order until it is, in CBCX's reasonable opinion, practicable to do so, or (ii) notify the Client that CBCX will not act upon such instruction or order. CBCX may cancel any order for an Instrument if the specific Instrument is suspended from trading or transferred to the observation list on the relevant market.
- 5.7. CBCX is not liable for potential gains/lost opportunities due to non-execution of orders/instructions from the Client or delays in execution of orders/instructions.
- 5.8. CBCX supports different order types which are described in, and executed in accordance with Order Execution Policy. For the avoidance of doubt, Limit Orders and Stop Orders are not

guaranteed executable at the price or amount specified by the Client, but will be executed in accordance with CBCX' Best Execution Obligations and Order Execution Policy in the absence of an Event of Default of the Client.

- 5.9. The Client shall be responsible for (i) all orders and instructions provided, (ii) the accuracy of all information sent via the Internet in the Client's name and (iii) passwords and any other personal identification means implemented to identify the Client.
- 5.10. CBCX may refuse to act upon any instruction from a client or any person authorised by the Client if CBCX reasonably believes that the disposal, pursuant to the instruction submitted, will be in violation of e.g. Market Rules, usual market practice, and/or applicable law, including, but not limited to, legislation on money laundering and insider trading. Further, CBCX may refuse to act if such disposal, in CBCX' sole discretion, will put the Client's and/or CBCX' economic solidity at risk.
- 5.11. CBCX may assess the Client based on the information and documents collected from the Client during onboarding and the course of business relationship and assign a risk profile to the Client. Such risk profile assigned may be used by CBCX to perform an internal assessment on whether the Client is suitable to deal in certain complex investment products.
- 5.12. The Client shall be responsible for the accuracy and timeliness of the above-mentioned information and documents provided to CBCX. CBCX shall not be responsible for any loss as a result of any inaccurate and/or out-of-date information and document provided which may lead to any unsound internal assessment result.
- 5.13. CBCX may refuse to act upon any order instruction in relation to the dealing in complex investment product from the Client or any person authorised by the Client if CBCX, by going through an internal assessment, reasonably believes that the order instruction or the complex investment product concerned is not suitable to the Client.
- 5.14. In order to protect the Client from fraud, CBCX may delay or decline instructions that CBCX deems unusual or suspicious. The Client acknowledges and accepts that CBCX shall have the right to block the Client's Account or impose limitations on the Client's Account, including but not limited to restricting the Client from opening new positions on his Account (referring to as Reduce Only) until it can be confirmed that it is the Client that is giving the instructions.
- 5.15. You agree that our bid and offer prices are provided to you solely for the purpose of you entering into Transactions with us and that you shall not use or rely on our bid and offer prices for any other purpose.

## **6. OPENING A TRANSACTION**

- 6.1. The Client will open a Transaction by 'buying' or 'selling'. In this Agreement a Transaction that is opened by 'buying' is referred to as a 'Buy' and may also, in the dealings with the Client, be referred to as 'long' or 'long position'; a Transaction that is opened by 'selling' is referred to as a 'Sell' and may also, in the dealings with the Client, be referred to as 'short' or 'short position'.
  - (a) When the Client open a Buy, the Opening Level will be the higher figure quoted by the us for the Transaction and when the Client open a Sell, the Opening Level will be the lower figure quoted by the us for the Transaction.
- 6.2. Unless CBCX agrees otherwise, all sums payable by the Client pursuant to Clause 9.2 upon opening are due immediately on entering into the Transaction and must be paid in accordance with Clause 16 upon the Opening Level of the Client Transaction being determined by CBCX.

## 7. FORCE OPEN

- 7.1. The Client can instruct CBCX to Force Open a Transaction against an existing open Transaction. Where CBCX accept the Client's offer to open the second Transaction without offsetting it against the existing open Transaction, two Transactions will result and the existing open Transaction will remain unaltered by the second Transaction.
- 7.2. Where the Client has opened a Buy in respect of a particular Instrument and the Client subsequently opens a Sell in respect of the same Instrument, including by an Order, at a time when the Buy remains open, then unless the Client instructs CBCX to the contrary (for example, by way of a Force Open, if accepted by CBCX):
- (a) if the size of the Sell order is less than the size of the Buy, CBCX will treat the offer to sell as an offer to partly close the Buy to the extent of the size of the Sell order;
  - (b) if the size of the Sell order is the same as the size of the Buy, CBCX will treat the offer to sell as an offer to close the Buy entirely; or
  - (c) if the size of the Sell order exceeds the size of the Buy, CBCX will treat the offer to sell as an offer to close the Buy entirely and open a Sell position equal to the amount of such excess.
- 7.3. Where the Client has opened a Sell in respect of a particular Instrument and the Client subsequently opens a Buy in respect of the same Instrument, including by an Order, at a time when the Sell remains open, then unless the Client instructs CBCX to the contrary (for example, by way of a Force Open, if accepted by CBCX):
- (a) if the size of the Buy order is less than the size of the Sell CBCX will treat the offer to buy as an offer to partly close the Sell to the extent of the size of the Buy order;
  - (b) if the size of the Buy order is the same as the size of the Sell CBCX will treat the offer to buy as an offer to close the Sell entirely; or
  - (c) if the size of the Buy order exceeds the size of the Sell, CBCX will treat the offer to buy as an offer to close the Sell entirely and open a Buy position equal to the amount of such excess.
- 7.4. The Client can refer to our website for the details of what the margin will be required for the above Transactions.

## NETTING

- 7.5. The Master Netting Agreement will apply to both you and CBCX in relation to all Transactions entered into by you pursuant to this Agreement and any applicable Product Module.

## 8. CLOSING TRANSACTIONS

### Undated Transactions

- 8.1. Subject to this Agreement and any requirement CBCX may specify in relation to Linked Transactions, the Client may close an open Undated Transaction or any part of such open Undated Transaction at any time.



## Expiry Transactions

- 8.2. Subject to this Agreement and any requirement CBCX may specify in relation to Linked Transactions, the Client may close an open Expiry Transaction or any part of such open Expiry Transaction at any time prior to the Last Dealing Time for that Instrument.
- 8.3. Details of the applicable Last Dealing Time for each Instrument will normally be available in the Product Details and may be obtained from one of our employees on request. It is the Client responsibility to make the Clients aware of the Last Dealing Time or, as the case may be, the expiry time for a particular product.

## Expiry Transactions Rollover

- 8.4. All Expiry Transactions will automatically roll over to the next contract period unless the Client opts out of this in respect of a specific Expiry Transaction or in respect of all Expiry Transactions on the Client account now or in the future.
- 8.5. Where CBCX does effect a rollover, the original Expiry Transaction will be closed at or just prior to the Last Dealing Time and become due for settlement and a new Expiry Transaction will be created; such closing and opening trades will be on our normal clauses agreed with the Client.
- 8.6. The Client acknowledges that it is the Client's responsibility to make the Client aware of the next applicable contract period for a Transaction and that effecting the rollover of a Transaction may result in the Client crystallising losses on the Client account. CBCX reserves the right to refuse to rollover a Transaction or Transactions, despite any instruction the Client has given, if CBCX determines, acting reasonably, that to effect a rollover would result in the Client exceeding any credit or other limit placed on the Client dealings with CBCX.
- 8.7. Notwithstanding that the Client has opted out of automatically rolling over an Expiry Transaction into the next period, where an Expiry Transaction in respect of an Instrument is in excess of the Rollover Size, or where any number of such Expiry Transactions are together in excess of the Rollover Size, and where such Expiry Transaction(s) has not already been closed prior to the Last Dealing Time, CBCX reserves the right to roll over the Expiry Transaction(s) to the next contract period. If CBCX chooses to roll over the Client Transaction(s) in this manner, CBCX may roll the Client Transaction(s) even if CBCX have not contacted the Client.
- 8.8. If the Client does not close an Expiry Transaction in respect of an Instrument on or before the Last Dealing Time and the Client has opted out of automatically rolling over that Expiry Transaction to the next contract period then, subject to Clause 8.7, CBCX will close the Client Expiry Transaction as soon as CBCX has ascertained the Closing Level of the Expiry Transaction. The Closing Level of the Expiry Transaction will be (a) the last traded price at or prior to the close or the applicable official closing quotation or value in the relevant Underlying Market as reported by the relevant Exchange, errors and omissions excluded; plus or, as the case may be, minus (b) any Spread or Commission that CBCX apply when such an Expiry Transaction is closed. Details of the Spread or Commission that CBCX apply when a particular Expiry Transaction is closed are set out in our website and are available on request. The Client acknowledges that it is the Client responsibility to make the Client aware of the Last Dealing Time and of any Spread or Commission that CBCX may apply when the Client closes an Expiry Transaction.

## General Provisions

- 8.9. Our additional rights to void and/or close one or more of the Client's Transactions in specific circumstances are set out in Clauses 5, 10.3, 11, 12, 15.3, 15.5, 17, 20.4, 20.5, 21, 23, 24, 25, and 26.2.
- 8.10. CBCX reserves the right to aggregate the instructions it received from our clients to close Transactions. Aggregation means that CBCX may combine the Client instruction with those of its other clients for execution as a single order. CBCX may combine the Client instruction to close with those of its other clients if they reasonably believe that this is in the overall best interests of its clients as a whole. However, on occasions, aggregation may result in the Client obtaining a less favourable price once the Client instruction to close has been executed. The Client acknowledges and agrees that both CBCX and CBCX shall not have any liability to the Client as a result of any such less favourable price being obtained.
- 8.11. Upon closing a Transaction, and subject to any applicable adjustments for interest and dividends in accordance with this Agreement:
- (a) the Client will pay CBCX the difference between the Opening Level of the Transaction and Closing Level of the Transaction multiplied by the number of units of the Instrument that comprise the Transaction if the Transaction is:
    - (i) a Sell and the Closing Level of the Transaction is higher than the Opening Level of the Transaction; or
    - (ii) a Buy and the Closing Level of the Transaction is lower than the Opening Level of the Transaction; and
  - (b) CBCX will pay the Client the difference between the Opening Level of the Transaction and the Closing Level of the Transaction multiplied by the number of units of the Instrument that comprise the Transaction if the Transaction is:
    - (i) a Sell and the Closing Level of the Transaction is lower than the Opening Level of the Transaction; or
    - (ii) a Buy and the Closing Level of the Transaction is higher than the Opening Level of the Transaction.
- 8.12. Unless CBCX agrees otherwise, all sums payable by the Client pursuant to Clause 8.13(a) and Clause 9.2 are due immediately on entering into the Transaction and must be paid in accordance with Clause 16 upon the Closing Level of the Client Transaction being determined by CBCX. Sums payable by CBCX pursuant to Clause 8.13(b) will be settled in accordance with Clause 16.5.
- 8.13. The Client acknowledges that when expressly and formally agreed in writing by the Client and CBCX (by a director of ours):
- (a) in respect of a Buy, at the end of the contract period (for Expiry Transactions that the Client has elected not to automatically roll over to the next contract period) or on the date the Client chooses to close the Transaction (for Undated Transactions) the Client will take from CBCX delivery of, and make to CBCX payment for, the Instrument in respect of which the Client has opened the Buy; or

- (b) in respect of a Sell, at the end of the contract period (for Expiry Transactions that the Client has elected not to automatically roll over to the next contract period) or on the date the Client chooses to close the Transaction (for Undated Transaction) the Client will deliver to CBCX the Instrument in respect of which the Client has opened the Sell.

## 9. FEES AND CHARGES

- 9.1. When the Client opens and closes a Spread Transaction, the difference between the bid and offer prices is referred to as "Spread". This comprise the Spread Charge on your Spread Transactions. There is an administration fee (being our charge to Client) included in your spread as per your Spread Transaction with CBCX. Unless CBCX notify the Client to the contrary, the Client will not be charged any Commission on Spread Transactions. Details of these charges may be found on the Trading Platforms.
- 9.2. When the Client opens and closes a Commission Transaction, the Client will pay CBCX a Commission ('Commission') that is calculated as a percentage of the notional value of the opening or closing Transaction (as applicable) or as an amount per equivalent Instrument or Instruments on the Underlying Market or on any other basis agreed between ourselves in writing. The Commission clauses will be notified in writing to the Client, however, in the event that CBCX does not notify the Client of the commission clauses, CBCX will charge the standard commission rate as published on our website site.
- 9.3. In addition to Commission and Spread, other applicable Charges may exist in relation to opening and closing Transactions with CBCX depending on the Instrument and the Underlying Market (for example, the charges set out in Clause 11.5 and 11.7). Certain types of Transactions will be subject to a daily funding charge by third party (e.g., swaps). Further details of these Charges may be found on the platform before the Client processing the payment. Any Charge will be the Client responsibility and where appropriate will be deducted from the Client account.
- 9.4. The Client must pay, or reimburse, CBCX for any Taxes applicable, now or in the future, to the Client Transactions or on any Commission, Spread or Charges payable by the Client pursuant to this Agreement.
- 9.5. CBCX may charge the Client for the provision by CBCX to the Client of market data or any other account feature or such other Charges as CBCX advise the Client from time to time.
- 9.6. Details of Fees and charges under this clause may be found in the Product Details or may be obtained from us on request.

## 10. ELECTRONIC TRADING SERVICES

- 10.1. The Client is responsible for ensuring that the Client's use of the Electronic Trading Services is compliant with this Agreement and all Applicable Regulations which apply to the Client's use of our Electronic Trading Services.
- 10.2. Subject to Applicable Regulations, CBCX has no obligation to accept, or to subsequently execute or cancel, all or any part of a Transaction or any Instruction that the Client seeks to execute or cancel through an Electronic Trading Service. Without limitation of the foregoing, CBCX has no responsibility for transmissions that are inaccurate or not received by CBCX, and CBCX may transmit any Transaction on the clauses actually received by CBCX, subject to any rights the Client may have under Applicable Regulations.

- 10.3. The Client authorises CBCX to act on any instruction given or appearing to be given by the Client using the Security Details and received by CBCX in relation to any Electronic Trading Service the Client use ('Instruction'). Unless CBCX agrees otherwise with the Client, the Client will have no right to amend or revoke an Instruction once received by CBCX. The Client will be responsible for the genuineness and accuracy, both as to content and form, of any Instruction received by CBCX.
- 10.4. The Client acknowledges that CBCX has the right, unilaterally and with immediate effect, to suspend or terminate (at any time, with or without cause or prior notice) all or any part of any Electronic Trading Service, or the Client accesses to any Electronic Trading Service, to change the nature, composition or availability of any Electronic Trading Service, or to change the limits CBCX set on the trading the Client may conduct through any Electronic Trading Service.
- 10.5. In accordance with Clause 5, all prices shown on any Electronic Trading Service are quotes, are subject to constant change and do not result in the initiation of a Transaction unless the process in Clause 5 is followed.

### **Access**

- 10.6. Use of any high speed or automated mass data entry system with any Electronic Trading Service will only be permitted with our prior written consent exercised in our absolute discretion.
- 10.7. In respect of a direct market access system to any Underlying Market in respect of which the Client may submit orders or receive information or data using any Electronic Trading Service, the Client agrees that CBCX may require that the Client provides CBCX with information in relation to the Client and the Client's use or intended use of this service. The Client further agree that CBCX may monitor the Client's use of this system, CBCX may require the Client to comply with certain conditions in relation to the Client's use and may at our absolute discretion remove the Client access to this service at any time.
- 10.8. Where CBCX permits electronic communications between the Client and CBCX to be based on a customised interface using a protocol such as Financial Information Exchange (FIX) protocol, Representational State Transfer (REST) or any other such interface, those communications will be interpreted by and subject to any rules of engagement for such interface protocol that are provided to the Client.
- 10.9. The Client is required to test any customised interface prior to using it in a live environment and the Client agree the Client will be responsible for any errors or failure in the Client's implementation of the interface protocol, use of any customised interface shall be subject to our prior written consent exercised in our absolute discretion.

### **Use Of Electronic Trading Services**

- 10.10. Where CBCX grants the Client accesses to an Electronic Trading Service CBCX shall grant the Client, for the clause of this Agreement, a personal, limited, non-exclusive, revocable, non-transferable and non-sublicensable licence to use that Electronic Trading Service pursuant to and in strict accordance with this Agreement. CBCX may provide certain portions of our Electronic Trading Services under licence from third parties, and the Client will comply with any additional restrictions on the Client usage that CBCX may communicate to the Client from time to time, or that are otherwise the subject of an agreement between the Client and such licensors.
- 10.11. CBCX are providing Electronic Trading Services to the Client only for the Client's personal use and

only for the purposes, and subject to the clauses, of this Agreement. The Client may not sell, lease, or provide, directly or indirectly, any Electronic Trading Service or any portion of any Electronic Trading Service to any third party except as permitted by this Agreement. The Client acknowledges that all proprietary rights in our Electronic Trading Services are owned by CBCX or by any applicable third party licensors or service providers engaged by CBCX to provide an Electronic Trading Service, and are protected under copyright, trademark and other intellectual property laws and other applicable law. The Client receives no copyright, intellectual property rights or other rights in or to any Electronic Trading Service, except those specifically set out in this Agreement. The Client will protect and not violate those proprietary rights in our Electronic Trading Services and honour and comply with our reasonable requests to protect our and our third party service providers' contractual, statutory and common law rights in our Electronic Trading Services. If the Client become aware of any violation of our or our third party service providers' proprietary rights in any Electronic Trading Service, the Client will notify CBCX in writing immediately.

### Software

- 10.12. The Client will not use any automated software, algorithm or trading strategy other than those that CBCX make available to the Client on our Electronic Trading Services without our prior written consent. If CBCX agree to allow the Client to use any such techniques, the Client agree that CBCX may require the Client to comply with certain conditions in connection with the Client's use of such techniques and that CBCX may withdraw our consent at any time without prior notice to the Client.
- 10.13. In the event that the Client receive any data, information or software via an Electronic Trading Service other than that which the Client is entitled to receive pursuant to this Agreement, the Client will immediately notify CBCX and will not use, in any way whatsoever, such data, information or software.
- 10.14. The Client will take all reasonable steps to ensure that no computer viruses, worms, software bombs or similar items are introduced into the System or software the Client's use to access our Electronic Trading Services.
- 10.15. CBCX and our licensors (as the case may be) will retain the intellectual property rights in all elements of the software and such software and databases contained within our Electronic Trading Services and the Client will not in any circumstances, obtain title or interest in such elements other than as set out in this Agreement.

### Market Data

- 10.16. With respect to any market data or other information that CBCX or any third party service provider provides to the Client in connection with the Client's use of any Electronic Trading Services, the Client agrees that: (a) CBCX and any such provider are not responsible or liable if any such data or information is inaccurate or incomplete in any respect; (b) CBCX and any such provider are not responsible or liable for any actions that the Client takes or does not take based on such data or information; (c) the Client will use such data or information solely for the purposes set out in this Agreement; (d) such data or information is proprietary to CBCX and any such provider and the Client will not retransmit, redistribute, publish, disclose or display in whole or in part such data or information to third parties except as required by Applicable Regulations or as agreed between CBCX; (e) the Client will use such data or information solely in compliance with the Applicable Regulations; (f) the Client will pay such market data fees and any applicable Taxes (if applicable,



for direct market access for example) associated with the Client's use of an Electronic Trading Service or use of market data as CBCX informs the Client from time to time; (g) the Client will notify CBCX if the Client is not or are no longer a non-professional user for market data purposes (further details about the definition of non-professional user are available from one of our employees on request); (h) CBCX may require that the Client provide CBCX with information in relation to the Client and the Client's use or intended use of market data; (i) CBCX may monitor the Client's use of our market data; (j) CBCX may require the Client to comply with certain conditions in relation to the Client's use of market data; and (k) CBCX may at our absolute discretion remove the Client access to market data at any time.

10.17. In addition to the above, in respect of certain types of Exchange data that the Client elects to receive via an Electronic Trading Service, the Client hereby agrees to any clauses and conditions relating to the redistribution and Use of such data that CBCX may provide to the Client from time to time.

10.18. Certain Exchanges require that its Exchange data will not be viewed or accessed by the Client on more than one System at any one time. The Client warrant and represent that the Client will comply with any restrictions that CBCX apply in relation to the Client access of any Electronic Trading Service and ability to view Exchange data from time to time.

### **Third Party Electronic Trading Services**

10.19. CBCX may make available to the Client Electronic Trading Services provided by third parties ('Third Party Electronic Trading Services'). It is the Client's sole responsibility to understand and evaluate the functionality of any such Third Party Electronic Trading Services before agreeing to download or access them or enter into Transactions with us using any Third Party Electronic Trading Services. Contact one of our employees to find out if a service is a Third Party Electronic Trading Service.

10.20. CBCX does not control, endorse or vouch for the accuracy or completeness of any Third Party Electronic Trading Services or its suitability to the Client. Third Party Electronic Trading Services are provided to the Client 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.

10.21. It is a condition of the Client's use of any Third Party Electronic Trading Services that the Client agrees to any reasonable conditions that CBCX place on the use of such products and pay any Charges and any applicable Taxes that CBCX notify the Client of.

10.22. Certain Third Party Electronic Trading Services run on pricing data to a third party software administrator. CBCX will use reasonable endeavours to ensure an acceptable service but the Client accept that the price data displayed in any such Third Party Electronic Trading Services may be delayed and that CBCX do not guarantee the accuracy or completeness of the data, either current or historical, and that CBCX does not guarantee that the service will be uninterrupted.

10.23. The Client's use any Third Party Electronic Trading Services is at the Client's own risk. In no event will CBCX 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 Service and/or any services provided by any Third Party Electronic Trading Service provider other than as a result of our fraud, wilful default or negligence.

## 11. DEALING PROCEDURES AND REPORTING

### Agents

- 11.1. Without prejudice to our right to rely and act on communications from the Client agent under Clause 14.4, CBCX will not be under any duty to open or close any Transaction or accept and act in accordance with any communication if CBCX reasonably believe that such agent may be acting in excess of its authority. In the event that CBCX has opened a Transaction before coming to such a belief CBCX may, at our absolute discretion, close such Transaction at our then prevailing price, treat that Transaction as having been void from the outset or allow it to remain open. The Client acknowledges that if CBCX allows the Transaction to remain open this may result in the Client incurring losses. Nothing in this Clause 11.1 will be construed as placing CBCX under a duty to enquire about the authority of an agent who purports to represent the Client. The Client shall notify CBCX if the Client agent no longer has authority to act on the Client's behalf or procure that the Client agent notifies CBCX on the Client's behalf.

### Infringement of Applicable Regulations

- 11.2. CBCX will not be under any duty to open or close any Transaction or to remit any money on the Client account to the Client if CBCX reasonably believes that to do so would infringe any Applicable Regulation or Clause of this Agreement. In the event that CBCX has opened a Transaction before coming to such a belief CBCX may, at our absolute discretion, either close such a Transaction at the then prevailing bid price (in the case of Buy Transactions) or offer price (in the case of Sell Transactions) or treat that Transaction as having been void from the outset.
- 11.3. The Client agrees that CBCX may take any action in relation to Transactions or money on the Client account that CBCX consider, acting reasonably, appropriate after receiving instructions from a relevant regulatory authority or to comply with any Applicable Regulation or Clause of this Agreement.

### Situations not Covered by this Agreement

- 11.4. In the event that a situation arises that is not covered under this Agreement or the Product Details, CBCX will resolve the matter on the basis of good faith and fairness and, where appropriate, by taking such action as is consistent with market practice and/or paying due regard to the treatment CBCX receives from any hedging broker with which CBCX have hedged our exposure to the Client arising from the Transaction in question.

### Borrow Charges and Transactions Becoming Un-Borrowable

- 11.5. Where the Client has opened a Sell in respect of a particular Instrument, the Client will incur a borrow charge. The borrow charge will be accounted for in a daily cash adjustment applied to the Client account. The borrow charge varies according to the Instrument and includes an administration charge. The borrow charge, and the ability to hold a short position, may be changed by CBCX at short notice or immediately. If the Client does not pay any borrow charge that becomes payable after the Client has opened such a Transaction, or the Client is unable to continue to

borrow that Instrument in the Underlying Market (and CBCX give the Client notice to that effect), CBCX will be entitled to close the Client Transaction in respect of that Instrument with immediate effect. The Client acknowledges that this may result in the Client incurring a loss on the Transaction. Further, the Client fully indemnify CBCX against any fine, penalty, liability or other similar charge imposed on CBCX for any reason by any Exchange, Underlying Market or any other regulatory authority that relates in any way to the Client opening or closing a Transaction. For the avoidance of doubt, this indemnity extends to any stock recall or buy back fees imposed by any Underlying Market in relation to a Transaction placed by the Client.

- 11.6. In the event that the Client opens a Transaction in relation to an Instrument that is a share, and that underlying share becomes un-borrowable so that CBCX is unable to hedge against losses that they may incur in relation to that Transaction, CBCX may or CBCX may be required by CBCX, at its absolute discretion, take one or more of the following steps:
- (a) increase the Client Margin requirements;
  - (b) close the relevant Transactions at such Closing Level; or
  - (c) alter the Last Dealing Time for the relevant Transaction.

A share may either be unborrowable from the outset or CBCX may recall from CBCX a stock that CBCX has transmitted the Client instruction to borrow against.

## Regulatory Reporting

- 11.7. CBCX may be obliged under Applicable Regulations to make public certain information regarding the our Transactions with the Client. The Client acknowledges and agrees that CBCX is entitled to disclose such information and that such information held by CBCX shall be our sole and exclusive property.
- 11.8. The Client agrees to provide CBCX with all information that CBCX may reasonably request for the purpose of complying with our obligations under Applicable Regulations and that the Client consents for CBCX to provide to any third party such information about the Client and the Client relationship with CBCX pursuant to this Agreement (including but not limited to the Client Transactions or money on the Client account) as CBCX consider, acting reasonably, appropriate or as required to comply with any Applicable Regulation or Clause of this Agreement.
- 11.9. If the Client is a legal entity, our Transactions with you may need to be reported under Applicable Regulation. If they are required to be reported, the Client agrees that CBCX will generate the unique trade identifier in relation to each relevant Transaction. The Client may contact us for further information.
- 11.10. If the Client is a legal entity, CBCX may in certain circumstances obtain a Legal Entity Identifier (LEI) on the Client behalf. CBCX may do so if CBCX consider that it is necessary in order to allow the Client to enter into Transactions with CBCX and that CBCX may pass on to the Client any charge CBCX incur to obtain a Legal Entity Identifier (LEI) on the Client behalf and to levy an administration charge to cover our costs in doing so. Please contact us for this information.

## 12. MANIFEST ERROR

- 12.1. CBCX reserves the right to either void from the outset or amend the clauses of any Transaction containing or based on any error that CBCX reasonably believes to be obvious or palpable (a

‘Manifest Error’ and any such Transaction a ‘Manifestly Erroneous Transaction’), without the Client consent. If, in our reasonable discretion, CBCX chooses to amend the clauses of any such Manifestly Erroneous Transaction, the amended level will be such level as CBCX reasonably believe would have been fair at the time the Transaction was entered into. In deciding whether an error is a Manifest Error CBCX shall act reasonably and CBCX may take into account any relevant information including, without limitation, the state of the Underlying Market at the time of the error or any error in, or lack of clarity of, any information source or pronouncement upon which CBCX base the quoted prices from Liquidity Provider. Any financial commitment that the Client has entered into or refrained from entering into in reliance on a Transaction will not be taken into account in deciding whether or not there has been a Manifest Error.

- 12.2. In the absence of our fraud, wilful default or negligence, CBCX will not be liable to the Client for any loss, cost, claim, demand or expense following a Manifest Error (including where the Manifest Error is made by any information source, commentator or official on whom CBCX reasonably rely) or in relation to a Manifestly Erroneous Transaction.
- 12.3. If a Manifest Error has occurred and CBCX chooses to exercise any of our rights under Clause 12.1, and if the Client has received any monies from CBCX in connection with the Manifest Error, those monies are due and payable to CBCX and the Client to return an equal sum to CBCX without delay.

## 13. ORDERS

- 13.1. CBCX may, at its absolute discretion, accept an Order from the Client. An Order is an offer to open or close a Transaction if the instructions specified by the Client in an Order are satisfied (such as if the price provided by the us moves to, or beyond a level specified by the Client). Examples of such Orders are:
  - (a) A Stop Order, which is an offer to deal if the quote becomes less favourable to the Client. A Stop Order is generally placed to provide some risk protection, for example in the event of the Client Transaction moving into loss, and can be used to either open or close a Transaction. Each Stop Order has a specific stop level, set by the Client. The Client’s Stop Order will be triggered if the bid price (in the case of an Order to Sell) or the offer price (in the case of an Order to Buy) moves against the Client to a point that is at or beyond the level specified by the Client. Once a Stop Order is triggered CBCX will, in accordance with Clause 13.3 and subject to Clause 13.4, open or as the case may be close a Transaction at a level that is the same or worse than the Client’s stop level.
  - (b) A Limit Order, which is an instruction to deal if our quote becomes more favourable to the Client. A ‘take profit’ Order is an Attached Limit Order. A Limit Order can be used to either open or close a Transaction. Each Limit Order has a specified limit, set by the Client. The Client Limit Order will be triggered if the bid price (in the case of an Order to Sell) or the offer price (in the case of an order to Buy) moves in the Client favour to a point that is at or beyond the Client specified limit. Once a Limit Order is triggered CBCX will transmit the Client instructions and CBCX may, in accordance with Clause 13.3 and subject to Clause 15.4, seeks to open or close a Transaction at a level that is the same or better than the Client limit. If CBCX cannot do so because at the time CBCX seeks to execute the Client Order, the bid and offer price has become less favourable to the Client, the Client’s Limit Order will remain operational, waiting for prices to move again in the Client favour such that it is triggered.
  - (c) A Market Order, which is an instruction to deal now in a specified size at the best available

price for that size. Market Orders are useful when the Client wishes to deal but may be unable to deal in the Client desired size at the quoted bid and offer price. The Client does not have any control over what price the Client Market Order will be filled at. When the Client places a Market Order through CBCX the Client acknowledges that such Market Order allows CBCX to execute the Client Transaction at a price that is worse than the quoted bid and offer price at the time the Client places the Market Order. A Market Order is triggered as soon as it is accepted by CBCX.

13.2. The Client may specify that an Order is to apply:

- (a) until the next Trading Day (a 'day order'), which, for the avoidance of doubt, will include any overnight trading sessions on the Underlying Market. Please note that for Limit Orders placed on the phone, CBCX will assume that the Client wishes to place a 'day order' unless the Client specifies some other duration; or
- (b) until a date and time specified by the Client (but such an Order may only be an Unattached Order and may only be placed in respect of a daily or quarterly Transaction); or
- (c) for an indefinite period (a 'Good Till Cancelled Order' or 'GTC Order'), which, for the avoidance of doubt, will include any overnight trading sessions on the Underlying Market.

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

13.3. If the Client Order is triggered (as set out in Clause 13.1 above), CBCX will seek to open or close the Transaction to which the Client Order relates. The Client acknowledges that the time and level at which Orders are executed and the size of the Client Order will be determined by CBCX, acting reasonably. In this regard:

- (a) CBCX will seek to execute the Client Order within a reasonable time of the Client Order being triggered. Because there may be a manual element to the processing of Orders from CBCX's side and because it is possible for a single sudden event to trigger a large number of Orders, the Client acknowledges what constitutes a 'reasonable time' may vary according to the size of the Client Order, the level of activity in the Underlying Market, and the number of Orders that has been triggered at the time the Client Order is triggered.
- (b) at the time CBCX are seeking to execute the Client Order, CBCX will have regard to the price that could be achieved in the Underlying Market for a similar order (including as to size).

13.4. By using the Orders, the Client expressly acknowledges that:

- (a) it is the Client responsibility to understand how an Order operates before the Client places any such Order and that the Client will not place an Order unless the Client fully understands the clauses and conditions attached to such Order. Details about how Orders work are available in the website or from one of our employees on request.
- (b) whether or not CBCX accept an Order is at CBCX's absolute discretion. Not all Orders are available on all Transactions, nor on all Electronic Trading Services.
- (c) when the Client places and CBCX accepts an Order the Client is trading through CBCX as and not dealing on the Underlying Market.
- (d) the triggering of the Client Order is linked to CBCX's bid and offer prices, not the bid and offer prices on the Underlying Market. CBCX's bid and offer prices may differ from the bid and offer prices in the Underlying Market. The effect of such is that the Client Order may be triggered even though: (i) CBCX's bid or offer, as the case may be, moved to or through the level of the Client Order for only a short period; and (ii) the Underlying Market never traded



at the level of the Client Order.

- (e) notwithstanding Clause 13.1(a), if the Client has a Stop Order that relates to an exchange traded product that actually behaves more like a Market Maker Share (for example, an exchange traded fund or an exchange traded commodity), CBCX reserve the right to trigger the Client Stop Order based on our bid and offer prices even if the Underlying Market has not traded at the Client specified Stop Order level. Further details of the relevant Instruments that may be impacted by this sub-Clause.
- (f) for the purposes of determining whether an Order has been triggered, CBCX will be entitled (but not obliged), at its absolute discretion, to disregard any prices quoted by them during any pre-market, post-market or intra -day auction periods in the relevant Underlying Market, during any intra-day or other period of suspension in the relevant Underlying Market, or during any other period that in our reasonable opinion may give rise to short-circuit price spikes or other distortions.
- (g) following the Client Order being triggered, CBCX does not guarantee that a Transaction will be opened or closed, nor do CBCX guarantee that if opened or closed it will be done so at the Client specified size, level or limit.
- (h) CBCX reserve the right both to work and to aggregate Orders. Working an Order may mean that the Client Order is executed in tranches at different prices, resulting in an aggregate opening or closing level for the Client Transaction that may differ both from the Client specified level and from the price that would have been attained if the Order had been executed in a single tranche. Aggregating an Order means that CBCX combine the Client Order with the Orders of other clients of ours for execution as a single Order. CBCX may do this only if CBCX reasonably believe that this is in the overall best interests of clients as a whole. However, on occasions, aggregation may result in the Client obtaining a less favourable price in relation to any particular Order. The Client acknowledges that CBCX shall not, under any such circumstances, have any liability to the Client as a result of any such working or aggregation of the Client

13.5. The following sets out when and how GTC Orders will roll:

- (a) all Attached GTC Orders relating to Expiry Transactions on quarterly or monthly markets will, where the Client has elected to roll over the Expiry Transaction into the next contract period, also be rolled over unless a specific instruction has been received by CBCX prior to the rollover of the Transaction to cancel or amend the Order(s). Please note that when the Attached Order is rolled over it will also be adjusted to reflect the difference (i.e. any premium or discount) between the current level of the Instrument that is the subject of the old Order and the corresponding level of the Instrument that is the subject of the new Order.
- (b) all Unattached GTC Orders relating to proposed Expiry Transactions that expire on a quarterly or monthly basis will not roll over and will be cancelled.

13.6. The Client may, with our prior consent (and such consent will not be unreasonably withheld), cancel or amend the level of an Order at any time before the quote reaches or goes beyond the relevant level. However, once the level has been reached, the Client may not cancel or amend the Order unless CBCX expressly to permit the Client to do so.

13.7. If the Client places an Attached Order then:

- (a) if, when the Order is executed, it will be capable of closing or partly closing the Transaction to which the Attached Order relates, and the Client subsequently offers to close that Transaction prior to the level of the Attached Order being reached, CBCX will treat that offer to close as a request to cancel the Attached Order. The Client acknowledges that it is

- the Client responsibility to inform CBCX, when the Client closes a Transaction, whether the Client wishes any related un-triggered Attached Order(s) to remain valid, and that, unless otherwise agreed by CBCX, any un-triggered Attached Order(s) will be cancelled; and
- (b) if the Transaction to which the Attached Order relates is only partially closed by the Client then the Attached Order will be adjusted to the size of the Transaction that remains open and will remain in full force and effect.
- 13.8. If CBCX receives an Order and then an event takes place which means that it is no longer be reasonable for CBCX to act on that Order, CBCX will be entitled to disregard or cancel the Client Order. If CBCX disregards or cancels the Client Order, then CBCX and CBCX shall not have any liability to the Client as a result of such action and CBCX 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) a stock to which the Order relates becomes un-borrowable so that CBCX are no longer able to hedge its exposure, or part of our exposure, to the Client;
- (c) for Orders relating to shares, an event takes place in respect of the company whose shares represent all or part of the subject matter of the Order, dividend or the insolvency of the company; or
- (d) if CBCX cease to offer the type of Transaction to which the Client Order relates.
- 13.9. CBCX do not offer a Limited Risk Transaction under this Agreement. Any such request must be agreed by CBCX in written (including as to the stop level) and a supplemental agreement stipulating the clauses and conditions for such Transaction shall be reached.

## 14. COMMUNICATIONS

- 14.1. An offer to open or close a Transaction (or an Order) must be made by the Client, or on the Client's behalf, orally, by telephone in writing, by email; via one of our Electronic Trading Services; or in such other manner as CBCX may specify from time to time. If the Clients usual mode of communicating with CBCX is unavailable for any reason, the Client should attempt to use one of the other modes of acceptable communication specified above. For example, if the Client usually opens and closes Transactions via one of our Electronic Trading Services, but for some reason our Electronic Trading Services are not in operation, the Client should contact CBCX via the telephone to open or close Transactions. Written offers to open or close a Transaction, including offers sent by email (including a secure email sent via one of our Electronic Trading Services) or text message, will not be accepted or be effective for the purposes of this Agreement. Any communication that is not an offer to open or close a Transaction must be made by the Client, or on the Client behalf: orally, by telephone or in person; in writing, by email, post; or in such other manner as CBCX may specify from time to time. If sent to CBCX by post, a communication must be sent to our head office and, if sent to CBCX by email, it must be sent to an email address currently designated by CBCX for that particular purpose. Any such communication will only be deemed to have been received by CBCX upon our actual receipt thereof.

- 14.2. CBCX will generally not accept an offer to open or close a Transaction received other than in accordance with Clause 14.1, but if CBCX choose to do so CBCX will not be responsible for any loss, damage or cost that the Client suffer or incur arising out of any error, delay or omission in CBCX acting on such offer, or failing to act upon such offer.
- 14.3. If at any time the Client is unable, for whatever reason, to communicate with CBCX, CBCX do not receive any communication sent by the Client, or the Client does not receive any communication sent by CBCX under this Agreement, CBCX will not:
- (a) be responsible for any loss, damage or cost suffered by the Client as a result of any act, error, delay or omission resulting therefrom where such loss, damage or cost is a result of the Client inability to open a Transaction; and
  - (b) except where the Client inability to communicate with CBCX results from our fraud, wilful default or negligence, be responsible for any loss, damage or cost suffered by the Client as a result of any act, error, omission or delay resulting from such inability to communicate including without limitation, where such loss, damage or cost is a result of the Client inability to close a Transaction.
- 14.4. The Client acknowledges that any communication transmitted by the Client or on the Client behalf is made at the Client risk and the Client authorises CBCX to rely and act on, and treat as fully authorised and binding on the Client, any communication (whether or not in writing) that CBCX reasonably believe to have been transmitted by the Client or on the Client behalf by any agent or intermediary who CBCX reasonably believe to have been duly authorised by the Client. The Client acknowledges that CBCX will rely on the Client account number and/ or password and/or Security Details to identify the Client and the Client will not disclose these details to any person not duly authorised by the Client. If the Client suspect that the Client account number and/or password and/or Security Details has been learnt or may be used by any other person then the Client must notify CBCX in writing by email immediately.
- 14.5. CBCX may record any communications, electronic, by telephone, in person or otherwise, that CBCX has with the Client in relation to this Agreement and that any recordings that CBCX keep will be our sole property and the Client accepts that they will constitute evidence of the communications between CBCX.
- 14.6. In accordance with the Applicable Regulations, CBCX will provide information about each Transaction that CBCX open or, as the case may be, close for the Client by providing the Client with a Statement. Statements will be posted on one of our Electronic Trading Services and, if so requested by the Client also emailed or posted to the Client, on or before the business day following the day on which the Transaction is opened or, as the case may be, closed. If the Client elects to receive the Client Statements by post, CBCX reserve the right to levy an administration charge.
- 14.7. The Client will be deemed to have acknowledged and agreed with the content of any Statement and the details of each Transaction set out in any Statement that CBCX make available to the Client unless the Client notify CBCX to the contrary in writing within 24 hours from which the Client is deemed to have received it in accordance with Clause 14.10 below.
- 14.8. Our failure to provide the Client with a Statement does not invalidate nor make voidable a Transaction that has been confirmed by CBCX, provided however that in the event that the Client believes it has opened or closed a Transaction but CBCX has not provided the Client with a Statement in respect of that Transaction, any query in relation to the purported Transaction will not be entertained unless: (i) the Client notify CBCX that the Client has not received such Statement

within 24 hours from which the Client ought to have received a Statement for the purported Transaction, and (ii) the Client can provide accurate details of the time and date of the purported Transaction and supporting evidence, to our reasonable satisfaction, of the purported Transaction.

14.9. CBCX may communicate with the Client by telephone, letter, email or text message or by posting a message on one of our Electronic Trading Services and the Client consent to CBCX telephoning the Client at any time whatsoever. CBCX will use the address, phone or email address provided by the Client open the Client account with CBCX or such other address, phone or email address as the Client may subsequently notify to CBCX by email or any email address allocated to the Client within our Electronic Trading Services. Unless the Client expressly specifies otherwise, CBCX may send the following notices to the Client by email and/or by posting them on an Electronic Trading Service:

- (a) Statements;
- (b) notice of an amendment to the way in which CBCX provide our service to the Client, for example changes in the features of our Transactions or the Client account, changes to any Electronic Trading Service, changes to the Margin rates that apply to our Transactions, changes to the credit arrangements in relation to the Client account and changes to Commission, Spread, Charges or Taxes that apply to our Transactions or the Client account; and notice of an amendment to the Clauses of this Agreement given in accordance with Clause 29.1, (each a 'Message').

CBCX will not send the Client a paper copy of a Message sent to the Client by email or posted to one of our Electronic Trading Services. Sending a Message to the Client by email or by posting it to one of our Electronic Trading Services in a durable medium fully complies with all our obligations under the Agreement and the Applicable Regulations.

14.10. Any correspondence, documents, written notices, legal notices, confirmations, Messages or Statements will be deemed to have been properly given:

- (a) if sent by post to the address last notified by the Client to CBCX, on the next business day after being deposited in the post;
- (b) if delivered to the address last notified by the Client to CBCX, immediately on being deposited at such address
- (c) if sent by text message, as soon as CBCX has transmitted it to any of the mobile telephone numbers last notified by the Client to CBCX;
- (d) if CBCX leave a voicemail, as soon as the message is completed and left on any of the mobile telephone numbers last notified by the Client to CBCX;
- (e) if sent by email, thirty (30) minutes after CBCX has transmitted it to the email address last notified by the Client to CBCX; and
- (f) if posted on one of our Electronic Trading Services, as soon as it has been posted.

14.11. It is the Client responsibility to ensure, at all times, that CBCX has been notified of the Client current and correct address and contact details. Any change to the Client address or contact details must be notified to CBCX immediately in writing by email, unless CBCX agrees to another form of communication.

14.12. CBCX are required by law to provide the Client with certain information about CBCX, our services, our Transactions, our Commission, Spread, Charges and Taxes. The Client specifically consent to CBCX providing the Client with this information by means of our website. Commission, Spread, Charges and Taxes (if any) will be disclosed in our website. Our Privacy Policy and Risk Disclosure will be provided in the section of our website that allows the Client to apply for an account. Alternatively, details are available by calling one of our employees.

- 14.13. It is the Client responsibility to make sure that the Client read all notices posted on our website and on one of our Electronic Trading Services from time to time in a timely manner.
- 14.14. Although email, the internet, Electronic Trading Services and other forms of electronic communication are often a reliable way to communicate, no electronic communication is entirely reliable or always available. The Client acknowledges and accepts that a failure or delay by the Client to receive any communication from CBCX sent by email, text message or otherwise whether due to mechanical, software, computer, telecommunications or other electronic systems failure, does not in any way invalidate or otherwise prejudice that communication or any transaction to which it relates. CBCX will not be liable to the Client for any loss or damage, howsoever caused, arising directly or indirectly out of a failure or delay by the Client or CBCX to receive an email or other electronic communication. Further, the Client understands and accepts that emails, text messages and other electronic communications CBCX send to the Client may not be encrypted and therefore may not be secure.
- 14.15. The Client acknowledges the inherent risk that communications by electronic means may not reach its intended destination or may do so later than intended for reasons outside our control. The Client accepts this risk and that a failure or delay by CBCX to receive any offer or communication from the Client sent electronically, whether due to mechanical, software, computer, telecommunications or other electronic systems failure, does not in any way invalidate or otherwise prejudice that offer or communication or any transaction to which it relates. If, for any reason, CBCX are unable to accept the Client's offer electronically, CBCX may, without obligation, provide the Client with further information advising the Client that the Client's offer can be made by telephone as an alternative and CBCX may endeavour to inform the Client of this.
- 14.16. In the event that the Client is granted access to our mobile dealing platform, then all use of such service will be subject both to this Agreement and to any supplemental mobile dealing clauses posted on our website and amended from time to time.

## 15. MARGIN

- 15.1. Upon opening a Transaction, the Client will be required to pay CBCX the Margin for that Transaction, as calculated by CBCX ('Initial Margin'). Note that the Initial Margin for certain Transactions (for example, Share CFDs), will be based on a percentage of the Contract Value of the Transaction and therefore the Initial Margin due for such Transactions will fluctuate in accordance with the Contract Value. Initial Margin is due and payable to CBCX immediately upon opening the Transaction (and for Transactions that have a fluctuating Initial Margin based on a percentage of the Contract Value, immediately on opening the Transaction and thereafter immediately on any increase in Contract Value taking place) unless:
- (a) CBCX has expressly told the Client that the Client has an account type that allows for longer payment periods for Margin, in which case the Client must pay Margin in accordance with the payment periods that CBCX has advised to the Client, provided always that any credit or other limits placed on the Client dealings are not exceeded;
  - (b) CBCX has expressly agreed to reduce or waive all or part of the Margin that the Client would have been required to pay in respect of a Transaction. The period of such waiver or reduction may be temporary or may be in place until further notified. Any such waiver or reduction must be agreed in writing (including by email) by a director, an authorised signatory or a member of our credit or risk departments (each an 'Authorised Employee') in order to be effective. Any such agreement does not limit, fetter or restrict our rights to seek



- further Margin from the Client in respect of the Transaction at any time thereafter; or
- (d) CBCX otherwise (any such agreement must be made in writing (including by email), by an Authorised person in order to be effective), in which case the Client will be required to comply with such clauses as are stated in such written agreement.
- 15.2. The Client also has a continuing Margin obligation to CBCX to ensure that at all times during which the Client has open Transactions. The Client ensures that the Client account balance, taking into account all realised and/or unrealised profits and losses ('P&L') on the Client account, is equal to at least the Initial Margin that the Client is required to have paid for all of the Client open Transactions. If there is any shortfall between the Client account balance (taking into account P&L) and the Client total Initial Margin requirement, the Client will be required to deposit additional funds into the Client account. These funds will be due and payable to CBCX, immediately on the Client account balance (taking into account P&L) falling below the Client Initial Margin requirement unless:
- (a) CBCX has expressly told the Client that the Client has an account type that allows for longer payment periods for Margin, in which case the Client must pay Margin in accordance with the payment periods that CBCX has advised to the Client, provided always that any credit or other limits placed on the Client dealings are not exceeded;
- (b) CBCX has expressly agreed to reduce or waive all or part of the Margin that CBCX would otherwise require the Client to pay CBCX in respect of the Client Transaction(s). The period of such waiver or reduction may be temporary or may be in place until further notice. Any such waiver or reduction must be agreed by an Authorised Employee in writing (including by email) in order to be effective. Any such agreement does not limit, fetter or restrict our rights to seek further Margin from the Client in respect of the Transaction at any time thereafter;
- (c) CBCX, by an Authorised Employee, otherwise in writing (including by email), in which case the Client will be required to comply with such clauses as are stated in the written agreement; or
- (d) CBCX has expressly extended the Client a credit limit, and the Client has sufficient credit to cover the Client Margin requirements and are in compliance with any other conditions that CBCX has imposed on the Client. Importantly however, if at any time the Client credit facility is not sufficient to cover the Margin requirement on the Client open Transactions, the Client must immediately place additional funds on the Client account in order to fully cover the Margin required. Any credit limits extended to the Client will not act to restrict the Client losses and no limit should be deemed as the maximum amount the Client could lose.
- 15.3. Details of Margin amounts paid and owing by the Client is available by logging on to our Electronic Trading Services or by telephoning one of our employees. The Client acknowledges: (a) that it is the Client responsibility to be aware of, and further that the Client to pay, the Margin required at all times for all Transactions that the Client open; (b) that the Client obligation to pay Margin will exist whether or not CBCX contact the Client regarding an outstanding Margin obligation; and (c) that the Client failure to pay any Margin required in relation to the Client Transactions will be regarded as an Event of Default for the purposes of Clause 17.
- 15.4. Margin payments must be made in the form of cleared funds (on the Client account with CBCX) unless, by separate written agreement, CBCX accept other assets from the Client as collateral for payment of Margin. In the event that any applicable debit card authority or other paying agent declines to transfer funds to CBCX for any reason whatsoever then CBCX may, at our absolute discretion, treat any Transaction entered into by CBCX in reliance on receipt of those funds as void from the outset or close it at our then prevailing price, and recover any losses arising from the

voidance or closure of the Transaction from the Client. CBCX may reserve the right to stipulate the method of payment to be used by the Client for the payment of Margin.

- 15.5. In making any calculation of the Margin payments that the Client is required under this Clause 15, CBCX may, at our absolute discretion, has regard to the Client overall position with CBCX and/or an Associated Company of ours including any of the Client net unrealised losses (i.e. losses on open positions).
- 15.6. CBCX are not under any obligation to keep the Client informed of the Client account balance and Margin required (i.e. to make a 'Margin call'), however if CBCX do so, the Margin call may be made by telephone call, post, email, text message or through an Electronic Trading Service. The Margin call will be deemed to have been made as soon as the Client is deemed to have received such notice in accordance with Clause 14.10. CBCX will also be deemed to have made a demand on the Client if: (a) CBCX has left a message requesting the Client to contact us and the Client has not done so within a reasonable time after CBCX has left such a message; or (b) if CBCX is unable to leave such a message and have used reasonable endeavours to attempt to contact you by telephone (at the telephone number last notified to us by you) but have been unable to contact you at such number. Any message that CBCX leaves for you requesting you to contact us should be regarded by you as extremely urgent unless CBCX specify to the contrary when CBCX leaves the message. You acknowledge and accept that what constitutes a reasonable time in the context of this Term may be influenced by the state of the Underlying Market and that, according to the circumstances, could be a matter of minutes or even immediately. It is your responsibility to notify us immediately of any change in your contact details and to provide us with alternative contact details and ensure that our calls for Margin will be met if you will be uncontactable at the contact address or telephone number notified to us (for example because you are travelling or are on holiday, or you are prevented from being in contact because of a religious holiday). CBCX will not be liable for any losses, costs, expenses or damages incurred or suffered by you as a consequence of your failure to do so.
- 15.7. CBCX will be entitled, at any time, to increase or decrease the Margin required from the Client on open Transactions or to change the credit arrangements for the Client account. The Client that, regardless of the normal way in which the Client and CBCX communicate, CBCX will be entitled to notify the Client of a change to Margin levels or the credit arrangements for the Client account by any of the following means: telephone, post, email, text message, via one of our Electronic Trading Services or by posting notice of the change on our website. Any increase in Margin levels will be due and payable immediately on our demand, including our deemed demand in accordance with Clause 15.6. Any change in the credit arrangements for the Client account will be effective at the time notified to the Client, which may include immediately. CBCX will only increase Margin requirements or change the credit arrangements for the Client account where CBCX reasonably consider it necessary, for example but without limitation, in response to or in anticipation of any of the following:
- (a) a change in the volatility and/or liquidity in the Underlying Market or in the financial markets more generally;
  - (b) economic news;
  - (c) a company whose Instruments represent all or part of the Client Transaction becoming or being rumoured to be going insolvent, being suspended from trading or undertaking a Corporate Event;
  - (d) the Client changing the Client dealing pattern with CBCX and/or an Associated Company of ours;

- (e) the Client credit circumstances changing or our assessment of the Client credit risk to CBCX changing;
- (f) the Client exposure being concentrated in a particular Underlying Market or a sector (being a selection of stocks in a market normally associated with a specific industry group);
- (g) an Associated Company of ours exposure is concentrated in a particular Underlying Market or a sector (being a selection of stocks in a market normally associated with a specific industry group) as a result of the Client Transactions with CBCX in aggregation with transactions of other clients of ours and/or an Associated Company of ours;
- (h) a change in the margin charged by our hedging counterparties or the margin rules set by the relevant Underlying Market; or
- (i) any change to the Applicable Regulations.

15.8. If your account balance, taking into account the P&L on your account, is equal to or less than 50% of the total Initial Margin for your open Transactions, CBCX may in our absolute discretion close all or part of your open Transactions as required under Applicable Regulations.

### **16. PAYMENT AND SET-OFF**

- 16.1. All payments to be made under this Agreement, other than payments of Commission and Margin which are due and payable in accordance with Clauses 6 and 15 respectively, are due immediately upon our demand, which may be oral or in writing. Once demanded, such payments must be paid by the Client, and must be received by CBCX in full in cleared funds on the Client account.
- 16.2. The Client must comply with the following when making payments to CBCX:
- (a) Payments due (including Margin payments) will, unless otherwise agreed or specified by CBCX, be required in US dollars.
  - (b) The Client may make any payment due to CBCX (including any payment for Margin) by direct bank transfer for value within 24 hours, by card (for example credit card or debit card) or, if available, by alternative payment methods. Note that CBCX reserve the right to levy a reasonable administration charge for processing the Client payments which will generally reflect the cost to CBCX in providing these payment solutions to the Client and shall be due and payable at the time of the payment.
  - (c) In determining whether to accept payments from the Client under this Clause, CBCX will have utmost regard to our duties under law regarding the prevention of fraud, countering terrorist financing, insolvency, money laundering and/or tax offence. To this end, CBCX may at our absolute discretion having regard to the law, reject payments from the Client or a third party and return funds to source. In particular, CBCX may not accept payments from a bank account if it is not evident to CBCX that the bank account is in the Client name.

### **BASE CURRENCY AND CURRENCY CONVERSION**

- 16.3. You should be aware of the following when you open a Transaction or deposit money into your account in a Currency other than your Base Currency:
- (a) It is your responsibility to make yourself aware of the Currency that is designated as your Base Currency. Details of your Base Currency are available on one of our Electronic Trading Service or by requesting.

## CBCX Markets

- (b) Some Transactions will result in profit/loss being accrued in a Currency other than your Base Currency. The Product Details specify the Currencies in which various Transactions are denominated, or alternatively such information is available on request.
- (c) From time to time (for example in your Statements), CBCX may provide information to you which presents your multi-currency balances in the equivalent value of your Base Currency, using the rates prevailing at the time the information is produced. However you should note that the balances have not been physically converted and that the presentation of the information in your Base Currency is for information only.
- (d) Unless CBCX have agreed with you otherwise, your account will, by default, be set to immediate conversion of non-Base Currency balances standing on your account to your Base Currency. This means that following a non-Base Currency Transaction being closed, rolled over or expiring, the profits or losses from that Transaction will be automatically converted to your Base Currency and posted to your account in that Base Currency. CBCX will also by default automatically convert any non-Base Currency adjustments or charges (for example funding charges or dividend adjustments) to your Base Currency, before such adjustments or charges are booked on your account and CBCX will automatically convert any money received from you in a non-Base Currency into your Base Currency.
- (e) CBCX may agree that instead of automatically converting non-Base Currency amounts before CBCX post them to your account (as set out in Clause 16(3)(d) above), CBCX may post such amounts on your account in the relevant non-Base Currency and CBCX will conduct recurring balance sweeps (for example on a daily, weekly or monthly basis) that will convert all non-Base Currency balances standing on your account to your Base Currency. Depending on your account type, some of these sweep frequencies might not be available to you.
- (f) If you have an account type that allows you to do so (and subject to our agreement), you may elect to opt out of both immediate conversion (as set out in Clause 16(3)(d)) and recurring balance sweeps (as set out in Clause 16(3)(e)). When CBCX consider it reasonably necessary, or when requested by you, CBCX may convert balances (including negative balances) and/or money standing to your credit in a non-Base Currency into your Base Currency.
- (g) Unless otherwise notified by us in writing to you, all conversions made in accordance with this Clause will be made at an exchange rate based on the prevailing market rate at the time of the conversion plus a conversion percentage charge. Further details of the conversion percentage charge may be found in the Product Details or may be obtained from one of our employees on request.
- (h) Where you maintain Transactions in a Currency other than your Base Currency and/or where you elect to opt out of immediate conversion pursuant to 16(3)(e) or 16(3)(f), as applicable, you are exposing yourself to cross-currency risk. You acknowledge and agree that it is your responsibility to manage this risk and CBCX are not liable for any losses that you suffer as a result.
- (i) CBCX reserve the right to change the way in which CBCX manage and/or convert your non-Base Currency balances at any time in the future by providing you with 10 business days prior notice. By way of example only, CBCX may notify you that all non-Base Currency amounts on your account will be immediately converted as set out in Clause 16(3)(d), or CBCX may notify you that the frequency for your recurring balance sweep is changing to become more or less frequent.

### Remitting Money

- 16.4. CBCX will be under no obligation to remit any money to the Client if that would reduce the Client account balance (taking into account running profits and losses) to less than the Margin payments required on the Client open Transactions. Subject thereto and to Clause 16.5, 16.6, 16.7 and 16.8, money standing to the credit of the Client account will be remitted to the Client if requested by the Client. Where the Client does not make such a request, CBCX will be under no obligation to, but may, at our absolute discretion, remit such monies to the Client. All bank or other third parties' charges howsoever arising will, unless otherwise agreed, be for the Client account. The manner in which CBCX remits monies to the Client will be at our absolute discretion, having utmost regard to our duties under law regarding the prevention of fraud, countering terrorist financing, insolvency, money laundering and/or tax offence. CBCX will normally remit money in the same method and to the same place from which it was received. However, in exceptional circumstances CBCX may, at our absolute discretion, consider a suitable alternative.

### Set-Off

- 16.5. If any losses incurred, monies owed or debit balances to CBCX (each a 'Loss' and together, 'Losses') in relation to an account under this Agreement in which the Client may have an interest exceeds all amounts held by CBCX in relation to that account, the Client must forthwith pay such excess to CBCX whether demanded or not. If any Losses to CBCX in relation to accounts in which the Client may have an interest exceed all amounts held by CBCX in relation to all accounts in which the Client may have an interest, the Client must forthwith pay such excess to CBCX whether demanded or not.
- 16.6. Without prejudice to our right to require payment from the Client in accordance with Clauses 16.1, 16.2 and 16.5, CBCX will at any time have the right to set off:
- (a) any Losses in respect of any account held by the Client with CBCX, under this Agreement or otherwise, against any sums, Instruments or other assets (each a 'Sum' and together, 'Sums') held by CBCX, under this Agreement or otherwise, for or to the Client credit; and
  - (b) if the Client has a joint account with CBCX, under this Agreement or otherwise, any Losses by the other joint account holder pursuant to a joint account, under this Agreement or otherwise, against Sums held by CBCX for or to the Client credit in a joint account, and for the avoidance of doubt-
    - (i) Clause 16.5(a) shall apply to any joint account held by the Client with CBCX, under this Agreement or otherwise, or an Associated Company of ours and to any Sums held by CBCX or an Associated Company in respect of the joint account holders; and
    - (ii) Clause 16.5(a) shall apply to any account in which the Client may have an interest as if it is an account held by the Client with CBCX and as if it is an account in which CBCX hold Sums for or to the Client credit.
- 16.7. CBCX may, at any time and without notice to the Client, sell Instruments or other assets of which CBCX has custody or control on the Client behalf, in order to discharge any or all of the Client obligations to CBCX or to CBCX under this Clause 16. If CBCX have to sell Instruments held on the Client's behalf to meet the Client obligations, CBCX will charge the Client all applicable Charges and Taxes in doing so including a reasonable administration charge. The Client will continue to be responsible to CBCX for any outstanding balance due after Instruments have been sold and the difference in value will be payable to CBCX immediately.

- 16.8. As long as there are outstanding Losses in respect of any account in which the Client may have an interest under this or any other agreement with CBCX, in each case whether as a joint account or otherwise, CBCX may retain possession of any Instruments or other assets held by CBCX or to the Client's credit with CBCX in relation to any account in which the Client may have an interest (this right is known as a lien).

### Waiver

- 16.9. Our failure on one or more occasions to enforce or exercise our right to insist on timely payment (including our right to insist on immediate payment of Margin) will not amount to a waiver or bar to enforcement of that right.

## 17. DEFAULT AND DEFAULT REMEDIES

- 17.1. Each of the following constitutes an 'Event of Default':

- (a) the Client fails to make any payment (including any payment of Margin) to CBCX in accordance with the conditions set out in this Agreement;
- (b) the Client failure to perform any obligation due to CBCX;
- (c) where any Transaction or combination of Transactions or any realised or unrealised losses on any Transactions or combination of Transactions opened by the Client results in the Client exceeding any credit or other limit placed on the Client dealings with CBCX;
- (d) if the Client is an individual, the Client's death or the Client's incapacity;
- (e) the initiation by a third party of proceedings for the Client bankruptcy (if the Client is an individual) or for the Client winding-up or for the appointment of an administrator or receiver in respect of the Client or any of the Client assets (if the Client is a company, trust or partnership) or (in any case) if the Client makes an arrangement or composition with the Client's creditors or any other similar or analogous Procedure is commenced in respect of the Client;
- (f) where any representation or warranty made by the Client in this Agreement, including but not limited to the representations and warranties in Clauses 10.1, 10.18, 20.1 and 21.2, is or becomes untrue;
- (g) the Client is or become unable to pay the Client debts as and when they fall due;
- (h) the Client has committed fraud or been deceitful in the Client dealings in relation to the Client account with CBCX under this Agreement or another account with CBCX or an Associated Company of ours;
- (i) the Client is in material or persistent breach of any clause of this Agreement;
- (j) An 'event of default' (however described) under the applicable agreement in relation to the Client account with an Associated Company of ours or with CBCX (other than under this Agreement); or
- (k) any other circumstance where CBCX reasonably believe that it is necessary or desirable to take any action in accordance with Clause 17.2 to protect ourselves or all or any of our other clients.

- 17.2. If an Event of Default occurs in relation to the Client account(s) with CBCX or in relation to any account(s) held by the Client with an Associated Company of ours, CBCX may, at our absolute discretion, at any time and without prior notice take any one or any number of the below steps:

- (a) close, part-close or amend all or any of the Client Transactions at a Closing Level based on the then prevailing quotations or prices in the relevant markets or, if none, at such levels as



CBCX considers fair and reasonable and/or delete or place any Order on the Client account with the aim of reducing the Client exposure and the level of Margin or other funds owed by the Client to CBCX;

- (b) convert any Currency balances on the Client account into another Currency;
  - (c) exercise rights of set-off under this Agreement retain any funds, investments (including any interest or other payment payable thereon) or other assets due to the Client or held on the Client behalf, and sell them without notice to the Client at such price and in such manner as CBCX, acting reasonably, decide, applying the proceeds of sale and discharging the costs of sale and the sums secured under this Clause;
  - (d) close all or any of the Client's accounts held with CBCX of whatever nature, remit any monies owing to the Client subject to any rights of set-off under this Agreement and any rights under this Clause 17.2 and refuse to enter into further Transactions with the Client; and
  - (e) terminate this Agreement in accordance with Clause 28.4.
- 17.3. If CBCX takes any action under Clause 17.2, where reasonably possible, shall take steps to notify the Client before exercising such rights. However, CBCX is not obliged to do so and any failure on our part to take such steps will not invalidate the action taken by CBCX under Clause 17.2.
- 17.4. If an Event of Default occurs, CBCX is not obliged to take any of the steps set out in Clause 17.2 and CBCX may, at our absolute discretion, allow the Client to continue to trade through CBCX, or allow the Client open Transactions to remain open.
- 17.5. The Client acknowledges that, if CBCX allows the Client to continue to trade or to allow the Client open Transactions to remain open under Clause 17.4, this may result in the Client incurring further losses.
- 17.6. The Client acknowledges and agrees that, in closing out Transactions under this Clause 17, it may be necessary for CBCX to 'work' the order. This may have the result that the Client Transaction is closed out in tranches at different bid prices (in the case of Sells) or offer prices (in the case of Buys), resulting in an aggregate closing level for the Client Transaction that results in further losses being incurred on the Client account. The Client acknowledges that CBCX shall not have any liability to the Client as a result of any such working of the Client Transactions.

## **18. CLIENT MONEY**

- 18.1. We will treat money received from you or held by us on your behalf in accordance with the Applicable Laws and Regulations and as a consequence, such money will be held separately from money belonging to us and in the event of our insolvency, winding up or other event stipulated by the Applicable Laws and Regulations, such money will be subject to the Applicable Laws and Regulations. We will disclose the basis and terms on which we hold such money to you as soon as reasonably practicable upon receipt.
- 18.2. Your money shall be held in pooled client bank accounts or other accounts at selected third party institutions as determined by us in accordance with the Applicable Laws and Regulations. We will keep and maintain books and records of the client money held on your behalf. We will provide you with statements of the client money that we hold on your behalf in accordance with the Applicable Laws and Regulations. Subject to the Applicable Laws and Regulations, you may request such a statement at any time subject to you agreeing that we may levy an administration charge to cover our costs in providing any such statement to you. We may place funds in notice or term deposit accounts with a notice period or term of up to 90 days. Placing client money in notice or term

- deposit accounts does not in itself affect your ability to deal with or withdraw funds from your account with us, however such amounts may not be immediately available upon request.
- 18.3. In the event that we incur interest charges to hold client money on your behalf with third party institutions in accordance with the Applicable Laws and Regulations, you agree that we may charge you for holding such client money on your behalf. You agree that we may cease to treat any money deducted as client money and that ownership of that money will be irrevocably transferred from you to us.
- 18.4. We may hold client money in a bank account or other third party located outside the Anguilla. The legal and regulatory regime applying to any such bank may be different from that of the Anguilla and in the event of the insolvency or any other equivalent failure of that bank or third party, your money may be treated subject to the laws and regulations of this jurisdiction. We will not be liable for the insolvency, acts or omissions of any bank or other third party holding money under Clause 18.1, 18.2 or 18.4.
- 18.5. In the event that there has been no movement on the Client account balance for a period of at least one years (notwithstanding any payments or receipts of charges, interest or similar items). CBCX is entitled to charge an administration fee of ten (10) dollars per month.
- 18.6. You agree that we may, in our sole discretion, dispose of any money that we hold for you as client money if there has been no activity on your Account for three (3) years (notwithstanding any payments or receipts of charges, interest or similar items) and we have been unable to contact you having taken reasonable steps to trace you for returning the money, in which case we will cease to treat such money as client money. You agree that we may transfer the account balance into our own account. In such circumstances, we will unconditionally undertake to pay you a sum equal to the relevant client money balance transferred in the event that you seek to claim the client money balance in the future. Alternatively, CBCX is entitled to engage with the AFSC with a view to taking guidance from the AFSC in relation to what steps to take in relation to the Client money as unclaimed money.
- 18.7. It is not our policy to pay interest to you on any client money that CBCX hold on your behalf and by entering into this Agreement you acknowledge that you therefore waive any entitlement to interest.
- 18.8. In accordance with Clause 27.2, the Client specifically agrees that CBCX may transfer client money to a third party as part of a transfer of all or part of our business.
- 18.9. The client money may be held in a third party or money market fund and notify you that such money will not be held as client money in accordance with the relevant regulations or rules which may apply and the units or shares in any third party or money market fund will be held as safe custody assets in accordance with the provisions of the regulations and rules that relate to the holding of assets in custody by investment firms like themselves on behalf of clients. You explicitly consent that your client money may be held in such a fund. If you withdraw your consent by notifying us in accordance with Clause 14, CBCX will take steps to remove your money from any third party or money market fund as soon as reasonably practicable, taking into account any restrictions that apply to the withdrawal of money from the relevant third party or fund.
- 18.10. The client money may not be held with us as client money in accordance with the relevant regulations or rules which may apply and the units or shares with us will be held as safe custody assets in accordance with the provisions of the regulations and rules that relate to the holding of assets in custody by investment firms like ourselves on behalf of clients. You explicitly consent that your client money may be held in such a fund. If you withdraw your consent by notifying us in accordance with Clause 14, CBCX will take steps to remove your money from this fund as soon as

reasonably practicable, taking into account any restrictions that apply to the withdrawal of money from the relevant third party or fund.

## 19. INDEMNITY AND LIABILITY

### Liability and indemnity

- 19.1. CBCX gives no warranty as to the recommendations and/or advice given by CBCX under or pursuant to this Agreement or as to the performance or profitability of the investment or any part of it or that the investment objectives of the Client will be achieved. CBCX cannot guarantee that investments will not depreciate in value or that they will not be affected by adverse tax consequences. The Client and any professional tax adviser of the Client remain responsible for the management of the Client's affairs for tax purposes.
- 19.2. CBCXs shall not be liable for the default of any counterparty, bank, custodian, sub-custodian or other entity which holds money, investments or other documents of title on behalf of the Client or with or through whom transactions on behalf of the Client is conducted in respect of the investment.
- 19.3. CBCX shall not be liable for any default, error of judgement or any loss suffered by the Client in connection with the services it provides to the Client under this Agreement (and in particular, but without limitation, CBCX shall not be liable for any loss which may be sustained in the purchase, holding or sale of any investments or other assets in connection with those services) unless such loss arises from its negligence, wilful default or fraud.
- 19.4. The Client undertakes to keep CBCX and its agents, delegates, officers, members and employees fully and effectively indemnified against all costs, losses, charges, liabilities, judgements, suits, actions, proceedings, claims, damages and/or costs expenses and claims whatsoever incurred by it OR them pursuant to or in connection with this Agreement or arising out of any act or omission by any person obtaining access to the Client account and/or password and/or Security Details, whether or not the Client authorised such access unless due to its OR their respective negligence, wilful default or fraud.
- 19.5. Certain information in relation to our services is provided by third parties, in particular the Exchange, Liquidity Provider and CBCX are not liable for any inaccuracy, errors or omissions in the information they provide CBCX except where such inaccuracy, error or omission is caused by our own negligence, fraud or wilful default in relation to the appointment of that third party.
- 19.6. Without prejudice to any other clauses of this Agreement, CBCX will have no liability to the Client in relation to any loss, costs or expenses that the Client suffer as a result of:
  - (a) any delay or defect in or failure of the whole or any part of CBCX's Electronic Trading Services' software or any systems or network links or any other means of communication; or
  - (b) any computer viruses, worms, software bombs or similar items introduced into the Client computer hardware or software via our Electronic Trading Services, except where such loss, cost or expense is a result of our own negligence, fraud or wilful default.
- 19.7. Without prejudice to any other Clauses of this Agreement, CBCX will have no liability to the Client in relation to any loss, costs or expenses that the Client suffers as a result of:
  - (a) any inability by the Client to open or close a Transaction; or
  - (b) any cause beyond our reasonable control and the effect of which is beyond our reasonable control to avoid.

- 19.8. Without prejudice to any other clauses of this Agreement, CBCX will have no liability to the Client in relation to any loss which is a side effect of the main loss or damage and which is not a foreseeable consequence of a breach of this Agreement including, without limitation, loss of business, loss of profits, failure to avoid a loss, loss of data, loss or corruption of data, loss of goodwill or reputation, caused by any act or omission of ours under this Agreement.
- 19.9. If a Party (the first Party) receives or recovers any amount in respect of an obligation of the other Party (the second Party) in a currency other than that in which such amount was payable, whether pursuant to a judgment of any court or otherwise, the second Party shall indemnify and hold harmless the first Party from and against any cost (including costs of conversion) and loss suffered by the first Party as a result of receiving such amount in a currency other than the currency in which it was due.

## 20. REPRESENTATIONS AND WARRANTIES

### Client warranties

- 20.1. The Client represents and warrants and agrees that each such representation and warranty is deemed repeated each time the Client opens or closes a transaction by reference to the circumstances prevailing at such time, that:
- 20.1.1. it has full power and/or authority of the Client to appoint CBCX on the clauses of this Agreement;
  - 20.1.2. any information which the Client has provided to CBCX, including in relation to its status for taxation purposes, is complete and accurate and the Client agrees to provide any further information properly required by any competent authority. The Client will notify CBCX forthwith if there is any material change in any such information provided;
  - 20.1.3. The Client enters into this Agreement and transacts with CBCX as principal;
  - 20.1.4. The Client shall promptly give (or procure to be given) to CBCX such information as CBCX may require to enable it to comply with all applicable disclosure obligations or requirements from time to time under the FAIS Act and the laws, rules or regulations of any relevant jurisdiction, exchange, market or regulatory authority which apply in respect of CBCX, and/or the Client;
  - 20.1.5. The Client agrees and acknowledges that any breach of any of the representations and warranties given by the Client under this clause 20 and any breach of any of the provisions of this Agreement by the Client (including any failure of the Client to provide information to CBCX as provided for under this clause 20) may adversely affect the Client's investment and the provision of services by CBCX to the Client under this Agreement;
  - 20.1.6. the execution, delivery and performance of this Agreement and each Transaction will not violate any law, ordinance, charter, by-law or rule applicable to the Client, the jurisdiction in which the Client is resident, or any agreement by which it is bound or by which any of its assets are affected the Client has obtained all governmental or other authorisations and consents required by the Client in connection with this Agreement and in connection with opening or closing Transactions and such authorisations and consents are in full force and effect and all of its conditions have been and will be complied with;

## CBCX Markets

- 20.1.7. other than in exceptional circumstances, the Client will not send funds to the Client account(s) with CBCX from, or request that funds be sent from the Client account(s) to, a bank account other than that identified in the Client account opening form or as otherwise agreed by CBCX. Whether exceptional circumstances exist will be determined by CBCX from time to time;
  - 20.1.8. if the Client is an employee or contractor of a financial services firm or any other firm that has controls over the financial transactions in which its employees and contractors deal, the Client will give CBCX proper notice of this and of any restrictions that apply to the Client dealing;
  - 20.1.9. the Client will not [fix] the bid and offer prices for any purpose other than for the Client own trading purposes, and the Client agrees not to redistribute our bid and offer prices to any other person whether such redistribution be for commercial or other purposes;
  - 20.1.10. the Client will Use the services offered by CBCX pursuant to this Agreement in good faith and, to this end, the Client will not Use any electronic device, software, algorithm, any trading strategy or any arbitrage practices (such as but not limited to latency abuse, price manipulation or time manipulation) that aims to manipulate or take unfair advantage of the way in which CBCX construct, provide or convey our bid or offer prices. In addition, using any device, software, algorithm, strategy or practice in the Client dealings with CBCX whereby the Client is not subject to any downside market risk will be evidence that the Client is taking unfair advantage of CBCX;
  - 20.1.11. the Client will use the services offered by CBCX pursuant to this Agreement in good faith and, to this end, the Client will not use any electronic device, software, algorithm, or any trading strategy that aims to manipulate or take unfair advantage of any Electronic Trading Service;
  - 20.1.12. the Client will not Use any automated software, algorithm or trading strategy other than in accordance with the clauses of this Agreement;
  - 20.1.13. other than as expressly permitted by CBCX, the Client will not, and will not attempt to, communicate with CBCX electronically via any customised interface using a protocol such as Financial Information Exchange (FIX) protocol, Representational State Transfer (REST) or any other such interface;
  - 20.1.14. the Client will not submit or request information electronically from CBCX in a manner that is likely to strain or overload any Electronic Trading Service;
  - 20.1.15. the Client will not and will not attempt to decompile any Electronic Trading Service including any of our web or mobile applications;
  - 20.1.16. the Client will provide CBCX with all information that CBCX reasonably require to comply with our obligations under this Agreement and the Client will provide CBCX with any information that CBCX may reasonably request from the Client from time to time for the purposes of our compliance with Applicable Regulations; and
  - 20.1.17. the Client is not subject to the obligations in the EMIR Regulation on OTC Derivatives, Central Counterparties and Trade Repositories (648/2012) unless the Client notifies CBCX to the contrary.
- 20.2. This Agreement contains the entire understanding between the parties in relation to the dealing

services CBCX offer.

- 20.3. In the absence of our fraud, wilful default or negligence, CBCX give no warranty regarding the performance of our website(s), our Electronic Trading Services or other software or its suitability for any equipment used by the Client for any particular purpose.
- 20.4. Any breach by the Client of a warranty given under this Agreement, including but not limited to the warranties given in Clauses 10.1, 10.8, 20.1 or 21.2, renders any Transaction voidable from the outset or capable of being closed by CBCX at the then prevailing prices, at our absolute discretion.
- 20.5. If CBCX has reasonable grounds for suspecting that the Client has breached a warranty given under this Agreement, including but not limited to the warranties given in Clauses 10.1, 10.8, 20.1 or 21.2, CBCX may render any Transaction voidable from the outset or capable of being closed by CBCX at the then prevailing prices, at our absolute discretion, unless and until the Client produce evidence that satisfies CBCX that the Client has not, in fact, committed the breach of warranty the suspicion of which was the ground for CBCX taking action under this Clause. For the avoidance of doubt, if the Client does not produce such evidence within the period of three months from the date on which action is taken by CBCX under this Clause, all such Transactions will be finally null and void.

## 21. MARKET ABUSE

- 21.1. CBCX may hedge its liability to the Client by opening analogous positions with other institutions or in the Underlying Market. The result of doing this is that when the Client open or close a Transaction relating to a share or other Instrument through CBCX, the Client Transactions can, through such hedging, exert a distorting influence on the Underlying Market for that Instrument, in addition to the impact that it may have on CBCX's own prices. This creates a possibility of market abuse and the function of this Clause is to prevent such abuse.
- 21.2. The Client represent and warrant to CBCX now, and that each such representation and warranty is deemed repeated each time the Client opens or closes a Transaction, that:
  - (a) the Client will not open and has not opened a Transaction or Transactions through CBCX relating to a particular share price if to do so would result in the Client, or others with whom the Client is acting in concert together, having an exposure to the share price that is equal to or exceeds the amount of a declarable interest in the relevant company. For this purpose the level of a declarable interest will be the prevailing level at the material time, set by law or by the Exchange(s) on which the underlying share is listed;
  - (b) the Client will not open and has not opened a Transaction through CBCX in connection with:
    - (i) a placing, issue, distribution or other analogous event;
    - (ii) an offer, take-over, merger or other analogous event; or
    - (iii) any other corporate finance style activity in which the Client is involved or otherwise interested in; and ; and
  - (c) the Client will not open or close a Transaction and the Client will not place an Order that contravenes any primary or secondary legislation or other law against insider dealing, insider trading, market manipulation or other forms of prohibited trading practices which may constitute market abuse in clauses of Applicable Regulations.
- 21.3. In the event that (a) the Client opens or closes any Transaction or places an Order in breach of the representations and warranties given in Clauses 10.1, 10.8, 20.1 or 21.2, or (b) CBCX has reasonable grounds for suspecting that the Client has done so, CBCX may, at our absolute discretion and without being under any obligation to inform the Client of our reason for doing so,



close that Transaction and any other Transactions that the Client has open at the time, if applicable, and also, at our absolute discretion:

- (a) enforce the Transaction or Transactions against the Client if it is a Transaction or Transactions under which the Client has incurred a loss;
  - (b) treat all the Client Transactions that meet the circumstances set out in this Clause as void if they are Transactions under which the Client has secured a profit, unless and until the Client produces evidence that satisfies CBCX that the Client has not, in fact, committed the breach of warranty and/or misrepresentation the suspicion of which was the ground for CBCX taking action under this Clause. For the avoidance of doubt, if the Client does not produce such evidence within the period of three months from the date on which action is taken by CBCX under this Clause, all such Transactions will be finally null and void as between the Client and CBCX; or
  - (c) cancel any Order on the Client account with CBCX.
- 21.4. The Client acknowledges that the Transactions in which the Client deals with CBCX are speculative instruments and the Client will not open any Transactions with CBCX in connection with any corporate finance style activity.
- 21.5. The Client acknowledges that it would be improper for the Client to deal in the Underlying Market if the sole purpose of such a transaction was to impact on our bid or offer prices, and the Client does not to conduct any such transactions.

## **22. CREDIT**

- 22.1. Details of any credit arrangement that may be available to the Client is or will be set out in, and will be subject to, such terms, conditions and limits as may be agreed in separate correspondence. We reserve the right to alter any credit arrangements agreed with you at any time. The Client acknowledges that when you deal with CBCX on credit, neither any limit set on your account nor any amount of Margin you have paid puts any limit on your potential losses in respect of a Transaction. The Client acknowledges and agrees that your financial liability to CBCX may exceed the level of any credit or other limit placed on your account.

## **23. FORCE MAJEURE EVENTS**

- 23.1. CBCX may, in our reasonable opinion, determine that an emergency or an exceptional market condition exists (a 'Force Majeure Event'), in which case CBCX will, in due course, take all reasonable steps to inform the Client. A Force Majeure Event will include, but is not limited to, the following:
- (a) any act, event or occurrence (including without limitation any strike, riot or civil commotion, act of terrorism, war, industrial action, acts and regulations of any governmental or supra national bodies or authorities) that, in our opinion, prevents CBCX from maintaining an orderly market in one or more of the Instruments in respect of which CBCX ordinarily deals in Transactions;
  - (b) the suspension or closure of any market or the abandonment or failure of any event on which CBCX base, or to which CBCX in any way relate, our quote, or the imposition of limits or special or unusual clauses on the trading in any such market or on any such event;
  - (c) the occurrence of an excessive movement in the level of any Transaction and/or the Underlying Market or our anticipation (acting reasonably) of the occurrence of such a

- movement;
- (d) any breakdown or failure of transmission, communication or computer facilities, interruption of power supply, or electronic or communications equipment failure; or
  - (e) failure of any relevant supplier, intermediate broker, Liquidity Provider, agent or principal of ours, custodian, sub- custodian, dealer, exchange, clearing house or regulatory or self-regulatory organisation, for any reason, to perform its obligations.
- 23.2. If CBCX determines that a Force Majeure Event exists, CBCX may, at our absolute discretion, without notice and at any time, take one or more of the following steps:
- (a) increase the Client Margin requirements;
  - (b) close all or any of the Client open Transactions at such Closing Level as CBCX reasonably believe to be appropriate;
  - (c) suspend or modify the application of all or any of the Clauses of this Agreement to the extent that the Force Majeure Event makes it impossible or impracticable for CBCX to comply with the Clause or Clauses in question; or
  - (d) alter the Last Dealing Time for a particular Transaction.

## **24. CORPORATE EVENTS, TAKEOVERS, VOTING RIGHTS, INTEREST AND DIVIDENDS**

### **CORPORATE EVENTS**

- 24.1. If any Instrument becomes subject to possible adjustment as the result of any of the events set out in Clause 24.2 below (a 'Corporate Event'), CBCX will determine the appropriate adjustment, if any, to be made to the size and/or value and/or number of the related Transaction(s) (and/or to the level of any Order) to account for the diluting or concentrating effect necessary to preserve the economic equivalent of the rights and obligations of the parties in relation to that Transaction immediately prior to that Corporate Event and/or replicate the effect of the Corporate Event on someone with an interest in the relevant underlying Instrument, to be effective from the date determined by CBCX and which may, for the avoidance of doubt, be retrospective.
- 24.2. The events to which Clause 24.1 refers are the declaration by the issuer of an Instrument (or, if the Instrument is itself a derivative, the issuer of the security underlying that Instrument) of the clauses of any of the following:
- (a) a subdivision, consolidation, redenomination or reclassification of shares, a share buy-back or cancellation, or a free distribution of shares to existing shareholders by way of a bonus, capitalisation or similar issue;
  - (b) a distribution to existing holders of the underlying shares of additional shares, other share capital or securities granting the right to payment of dividends and/or proceeds of liquidation of the issuer equally proportionately with such payments to holders of the underlying shares, securities, rights or warrants granting the right to a distribution of shares or to purchase, subscribe or receive shares, in any case for payment (in cash or otherwise) at less than the prevailing market price per share as determined by CBCX;
  - (c) the voiding of an Instrument that trades, or has traded, on a when-issued basis, in which case any Transaction(s) that relates to that Instrument will also be void;
  - (d) any other event in respect of the shares analogous to any of the above events or otherwise having a diluting or concentrating effect on the market value of the shares, whether temporary or otherwise; or
  - (e) any event analogous to any of the foregoing events or otherwise having a diluting or concentrating effect on the market value of any Instrument not based on shares, whether temporary or otherwise.

# CBCX Markets

24.3. Any adjustment to the size and/or value and/or number of any Transaction(s) (and/or to the level of any Order) will be determined reasonably and will be conclusive and binding on the Client. If the Client has a Buy (i.e. a long Transaction) that is affected by a Corporate Event, CBCX will, should the Client give CBCX notice of the same, in the form and with any period indicated by CBCX, give consideration to the Client views about the action or adjustment to be made as a result of the Corporate Event. If the Client hold a Sell (i.e. a short Transaction) then CBCX will take whatever action is decided by CBCX, acting reasonably. CBCX will inform the Client of any adjustment or amendment under this Clause as soon as reasonably practicable.

## Takeovers

24.4. If at any time a takeover offer is made in respect of a company, and the Client has a Transaction that relates to the securities of that company, then:

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

## Voting Rights

CBCX will not transfer voting rights relating to an underlying share or other Instrument to the Client, or otherwise allow the Client to influence the exercise of voting rights held by CBCX or by an agent on our behalf.

## Interest

- 24.5. CBCX will value open Transactions on a daily basis and calculate the amount of interest, on a basis notified to the Client in writing (including electronically), that would apply to the sum of money necessary to take out a position in the underlying Instrument with the same value. A different rate of interest will normally apply to long and short positions. While the Client Transaction remains open, the amount of interest will be calculated and will accrue on a daily basis as follows:
- (a) if the Client sell, interest will be either credited or debited to the Client account (depending on the interest rate); and
  - (b) if the Client buy, interest will be debited from the Client account.
- 24.6. For certain Expiry Transactions, the quote (which is based on the Underlying Market) will include an interest component. CBCX will make it clear on our Website or in our Product Details which of our Expiry Transactions contain interest component. Such Expiry Transactions will not be adjusted for interest as set out in Clause 24.6 above.

### **25. SUSPENSION AND INSOLVENCY**

- 25.1. If at any time trading on the Underlying Market is suspended in any Instrument that forms the subject of a Transaction, then the Transaction will also be Suspended from operation unless CBCX is able to continue to make prices for the Transaction based on prices in a different but related Underlying Market that is not suspended from trading. If Suspended, the suspension price of the Transaction, unless re-valued by CBCX as set out in this Clause 25, for the purposes of Margining and otherwise, will be the mid-price quoted at the time of suspension.
- 25.2. Irrespective of whether it is an Expiry Transaction that the Client has elected not to roll over and the date of contract expiry passes, and irrespective of any Orders given by the Client, the Transaction will remain open but Suspended until either of the following takes place:
- (a) the suspension in the Underlying Market is terminated and trading recommences, at which point the Suspension of the Client Transaction will also cease and the Client Transaction will become tradable again. Following the lifting of the Suspension, any Orders that the Client may have given CBCX with respect to the Transaction that has been triggered will be executed as soon as CBCX consider reasonable in the circumstances having regard to liquidity in the Underlying Market and any hedging transactions that they have with third parties as a result of the Client Transaction. CBCX cannot guarantee that Orders will be executed at the first available Underlying Market price; or
  - (b) where the Instrument is in respect of a company, that company is delisted from the Underlying Market, goes into insolvency or is dissolved, at which point the Client Transaction will be dealt with in accordance with Clauses 25.4 and 25.5.
- 25.3. If the Client has an Expiry Transaction that becomes Suspended by operation of this Clause, the Client will be deemed to have requested that the Transaction be rolled forward into the next contract period until the first expiry date following the lifting of the Suspension or until the Client Transaction is dealt with in accordance with Clauses 25.4 or 25.5 as applicable. The Client agrees that while the Client Transaction is Suspended, CBCX will still be entitled to make interest adjustments in accordance with Clause 24.6.
- 25.4. If a company, whose Instrument represents all or part of the subject-matter of a Transaction, goes into insolvency or is dissolved, the day on which the company goes into insolvency or is otherwise dissolved will be the closing date of that Transaction and CBCX will deal with the Client Transaction as follows:
- (a) If the Client has a long Transaction, the Closing Level of the Transaction will be zero and

on closing, CBCX will open a corresponding proceeds line on the Client account so that if the company makes a distribution to shareholders, an amount equalling the eventual distribution will be credited to the Client account.

- (b) If the Client has a short Transaction, the Closing Level of the Transaction will be zero and on closing CBCX will open a corresponding proceeds line on the Client account so that if the company makes a distribution to shareholders, an amount equalling the distribution will be debited to the Client account. CBCX reserve the right to require the Client to maintain Margin on this proceeds line, which could for the avoidance of doubt be as much as the difference between the suspension price and zero.
- 25.5. If a company, whose Instrument represents all or part of the subject-matter of a Transaction, is delisted from the Exchange to which the Transaction relates, but at the time of delisting such company has not gone into insolvency nor been dissolved, then CBCX will take such action as CBCX consider fair having regard to all of the circumstances regarding the delisting and any hedging transactions that CBCX has with third parties as a result of the Client Transaction and where possible which reflects the treatment accorded to holders of the underlying Instrument. Without any limitation, examples of the actions that CBCX might take are:
- (a) closing the Transaction at a Closing Level that is based on our fair and reasonable assessment of the value of the Instrument to which the Transaction relates;
  - (b) changing the Exchange to which the Transaction refers (i.e. if the company in question has delisted on the reference Exchange, but maintains or has obtained listing on another Exchange, CBCX may alter the Client Transaction so that it refers to the second Exchange);
  - (c) maintaining the Suspension of the Transaction until the company makes a distribution to holders of the Instrument in question, at which point CBCX will reflect that distribution on the Client Transaction; or
  - (d) closing the Transaction and opening a proceeds line as set out in Clause 25.4.
- 25.6. CBCX reserve the right at all times when the Client Transactions are Suspended under Clause 25.2 to revalue such Transaction at such price and/or to change the Margin rate, in both cases as CBCX shall determine to be reasonable in the circumstances, and to require payment of deposit or Margin accordingly.

## **26. QUERIES, COMPLAINTS AND DISPUTES**

- 26.1. Complaints may be made by any means and should in the first instance be made to our customer service department. Complaints made in writing may be made to the Compliance Officer at the address stated on our website. Complaints will be dealt with in accordance with our compliant policy. In addition, the Client has the right subsequently to complain directly to AFSC. A copy of the complaints handling procedure is available on our website or on request
- 26.2. Without prejudice to any of our other rights to close a Transaction under this Agreement, in any case where CBCX are in dispute with the Client in respect of a Transaction or alleged Transaction or any communication relating to a Transaction, CBCX may, at our absolute discretion and without notice, close any such Transaction or alleged Transaction, where CBCX reasonably believe such action to be desirable for the purpose of limiting the maximum amount involved in the dispute, and CBCX will not be under any obligation to the Client in connection with any subsequent movement in the level of the Transaction concerned. If CBCX closes one or more of the Client Transactions under this Clause, such action will be without prejudice to our right to contend in relation to any dispute that such Transaction had already been closed by CBCX or was never opened by the

Client. CBCX will take reasonable steps to inform the Client that CBCX has taken such action as soon as practicable after doing so. Where CBCX closes a Transaction or alleged Transaction in accordance with this Clause, the closing will be without prejudice to the Client rights:

- (a) to seek redress or compensation for any loss or damage suffered in connection with the disputed or alleged Transaction or communication, prior to the closing; and
- (b) to open a new Transaction at any time thereafter, provided that such Transaction is opened in accordance with this Agreement, which will be applied, for the purposes only of calculating any relevant limits or money required from the Client, on the basis that our view of the disputed events or communication is correct.

## **27. MISCELLANEOUS**

- 27.1. CBCX reserves the right to Suspend any or all accounts the Client holds with CBCX at any time. If CBCX Suspends the Client account(s), it means that: the Client will generally not be permitted to open any new Transactions or increase the Client exposure under the Client existing Transactions, but the Client will be permitted to close, part close or reduce the Client exposure to CBCX under the Client's existing Transactions; the Client will no longer be permitted to trade through CBCX via our Electronic Trading Services, rather the Client will be required to trade through CBCX via the phone. CBCX also reserves the right to Suspend a specific Transaction that is in the Client account. If CBCX Suspends a Transaction, it means that the Client will generally not be permitted to increase the Client exposure through CBCX under the Suspended Transaction but, subject to Clause 25, the Client will be permitted to close, part close or reduce the Client's exposure through CBCX under the Suspended Transaction; in relation to the Suspended Transaction, the Client will no longer be permitted to deal with CBCX via our Electronic Trading Services, rather the Client will be required to deal with CBCX via the phone.
- 27.2. 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.
- 27.3. The Client consents to CBCX assigning the rights and obligations of this Agreement to a third party, in whole or in part, provided that any assignee agrees to abide by the Clauses of this Agreement and subject to any required approvals (if applicable). Such assignment will come into effect fourteen (14) days following the day the Client is deemed to have received notice of the assignment in accordance with Clause 14.10. If CBCX does assign our rights and obligations under this Agreement, CBCX will only do so to a third party who is competent to carry out the functions and responsibilities and who will provide the same standard of service that CBCX do. Our rights and obligations under this Agreement are personal to the Client. This means that the Client may not assign the rights and obligations of this Agreement, whether in whole or in part, to any third party without our prior written consent.
- 27.4. The Client acknowledges and agrees that the copyrights, trademarks, database and other property or rights in any information distributed to or received by the Client from CBCX, together with the contents of our website(s), brochures and other material connected with our dealing service and in any database that contains or constitutes such information, will remain the sole and exclusive property of CBCX or any third party identified as being the owner of such rights.
- 27.5. If any Clause (or any part of any Clause) is held by a court of competent jurisdiction to be unenforceable for any reason then such Clause 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.

- 27.6. CBCX cannot advise the Client on tax and, if in any doubt, the Client should seek the Client own independent advice. The tax treatment of Transactions and Charges may differ according to the Client personal circumstances and applicable tax legislation. Tax legislation and the interpretation of such legislation is subject to change. The Client may also be liable for other taxes and charges that are not imposed or withheld by CBCX. The Client should seek independent advice if the Client is in any doubt as to what further taxes and charges may apply to the Client as a result of the Client trading activities.
- 27.7. The Client 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 the Client dealings with CBCX. Where CBCX are required by law to provide information to a tax authority this provision of information will be governed by our Privacy Policy. If CBCX provides the Client with any information or express any opinion in relation to the tax treatment of the Client dealings with CBCX, it will not be reasonable for the Client to rely upon any such statement and it will not constitute tax advice.
- 27.8. Should any change in the basis or scope of taxation occur at any time which results in CBCX having to withhold amounts on account of Taxes owed or payable by the Client in respect of any Applicable Regulations in respect of the Client Transactions or the Client account with CBCX, CBCX reserve the right to deduct the amount of any such payment(s) from the Client account(s) or otherwise require the Client to pay or reimburse CBCX for such payment(s).
- 27.9. Our records, unless shown to be wrong, will be evidence of the Client dealings with CBCX in connection with our services. The Client 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. The Client will not rely on CBCX to comply with the Client record keeping obligations, although records may be made available to the Client on request at our absolute discretion.
- 27.10. Unless a clause of this Agreement provides otherwise, a person who is not a party to this Agreement will have no rights to enforce any of its clauses.
- 27.11. Following termination of this Agreement, Clauses 11.8, 11.9, 14.1, 14.10, 14.11, 16.5-16.8, 17, 18, 19, 20, 27, 28, 29, 31, and 32 shall continue to apply.

## **28. TERMINATION**

- 28.1. Either Party may terminate this Agreement and any arrangements hereunder by giving written notice to the other party, which will take effect no later than fourteen (14) days after actual receipt, unless a later date is specified in the notice. Upon the receipt of the termination notice, there is no obligation on the part of CBCX to provide services on entering into Transactions for you and CBCX are entitled to set your account type as "Reduce Only" which means you can not enter into new Transactions, however, there are no restrictions on you closing any open Transactions or cancelling any Orders and there is no restriction on you withdrawing any money available on your account in accordance with this Agreement. Following a valid notice of termination, CBCX shall return any money available on your account to the accounts that you have provided the information to us.
- 28.2. CBCX is entitled to terminate this Agreement by immediate notice if the following applies:
- (a) required by any competent regulatory authority;

- (b) a Force Majeure Event has occurred and has continued for a period of 5 (five) business days; or
- (c) an Event of Default has occurred or is continuing.

## Consequences of termination

28.3. Termination of this Agreement pursuant to this clause 28 shall be:

- without prejudice to the completion of any transaction or transactions already initiated and any transaction or transactions outstanding at the time of termination will be settled and delivery made;
- without prejudice to and shall not affect any accrued rights, existing commitments or any contractual provision intended to survive termination; and

without penalty or other additional payment save that the Client shall be obliged to pay:

- the fees and charges accrued and due to CBCX;
- any expenses incurred by CBCX under this Agreement payable by the Client;
- any additional expenses incurred by CBCX in terminating this Agreement; and
- any losses realised in settling or concluding outstanding obligations.

28.4. On, following or in connection with termination of this Agreement, CBCX shall be entitled, without prior notice to the Client, to direct the Custodian to take such actions as may be required to give effect to the provisions of clause 28.1 and/or to settle or complete transactions already initiated and to pay or discharge any outstanding liabilities or obligations of the Client.

## 29. AMENDMENTS

29.1. CBCX may amend this Agreement and any arrangements made under or in connection with this Agreement at any time by written notice to you. You will be deemed to accept and agree to the amendment unless you notify us to the contrary within seven (7) days of the date of our amendment notice. If you do object to the amendment, the amendment will not be binding on you, but your account will be Suspended and you will be required to close your account as soon as is reasonably practicable. Any amendment to this Agreement will come into effect on the date specified by us which will, in most cases, be at least seven (7) days after you are deemed to have received notice of the amendment in accordance with clause 14.10 (unless it is impractical in the circumstances to give seven (7) days 'notice).

29.2. Any amended agreement will supersede any previous agreement between us on the same subject matter and will govern any Transaction entered into after, or outstanding on, the date the new edition comes into effect.

## 30. GOVERNING LAW

30.1. This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with Anguilla law and the parties irrevocably submit to the exclusive jurisdiction of the Anguilla courts.

30.2. Each of the parties irrevocably consents to any process in any legal action or proceedings arising out of or in connection with this Agreement being served on them in accordance with the provisions of this Agreement relating to service of communications. Nothing contained in this Agreement shall

affect the right to serve process in any other manner permitted by law.

## **31. ELECTRONIC SIGNATURES**

- 31.1. This Agreement may be executed by way of electronic signatures. For the avoidance of doubt, each Party hereby consents to the execution of this Agreement by the other Party by way of electronic signature and agrees that the electronic signature of such other Party is the legal equivalent of their manual signature on this Agreement is conclusive of such Party's intention to be bound by this Agreement.
- 31.2. Each Party further agrees it will not seek to avoid its responsibilities to the other Party under this Agreement based on the fact that it or any other Party signed this Agreement using an e-signature as opposed to a manuscript signature.
- 31.3. The Parties further that an executed copy of this Agreement may be retained in electronic form and acknowledge that such electronic form shall constitute an original of such document and may be relied upon as evidence of it.

## **32. PROTECTION OF PERSONAL INFORMATION**

CBCX shall comply with the Electronic Transactions Act 2006 ('ETA') and the Confidential Relationships Act and other applicable laws and regulations..

## **33. CONFIDENTIALITY**

- 33.1. Each Party agrees to maintain the confidentiality of this Agreement and the clauses and conditions hereof and information supplied by one Party to the other Party pursuant to, or in relation to the transactions contemplated by the foregoing (together, Confidential Information), except that Confidential Information may be disclosed by each Party :-
- (a) to it and its Affiliates and
  - (b) to their respective directors, officers, employees and agents, including accountants, legal counsel and other advisors and service providers under a legal or ethical obligation to maintain the confidentiality thereof (it being understood that any person to whom such disclosure is made will be informed of the confidential nature thereof and instructed to keep the same confidential),
  - (c) to the extent requested by any regulatory authority (with a request to such authority to hold the same confidential;
  - (d) to the extent required by applicable laws or regulations or by any subpoena or similar legal process;
  - (e) to any other Party to this Agreement;
  - (f) in connection with the exercise of any remedies hereunder or thereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder or thereunder;
  - (g) to the extent the same:-
    - (1) becomes publicly available other than as a result of a breach of this Clause or
    - (2) otherwise becomes available to such Party on a non-confidential basis,
  - (h) to the extent it relates to the tax treatment or the tax structure of the transaction contemplated hereby.

- 33.2. Any person required to maintain confidentiality as provided in this Clause shall be considered to have complied with its obligation to do so if such person has exercised the same degree of care to maintain the confidentiality of the applicable information as such person would accord to its own confidential information

### **34. ENTIRE AGREEMENT AND RELATIONSHIP**

- 34.1. This Agreement constitutes the entire agreement and understanding of the parties and supersedes any previous agreement between the parties relating to the subject matter of this Agreement.
- 34.2. Each of the parties acknowledges and agrees that in entering into this Agreement, and the documents referred to in it, it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether a party to this Agreement or not) other than as expressly set out in this Agreement. Nothing in this clause shall, however, operate to limit or exclude any liability for fraud.
- 34.3. None of the services to be provided under this Agreement nor any other matter shall give rise to any fiduciary or equitable obligations which would prevent or hinder CBCX in making recommendations to the Client, in transactions with or for the Client from acting as [both principal or] agent, dealing with other clients and generally effecting transactions as provided in this Agreement.
- 34.4. Nothing in this Agreement (or any of the arrangements contemplated by it) shall be deemed to create a partnership between the parties.

These Terms are applicable from 12 April 2023. These Terms shall remain effective until a more recent version is released. The prevailing version of these Terms is always available at <https://cbcxtrading.com/doc/Client%20Agreement.pdf>