

# World First Markets terms and conditions

## MARGIN TRADING AGREEMENT RETAIL CLIENTS (PRIVATE INDIVIDUALS)

**Warning: Margin trading carries a high level of risk and can result in losses as well as gains. The margin trading service described in this Agreement is not suitable for everyone and is designed for clients who are knowledgeable and experienced in the financial services market and the types of transactions described in this Agreement.**

**You should not deal in the products or sign up to receive the margin trading service described in this Agreement unless you understand their nature and the extent of your exposure to risk. You should also be satisfied that the products and services are suitable for you in light of your circumstances and financial position. An explanation of the risks associated with the types of products offered by us is set out below and you should ensure that you fully understand such risks before entering into this Agreement. If you are not experienced in the types of transactions described in this Agreement or if you are unsure about any of the terms, you should seek advice from your independent financial adviser.**

### 1. INTRODUCTION

- 1.1 This Agreement, the **Welcome Letter** and the Registration form and the terms of each **Trade** as they may be amended or supplemented from time to time together constitute a single agreement between **you** and **us** and are referred to as this Agreement.
- 1.2 World-markets.com is a trading name of World First Markets Limited is authorised and regulated by the **FSA** to execute trades on a back-to-back basis in foreign exchange rolling spot contracts. We are included in the **FSA**'s Register of authorised firms (registration number: 477561) which can be found at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register). The **FSA** can be contacted at 25 The North Colonnade, London E14 5HS or on telephone number (44) (0) 20 7066 1000. The address at which **we** can be contacted is Regent House, 16-18 Lombard Road, London SW11 3RB.
- 1.3 When **we** communicate with each other, verbally and in writing, **we** will do so in the English language. **We** can communicate with each other by any reasonable means, including but not limited to, by telephone, fax, letter, electronic mail, notifications on **our Website** or SMS. **We** reserve the right to request that verbal communications are subsequently confirmed in writing.
- 1.4 When **you** sign this Agreement, **you** agree to provide **us** with up-to-date contact details so that **we** can contact **you** in writing, by email, by fax and/or by telephone, if applicable. If any of these details change, **you** should notify **us** immediately.

### 2. CLIENT CATEGORISATION AND ASSESSMENT

- 2.1 The **FSA** requires **us** to categorise **you**. Unless **we** have separately agreed with **you** otherwise in writing, based upon the information that **we** have obtained from you and which we already know about **you**, **we** have categorised **you** as a retail client. Retail

clients are afforded the maximum level of protections under the UK's financial services regulatory regime. **You** may also have the right to refer a complaint to the Financial Ombudsman Service if **you** are not satisfied with the way that **we** have dealt with it.

- 2.2 Under **FSA Rules**, **we** are obliged to inform **you** that **you** have the right to request a different categorisation. However, **we** will need to reassess **your** eligibility for another categorisation in accordance with **FSA** requirements and **we** are not obliged to agree to re-categorise **you**. If **we** do agree to re-categorise **you** **we** will inform **you** of any limitations to the level of client protection that such a different classification would entail.
- 2.3 When **you** sign this Agreement, **we** will carry out an appropriateness assessment (because **you** are receiving execution-only services from **us**) in accordance with **FSA Rules**. **We** will do this by asking **you** certain questions so that **we** can assess **your** knowledge and experience of the products and services that **we** offer.
- 2.4 When **we** assess **you** as described in clause 2.3 and for the duration of **our** relationship with **you**, **we** will rely on **you** providing **us** with true, accurate and complete information in response to **our** questions. By signing this Agreement, **you** expressly consent to **us** using and relying on all such information in making our assessment and our **dealings** with **you**.
- 2.5 If there is a change in any of the information **you** provide **us** when **we** assess **you** (e.g. **your** personal circumstances or investment objectives), **you** must notify **us** immediately and in writing so that **we** can reconsider **our** assessment. **We** may also review our assessment of **you** from time to time and **you** agree to provide **us** with true, accurate and complete information in response to any request **we** make of **you**.

### 3. RISK WARNING NOTICE

- 3.1 Given the nature of the investments that **we** offer, **your** main investment strategy is likely to be speculative trading in foreign exchange.
- 3.2 Speculative trading is not suitable for all investors. There are certain risks associated with investing in foreign exchange rolling spot contracts. **We** have listed these risks in Schedule 1 to this Agreement. Before **you** accept the terms and conditions contained in this Agreement, **you** should make sure that you have read the information contained in Schedule 1 and are prepared to accept the risks outlined there. If **you** have any questions about the information contained in Schedule 1, **you** should not agree to the terms in this Agreement, but ask for further information or seek independent legal or financial advice.
- 3.3 In particular, before trading, **you** should understand and accept that:
  - (a) **You** could lose more than the initial amount of **margin you** are required to place in **your Account** and in certain circumstances, **your** losses may be unlimited; and
  - (b) if the market moves against **your Open Position** or the

# World First Markets terms and conditions

**margin** level **you** hold in **your Account**, **you** may have insufficient money in **your Account** to satisfy **our margin** requirements and **we** may automatically close out any or all of **your Open Positions**.

## 4. ACCOUNT OPENING

- 4.1 When **we** have completed **our** assessment and categorisation as described in clause 2, **we** will open an **Account** for **you**. In order to open an **Account** for **you**, **we** are required by law to establish **your** identity before **we** take **you** on as a client. **You** may therefore have to provide **us** with evidence of **your** identity (such as a copy of **your** passport and utility bills) and **we** may, at our reasonable discretion, use various agencies to verify **your** details before opening **your Account**.
- 4.2 When **we** open **your Account**, **You** will be provided with a system-generated user name and password the purposes of logging onto **your Account**. You will be prompted to change **your** password after your first log-in to **your Account**. It is your responsibility to keep the password to **your Account** secure and confidential. **You** should not share **your** password details with any other party or allow anyone access to **your Account** in order to trade on **your** behalf.
- 4.3 If **you** have told someone **your** password or log-in details, or **you** suspect that someone may know **your** password or log-in details, **you** should notify **us** immediately by calling our support line on +44 207 326 9135 or emailing **us** at admin@world-markets.com.
- 4.4 If **we** suspect that someone else has had access to **your Account**, **we** will try to contact **you** to verify this, but **we** reserve the right to close any **Open Positions** that **we** reasonably believe have not been made by **you** or close **your Account** entirely without notifying **you**.
- 4.5 In order to open an **Account**, **your Account Balance** must be at least £500 or the equivalent in US Dollars or Euros.

## 5. FORMATION OF CONTRACT ('YOUR INSTRUCTIONS')

- 5.1 **You** can give **us** instructions to trade via the **Trading Platform**, by telephone during **business hours** or by any other manner as **we** may specify to **you** in writing (the **Instructions**).
- 5.2 If **you** give **us Instructions** via the **Trading Platform**, **you** will need **your** password and other security information to log in to **your Account** on the **Trading Platform**. If **you** give **us Instructions** by telephone, **we** may ask **you** for **your** password or other security information before taking **your Instructions**.
- 5.3 When **you** give **us your Instructions**, **you** agree that:
- You** are entering into a **Trade** at the price displayed on the **Trading Platform** for that **Trade** or quoted to **you** by **us** over the telephone;
  - When **we** receive **your Instructions**, **you** will receive confirmation of **your Instructions** on the **Trading Platform**

or from **us** over the telephone but **you** and **we** will only be bound by the **Trade** resulting from **your Instructions** once that **Trade** is reported as executed on the **Trading Platform**.

(c) If you do not see confirmation of the execution of **your Trade** on the **Trading Platform**, please contact **us** immediately on our trading line +44 207 326 9133.

- 5.4 **We** reserve the right to refuse to act on any **Instructions we** receive from **you**. **We** may refuse to act on **your Instructions** for reasons which include but are not limited to:
- if **you** are unable to give **us your** password or other security information when asked for it on the **Trading Platform** or by telephone;
  - if **we** receive **your Instructions** outside of the operating hours of the market in which **you** wish to place **your** trade;
  - your margin** levels in **your Account** are insufficient;
  - our** quoted price or the trade derives from a **Serious Error**;
  - acting on **your Instructions** and entering into the trade would cause **you** to exceed the maximum leverage ratios on **your Account**;
  - any amount **you** owe to **us** has not been paid;
  - events outside of **our** control (such as a disruption to the market) have occurred;
  - we** believe the Trade would be in breach of this Agreement or any Applicable Law which **you** or **we** may have; or
  - we** reasonably believe that **your Instructions** are not in keeping with the risk profile and appetite that **you** indicated to **us** in **your** suitability or appropriateness assessment.
- 5.5 The range of different Trade types which we accept shall be decided by us at our absolute discretion. We currently accept the following types of Trades:
- Market;
  - Limit;
  - Non-guaranteed Stop Losses (please note that a Stop Loss Trade cannot be guaranteed if the relevant market does not allow the Trade to be stopped at a particular level or price);
  - Take Profit; and
  - OCO (One Cancels the Other).

- 5.6 We also currently accept the following Trade durations:
- GTC (Good Till Cancel);
  - IOC (Immediate or Cancel); and
  - Day (i.e. only valid for business hours on a particular day).

If **You** have any questions about these Trade types or durations, please contact our support line on +44 207 326 9135 or emailing us at admin@world-markets.com.

## 6. PRICE AND EXECUTION

- 6.1 When **you** give **us Instructions** to enter into a **Trade**, **we** will only do so at the price confirmed to **you** on the **Trading Platform** or by **us** by telephone. **We** will provide a price for **your Trade** on a best efforts basis, but if a disruption to the market occurs, a

# World First Markets terms and conditions

Serious Error occurs or any other event outside of **our** control, **we** may not be able to provide you with a price for **your Trade** or execute that **Trade** during market hours.

- 6.2 **We** will provide **you** with best execution in accordance with the **FSA Rules**. Please see **our** Order Execution Policy for further details on how **we** seek to provide **you** with best execution.

## 7. CLOSING OPEN POSITIONS

- 7.1 If **you** wish to close an **Open Position**, **you** can give **us** **Instructions** to do so via the **Trading Platform** or by telephone. **We** will only be able to close **Open Positions** during our business hours and the operating hours of the market on which **your Trade** is placed.
- 7.2 Generally, in order to close out any **Open Positions**, **you** will need to enter into a second and opposing **Trade** in relation to the same currency pair and value as the **Trade**. For example, in order to close an **Open Position** which was a purchase, **you** will need to enter into a **Trade** which is a sale.
- 7.3 **We** may close any or all of the **Open Positions** on **your Account** in accordance with clause 17.1 of this Agreement or if:
- your margin** levels in **your Account** are insufficient;
  - our** quoted price for the **Open Position** or the **Trade** derives from a **Serious Error**;
  - the **Open Position** has caused **you** to exceed the maximum leverage ratios on **your Account**;
  - any amount **you** owe to **us** has not been paid;
  - events outside of **our** control (such as a disruption to the market) have occurred;
  - we** believe the **Open Position** is in breach of this Agreement or any regulatory obligation which **you** or **we** may have; or
  - we** reasonably believe that **your Open Positions** are not in keeping with the risk profile and appetite that **you** indicated to **us** in **your** suitability or appropriateness assessment.
- 7.4 Whenever an **Open Position** is closed, the unrealised profit or loss (see clause 9) will be automatically converted into the currency of **your Account**.

## 8. CHARGES

- 8.1 **You** agree to pay **us** any properly incurred fees on any trades carried out for **you** by **us** under this Agreement as expressly agreed between **you** and **us**.
- 8.2 **You** must also pay any applicable VAT, stamp duty, stamp duty reserve tax and any other taxes, levies or costs related to any trades carried for **you** by **us**.
- 8.3 Please see clause 26 for details of any taxes **you** may need to pay.
- 8.4 **We** may impose certain reasonable additional charges as set out from time to time in writing to **you**, which **you** may have to pay in the event that **you** do not comply with **your** obligations

under this Agreement. These additional charges may include, without limitation, any reasonable legal costs **we** may incur as a result of **your** failure to comply with this Agreement.

## 9. MARGIN AND UNREALISED PROFIT OR LOSS

- 9.1 **You** will be required to provide and maintain in **your Account** an **Account Balance** that covers any unrealised profit or loss on **your Open Position(s)** along with a Margin that **we** consider appropriate for **your Open Position(s)** or any Positions **You** wish to open (as indicated on the Trading Platform).
- 9.2 The movement in the market price of **your Open Position(s)** will create an 'unrealised' profit or loss, which is added to or subtracted from **your Account Balance** in real-time. If **your Open Position(s)** creates an unrealised loss that, combined with the Margin requirement, utilises 80% of **your Account Balance**, the system will display a **Low Margin** notification. If this increases such that the unrealised loss, combined with the Margin requirement, utilises 97% of **your Account Balance**, the system will automatically close **your Open Position(s)**. **You** should be aware that market volatility may mean that **your margin** requirement and unrealised loss for **your Open Position(s)** may quickly rise to 97% utilisation and **You** may not have time to increase **your Account Balance** to maintain **your Open Position(s)**. This process is entirely automated, and we have no discretion to determine the order in which trades are closed.
- 9.3 The system will display **your** Margin requirement and unrealised profit or loss on a real-time basis and it will be up to **You** to decide if **You** wish to increase **your Account Balance** (though we reserve the right to refuse that if we reasonably believe that **your** maintaining Open Positions are not in keeping with the risk profile and appetite that **You** indicated to us in **your** appropriateness assessment).
- 9.4 **You** may elect to increase **your Account Balance** either to cover an unrealised Loss or to provide Margin for existing or additional **Open Position(s)**. The system may decline to proceed with a **Trade** if **you** do not have sufficient available funds in **your Account** to satisfy the **Margin** requirements for that **Trade** combined with any unrealised losses.
- 9.5 **We** will be entitled to notify **you** of an alteration to **your** minimum **margin** requirement by any of the means listed in clause 25 (Notices).
- 9.6 **Margin** in relation to a particular **Trade** must be provided in cash.
- 9.7 All cash **margin** and other payments due from **you** under this Agreement shall be made in freely transferable funds in the currency and to the bank **Account(s)** that **we** may from time to time specify.
- 9.8 If **you** are providing cash **margin**, please refer to clause 14 for further details.

# World First Markets terms and conditions

## 10. MARGIN CLOSE-OUT

- 10.1 If the overall **Margin Level** for **your Account** reaches or falls below the minimum **margin level** of 3% (the **Margin Close Out Level**), **we** may, among other things, close any or all of **your Open Positions** immediately and without notice to **you** and refuse to enter into new **Trades** with **you** until **your margin level** has reached the minimum **margin level** required by **us**. If this happens, **Open Positions** will be closed out at the prevailing market rate for those **Open Positions**.
- 10.2 **We** may but are not obliged to contact **you** before **we** take any action under clause 10.1.
- 10.3 The **Margin Close-Out Level** is designed to help limit the extent of **your trading losses**. **We** do not however guarantee that **your Open Positions** will be closed when the margin level on **your Account** reaches the **Margin Close-Out Level** or that **your losses** will be limited to the amount of funds **you** have deposited in **your Account**.

## 11. ROLLOVER

- 11.1 Any **Open Positions** that remain open at or around 22:00 (GMT) will be subject to rollover. The positions will be rolled over to the next **business day** and so will not automatically close out at the end of the day.
- 11.2 **We** will send **you** a statement via email with the following information if **we** receive a request for such a statement from **you**:
- (a) a summary of the status of **your Account**;
  - (b) confirmations of all trades **you** have made in the last 24 hours;
  - (c) details of all **Open Positions**; and
  - (d) details of all **Open Positions** which have been closed in the last 24 hours.
- 11.3 At any point **You** will be able to view information on the Trading Platform (including but not limited to the items listed at clause 11.2). **We** may also periodically send **You** statements via email.

## 12. NETTING AND SET-OFF

- 12.1 This Agreement and all **Trades** entered into under it shall form part of a single agreement between **us** and **you**. **You** and **we** both acknowledge that **we** enter into the Agreement and any **Trades** under it in reliance upon the fact that they are part of a single agreement between **us**.
- 12.2 When **Open Positions** and/or **your Account** are closed, **we** may:
- (a) combine and consolidate the **cash** we have received from **you** and any money **we** hold for **you** in any and all **Accounts you** may have with **us**; and
  - (b) set off at any time and without notice to **you**, any amounts owing between **you** and **us**. If **we** exercise the right of set-off and it shows that amounts due to **us** exceed the amounts due to **you**, **we** will give **you** notice of this and **you**

shall immediately pay such excess to **us**.

## 13. PAYMENTS AND WITHDRAWALS

- 13.1 If **you** have a positive **Account Balance** on **your Account**, **you** can ask **us** to make a payment to you of this amount. However, **we** may choose not to make this payment to **you** if:
- (a) **You** have any **Open Positions** and require this positive **Account Balance** as margin for those **Open Positions**;
  - (b) **You** owe **us** any amounts; or
  - (c) **We** are required to do so by law.
- 13.2 If **you** owe **us** any amounts under this Agreement or **we** have to pay any bank transfer charges when transferring a positive **Account Balance** to **you**, **we** may deduct this from any positive **Account Balance** on **your Account**.
- 13.3 If **we** make a payment to **your Account** in error, **we** reserve the right to debit this amount from your Account and cancel any **Trades** or close any **Open Positions** which have been made using that amount.
- 13.4 **You** must make all payments owed to **us**:
- (a) In the currency of **your Account**; and
  - (b) If there are any costs or bank charges associated with transferred payments to **us**, the amount **you** owe **us** is increased, so that after **you** pay such costs or bank charges, **we** receive the same amount as if no such cost or charge had been made.

For further details on how to make payments, please see your **Welcome Letter** or go to [www.world-markets.com](http://www.world-markets.com)

- 13.5 **We** will not accept any payments **you** owe to **us** under this Agreement from a third party, unless **we** have agreed to this in writing.
- 13.6 If **you** owe **us** any amounts which are unpaid by the due date in accordance with this Agreement, **we** will charge interest on this amount at a rate of 3% above the Bank of England Base Rate.

## 14. CLIENT MONEY

- 14.1 When you transfer monies to **us**, that money will be treated as client money within the meaning of the **Client Money Rules**. We will, on receiving client money, promptly place this money into a segregated client **Account** held at **our** custodian bank, no later than close of the business on the day on which **we** receive it to meet your obligations (e.g. **margin** payments). If those funds become due and payable to World Markets within the meaning of **FSA Rules** (e.g. when an Open Position is closed) that money will cease to be client money.
- 14.2 To avoid doubt, we will not pay interest on any amounts in **your Account**. On signing this Agreement, **You** consent to the fact that no interest will be paid to **You** on any amounts in **your Account** and that **we** will retain all such interest.

# World First Markets terms and conditions

14.3 **You** agree that, in the event that there has been no movement on **your Account Balance** for a period of at least six years (notwithstanding any payments or receipt of charges or similar items) and **we** are unable to trace **you** and return **your Account to you**, despite having taken all reasonable steps to do so, **we** may cease to treat **your** money as client money and accordingly release any client money **Balances** from the segregated **Account**. However, if at any point after this time, **you** ask us to return your **Account Balance to you**, **we** will do so if your **Account Balance** is in credit.

## 15. SERIOUS ERROR

15.1 A **Serious Error** occurs if an obvious or palpable error has taken place in relation to the pricing of a **Trade**. In deciding if a **Serious Error** has occurred, **we** may take into **Account** any relevant information including all relevant market conditions and any error in, or lack of clarity of, any information source or announcement. **We** will also take into **Account** any financial commitments that **you** have made or refrained from making in reliance on a **Trade** when deciding whether a **Serious Error** has occurred.

15.2 If **we** reasonably believe, at **our** sole discretion, that a **Serious Error** has occurred in relation to any of **your Trades**, **we** reserve the right to void, or to amend the terms of, that **Trade**.

15.3 In the absence of **our** fraud, wilful default or gross negligence, **we** will not be responsible to **you** for any losses following a **Serious Error**.

## 16. USE OF THE TRADING PLATFORM

16.1 **We** will use reasonable endeavours to ensure that the **Trading Platform** and our telephone systems can normally be accessed by **you** in order to place **Trades** and to operate **your Account** under this Agreement. However, either or both of these may fail to work properly or at all or our premises may suffer from power failure or other situation which renders **us** unable to operate the **Trading Platform**. **We** therefore do not guarantee that the **Trading Platform** or **our** telephone systems will always be accessible, usable or that **your** access to either the **Trading Platform** or the telephone systems will be uninterrupted or error free.

16.2 **We** will use **our** reasonable endeavours to ensure that the **Trading Platform** is free from any virus, but **we** do not guarantee that it will be virus free at all times. **You** should use **your** own up to date virus software when using the **Trading Platform**.

16.3 **You** are responsible for ensuring that the technology **you** use to access the **Trading Platform** is compatible with ours and meets **our** minimum system requirements.

### Internet Trading Risks

16.4 There are risks associated with utilising an internet-based deal execution trading system such as the **Trading Platform** including, but not limited to, the failure of hardware, software, and internet

connection. **We** do not control signal power, its reception or routing via the internet, configuration of **your** equipment or reliability of its connection and **we** cannot be responsible for communication failures, distortions or delays when trading via the internet on the **Trading Platform**.

### Use of the Website

16.5 Any use of the Website is subject our Terms of Use and Privacy Policy, as amended from time to time, and our copyright in respect of the Website's content, as amended from time to time, both of which shall apply to **your** use of the **Website**. **We** shall not be liable for any damage or injury arising out of any person's or entity's access to, or inability to access the Website, unless that damage or injury has been caused by our negligence or wilful default. This limitation includes, but is not limited to, any damage to computer equipment and computer systems caused by virus, malware and any other harmful computer coding.

### Use of Links in the Website

16.6 **We** do not control the content or accuracy of information on third party websites and do not otherwise endorse the material placed on such sites. The links are provided for **your** reference only and **we** exclude all liability and responsibility for the content or operation of these third party websites.

### Third party content and research

16.7 **We** do not control the content or accuracy of third party content or research placed on the Website by anyone other than **us**. If **we** provide third party content or research on the Website, **we** will use reasonable efforts to ensure its accuracy.

## 17. DEFAULT

17.1 If an **Event of Default** occurs or if **we** reasonably believe that **you** will not be able or willing in the future to perform any of **your** obligations to **us** under this Agreement, **we** shall be entitled without first giving **you** notice:

- (a) to close out, reverse or replace any **Trade** or **Open Position**, buy, sell, borrow or lend or enter into any other **Trade** or take, or refrain from taking, any other action at any time or times and in the manner that **we**, at **our** reasonable discretion, consider necessary or appropriate to cover, reduce or remove our loss or liability under or in relation to any of **your** contracts, positions or commitments; and/or
- (b) to treat any or all **Trades** which have not been settled between **us** as having been repudiated by **you**, meaning that **our** obligations under the **Trades** are immediately cancelled and terminated.

## 18. YOUR REPRESENTATIONS

18.1 Representations are personal statements, assurances or undertakings given by **you** to **us** on which **we** rely when **we** deal with **you**. **You** make the following representations at the

# World First Markets terms and conditions

time **you** enter into this Agreement, every time **you** enter into a Trade or any time **you** give **us** any other instruction:

- (a) if **you** are an individual, **you** are over 18 years' old and **you** have full capacity to enter into this Agreement;
- (b) **you** have all necessary authority, powers, consents, licences and authorisations and have taken all necessary action to enable **you** lawfully to enter into and perform this Agreement and such **Trades** [and to grant the security interests and powers referred to in this Agreement];
- (c) the persons entering into this Agreement and each **Trade** on **your** behalf have been duly authorised to do so;
- (d) every **Trade** **you** enter into under this Agreement is binding upon **you** and enforceable against **you** in accordance with the terms of this Agreement and the terms of that particular **Trade** and do not and will not violate the terms of any regulation, order, charge or agreement by which **you** are bound;
- (e) no **Event of Default** or any event which may become an **Event of Default (a Potential Event of Default)** has occurred and is continuing with respect to **you**;
- (f) **you** are acting on **your** own behalf (unless **we** have agreed otherwise in writing) and not acting for another in entering into this Agreement and each **Trade**;
- (g) any information which **you** provide or have provided to **us** in respect of **your** financial position, domicile or other matters is accurate and not misleading in any material respect;
- (h) **you** are willing and financially able to sustain a total loss of funds resulting from a **Trade** or combination of **Trades**; and
- (i) except as otherwise agreed by **us**, **you** are the sole owner of all **margin** **you** transfer under this Agreement, free and clear of any security interest whatsoever other than a right to withhold or dispose of assets routinely imposed on all securities in a clearing system in which such securities may be held.

## 18.2 **You** promise that:

- (a) **you** will at all times obtain and comply and do all that is necessary to maintain in full force and effect, all authority, powers, consents, licenses and authorisations referred to in this clause;
- (b) **you** will promptly notify **us** of the occurrence of any **Event of Default** or **Potential Event of Default** with respect to **you**;
- (c) **you** will take all reasonable steps to comply with all **Applicable Laws** in relation to this Agreement and any **Trade** so far as they are applicable to **you** or **us**;
- (d) **you** will not send **Instructions** or take any action that could create a false impression of the demand for or value of a financial instrument, or send **Instructions** which **you** have reason to believe are in breach of **Applicable Laws**. **You** shall observe the standard of behaviour reasonably expected of persons in **your** position and not take any step which would cause **us** to fail to observe the standard of behaviour reasonably expected of persons in **our** position; and
- (e) upon demand, **you** will provide **us** with any information that **we** may reasonably require as evidence of **your** compliance with the matters referred to in this clause or any **Applicable Laws**.

## 19. CONFIDENTIALITY

- 19.1 The information **we** hold about **you** and **your Trades** is confidential and will not be used for any purpose other than in connection with the provision of services by **us** to **you**. Information of a confidential nature will be treated as such provided that such information is not already in the public domain or already in **our** possession. Confidential information will only be disclosed outside a group of companies to which **we** belong in the following circumstances:
  - (a) where required by law or if requested by any regulatory authority or exchange having control or jurisdiction over us;
  - (b) to investigate or prevent fraud or other illegal activity;
  - (c) to any personnel or other third party in connection with the provision of services to **you** by **us**;
  - (d) to intermediate brokers or settlement agents;
  - (e) for purposes ancillary to the provision of services to **you** by **us** or the administration of **your Account**, including, without limitation, for the purposes of credit or identification enquiries or assessments;
  - (f) if it is in the public interest to disclose such information; or
  - (g) at **your** request or with **your** consent.

## 20. PRIVACY AND DATA PROTECTION

- 20.1 **We** may use, store or otherwise process personal data provided by **you** in connection with the provision of the Services and in accordance with **your Instructions**.
- 20.2 **You** agree that **we** may pass personal data which **you** have provided to other companies in **our** group and to external companies to help **us** to process and/or analyse this information as part of the provision of Services to **you**.
- 20.3 **We** are registered as a data controller in the United Kingdom under the Data Protection Act 1998.
- 20.4 If **you** are an individual, **we** are obliged to supply **you**, on request, with a copy of the personal data which **we** hold about **you** (if any), provided that **you** pay a small fee.
- 20.5 **We** may transfer personal data provide by **you** outside the EEA. By signing these Terms, **you** consent to the transfer of the personal data.
- 20.6 With **your** permission, personal data provided by **you** may also be used for marketing purposes or to conduct market research for **us** or other companies in **our** group, which may use the personal data to bring to **your** attention products and services that may be of interest to **you**, and also to assist in the efficient provision of the Services. Please advise in writing if you do not wish personal data provided by **you** to be used for such purposes.
- 20.7 Any telephone conversation between **you** and **us** may be recorded. All **Instructions** received by telephone will be binding as if received in writing. **Our** recordings shall be and remain **our** sole property and will be accepted by **you** as conclusive evidence of the orders, **Instructions** or conversations so recorded, except where **we** have acted fraudulently or negligently. **You**

# World First Markets terms and conditions

agree that **we** may deliver copies of transcripts of such recordings to any court, regulatory or government authority.

20.8 If **you** hold information about others which **you** provide to us, **you** agree that **you** have obtained all necessary consents from individuals for the processing of personal data and transfer of personal data outside the EEA in accordance with this Agreement and will comply at all times with the Data Protection Act 1998.

20.9 **We** will implement and maintain appropriate administrative, technical and physical safeguards in respect of personal data provided by **you** in accordance with the Data Protection Act 1998.

20.10 **We** use cookies to collect information. A cookie is a small data file that a website stores on **your** computer's hard disk for the purpose of keeping records when **You** visit the website. Cookies allow the website to operate and allow us to improve **your** comfort of use, for example by remembering **your** passwords and viewing preferences, thus allowing **You** to visit various "member-only" parts of the website without re-registering. Some cookies we use are essential for the website to operate. Furthermore, cookies are used by us to measure **your** activity on the website and make improvements and updates which may make the website operate more efficiently. We will not use cookies to obtain information which was not originally sent in a cookie. We do not use information transferred through cookies for any direct promotional or marketing purposes without **your** consent. If you visit or continue to use the website, you agree to our use of cookies. **You** may block cookies by activating the setting on your browser which allows you to refuse the setting of all or some cookies. However, if **You** use your browser settings to block all cookies (including essential cookies) all or parts of our website will not work. Unless **You** have adjusted your browser setting so that it will refuse cookies, our system will issue cookies as soon you visit our website. Except for essential cookies, all cookies will expire after one year.

## 21. INTELLECTUAL PROPERTY

21.1 The **Website**, including the **Trading Platform**, and any and all information or materials on it which **we** may supply or make available to **you** (including any software which forms part of those items) are and will remain **our** property or that of **our** service providers. Such service providers may include providers of real-time price data to **us**. In addition:

- (a) all copyrights, database rights, trademarks, design rights and other intellectual property rights in those items are and will remain **our** property (or those of third parties whose intellectual property **we** use in relation to investments and services **we** provide for **your Account**);
- (b) **we** supply or make the items available to **you** on the basis that:
  - (i) **we** can also supply and make them available to other persons and
  - (ii) **we** can cease providing them, but **we** will only do that if **your Account** has been closed or if **our** service providers require **us** to;

- (c) **you** must not supply all or part of the items to anyone else and **you** must not copy all or part of them;
- (d) **you** must not delete, obscure or tamper with copyright or other proprietary notices **we** may have put on any of those items;
- (e) **you** must only use these items for the operation of **your Account** in accordance with this Agreement; and/or
- (f) if **we** have provided any materials to **you** in connection with the **Website** or the provision of the Services **you** must return those to **us** on closure of **your Account**.

## 22. COMPLAINTS

22.1 **We** have internal procedures for handling complaints fairly and promptly. **You** may submit a complaint to **us** in writing to the Compliance Officer, World-Markets.com, Regent House, 16-18 Lombard Road, London SW11 3RB.

22.2 If **you** qualify as an eligible complainant under **FSA Rules**, **we** will investigate the complaint in accordance with **our FSA** complaints procedures. Other complaints will be dealt with as soon as reasonably practicable and the result notified to the complainant.

22.3 A copy of the complaints procedure is available upon request and will be sent to **you** should you lodge a complaint. Upon resolution of **your** complaint, **we** will send **you** a final response letter, which sets out the nature of that resolution and any applicable remedy. If for any reason, **you** are dissatisfied with **our** final response and **you** are classified as an eligible complainant under **FSA Rules**, **you** will be entitled to refer **your** complaint to the Financial Ombudsman Service. A leaflet detailing the procedure is provided with **our** final response.

## 23. COMPENSATION

23.1 In the event that **we** are unable to meet **our** liabilities, depending on the type of business and circumstances of the claim, **you** may be entitled to the protections of the Financial Services Compensation Scheme (**FSCS**), subject to a maximum payment to any eligible investor of 100% of the first £50,000. The right to claim under the FSCS scheme will only arise if **you** qualify as an eligible investor for the purposes of the scheme. If **you** require further information about the FSCS, please contact **us** or the FSCS by calling their Helpline on 020 7892 7300, logging onto their website at [www.fscs.org.uk](http://www.fscs.org.uk) or writing to the Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, 1 Portsoken Street, London E1 8BN.

## 24. CONFLICTS OF INTEREST

24.1 **We** are required to maintain a written policy in relation to conflicts of interest which sets out the circumstances that may give rise to a conflict of interest, and the procedures that **we** will follow to manage those conflicts. This policy is available upon request.

# World First Markets terms and conditions

## 25. GENERAL PROVISIONS

### Notices

- 25.1 Any notice or other communication given under this Agreement must be in writing and may be:
- sent electronically, including by e-mail;
  - delivered personally;
  - sent by prepaid recorded delivery or registered post[, or registered airmail in the case of an address for service outside the United Kingdom]; or
  - by fax with a confirmatory copy sent by post (as above)
- to **you** or **our** address as specified in the Registration form or to such other address, e-mail address or fax number as either **you** or **we** may have last notified to the other, as applicable.
- 25.2 Any such notice will be considered to have been served:
- If delivered by hand, at the time of the delivery;
  - If sent by prepaid recorded delivery or registered post, two clear **business days** after the date of posting (i.e. not including the day of posting itself);
  - [If sent by registered airmail, five clear **business days** from the date of posting (i.e. not including the day of posting itself);]
  - if sent by fax, at the completion of transmission during business hours at its destination, or, if not within business hours, at the opening of the next period of business hours, but subject to:
    - proof by the sender that it holds a printed transmission report confirming despatch of the transmitted notice;
    - the sender not receiving any telephone calls from the recipient, to be confirmed in writing, that the fax has not been received in a legible form; and
    - despatch of the notice by post in accordance with clause 25.1(d) on the same day as its transmission; and
  - if sent by email, one hour after sending during business hours at its destination or, if not sent within business hours, at the opening of the next period of business hours, but subject to no 'not sent' or 'not received' message being received from the relevant email providers.
- 25.3 For the purposes of clause 25.2, **business hours** means between 08:30 and 17:30 UK local time on a **business day**.
- 25.4 **We** may use email to communicate with **you**. As with any other means of delivery, this carries with it the risk of inadvertent misdirection or non-delivery. It is **your** responsibility to carry out a virus check on any attachments received. As internet communications are capable of data corruption we do not accept any responsibility for changes made to such communications after their despatch. For this reason it may be inappropriate to rely on the content of an email without obtaining written confirmation of it. All risks connected with sending confidential information relating to **you** are borne by **you** and are not **our** responsibility. If **you** do not accept this risk, **you** should notify **us** in writing that email is not an acceptable means of communication.

### Limitation of liability

- 25.5 **We** will use all reasonable endeavours to make onward payments but **we** will not be liable under any circumstances for any foreseeable or unforeseeable loss incurred as a result of a delay in funds reaching **your** Account, except where the loss is caused by **our** negligence, fraud or wilful default or the negligence, fraud or wilful default of any third party who may hold **your** funds on **our** behalf.
- 25.6 Subject to clause 25.5, **we** are responsible for losses **you** suffer as a result of **us** breaking this Agreement if the losses are a foreseeable consequence of **us** breaking this Agreement. Losses are foreseeable where they could be contemplated by **you** and **us** at the time this Agreement is entered into. **We** are not responsible for indirect losses which happen as a side effect of the main loss or damage and which are not foreseeable by **you** and **us** (such as loss of profits or loss of opportunity).
- 25.7 **You** will pay **us** for any foreseeable losses **we** may incur if **you** fail to perform any of **your** obligations under this Agreement or from **your** use of the **Trading Platform**.

### Termination

- 25.8 This Agreement may be terminated immediately by either **you** or **us** by notice to the other in writing but the terms of this Agreement shall continue to apply to any **Trade** already in existence.
- 25.9 On termination of this Agreement, all Open Positions will automatically be closed and any sums owed by either party should be settled within 5 days of either party receiving notice of termination of this Agreement in accordance with clauses 25.8 and 25.2.

### Variation

- 25.10 **We** may amend this Agreement by not less than 30 **business days** written notice to **you**, except where it is impracticable in the circumstances. Such amendment will become effective on the date specified in the notice. Any other amendment must be agreed in writing between **us**. Unless otherwise agreed, an amendment will not affect any outstanding order or trade or any legal rights of obligations which may have already arisen.
- 25.11 No term of this Agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to this Agreement.

## 26. TAX

- 26.1 **You** are responsible for the payment of all taxes that may arise in relation to **your Trades**, except for UK transactional taxes applicable to certain types of investments which may be payable by **us**.
- 26.2 **We** shall not be responsible for any taxes that may arise as a result of a change in law or practice or by reason of **you** paying tax in a jurisdiction other than the United Kingdom.

# World First Markets terms and conditions

26.3 If **you** are required by law to deduct or withhold any sum for tax or other reasons, the amount owed to **us** will be increased, so that after **you** make such a tax deduction or withholding, **we** receive the same amount as if no such deduction or withholding had been made.

26.4 **We** shall not be responsible for advising **you** on any change in tax law or practice. **You** shall in all circumstances be responsible for **your** own tax advice in relation to **your Trades**.

## 27. GOVERNING LAW

27.1 This Agreement shall be governed by and construed in accordance with English law. The parties agree to irrevocably submit to the exclusive jurisdiction of the English Courts (unless **You** are resident in an EEA country other than England and Wales, in which case, the English Courts shall have non-exclusive jurisdiction).

## 28. DEFINITIONS

28.1 In this Agreement, words are used that have special meanings. **We** have put these special words in bold text to help **you** understand what those special words mean when used in this Agreement. The special words are incorporated as part of this Agreement. The following are the special words and expressions that are used together with their special meanings:

**“Account”** the **Account** **you** have opened with **us** and is operated via **our Website**

**“Account Balance”** the amount of funds available in **your Account**

**“Applicable Laws”** means:

- FSA Rules** or any other rules of a relevant regulatory authority;
- The rules of the relevant **Exchange**; and
- All other applicable laws, rules and regulations as in force from time to time

**“Business Day”** a day (other than a Saturday or Sunday) on which:

- in relation to a date for the payment of any amount in:
  - any currency other than Euro, banks generally are open for business in the principal financial centre of the country of such currency; or
  - Euros, the settlement of payments denominated in Euros is generally possible in London or any other financial centre in Europe selected by **us**; and
- for all other purposes, is not a bank holiday or public holiday in London

**“Client Money Rules”** the provisions in the **FSA's** Client Assets Sourcebook relating to client money, as amended from time to time

**“Event of Default”** the occurrence of one or more of the following events:

- your** failure to make any payment (including any payment of **margin**) to **us** in accordance with clause 13 of this Agreement;
- your** continued failure to perform any obligation to **us** one **business day** after **we** have given **you** notice of non-performance;
- the initiation by a third party of proceedings for **your** bankruptcy (if **you** are an individual) or **your** winding-up or for the appointment of an administrator or receiver in

respect of **you** or any of **your** assets (if **you** are a company) or (in both cases) if **you** make an arrangement or composition with **your** creditors or any other similar or analogous procedure is commenced in respect of **you**;

- if **you** are an individual, **your** death;
- any representation or warranty made by **you** is or becomes untrue;
- you** are or become unable to pay **your** debts as and when they fall due; and
- any other circumstance where **we** reasonably believe that it is necessary or desirable to declare an **Event of Default** to protect **ourselves** or all or any of **our** other clients.

**“FSA”** the Financial Services Authority or any of its successors

**“FSA Rules”** the **FSA** Handbook of Rules and Guidance

**“Instructions”** the instructions **you** give to **us** to enter into a **Trade**

**“Low Margin”** a **Margin** level which indicates that available **Margin**

on **your Account** is close to reaching the **Margin Close-Out Level**

**“Margin”** an amount of money **you** are required to deposit with **us** in

order to enter into a **Trade** and to maintain an **Open Position**

**“Margin Close-Out Level”** see clause 10

**“Open Position”** a **Trade** which has not been closed in whole or in part under this Agreement

**“Potential Event of Default”** see clause 18.1(e)

**“Serious Error”** see clause 15

**“Trade”** an order relating to foreign exchange options

**“Trading Platform”** the online platform accessed from **your** computer or via **our Website**

**“We, us and our”** World First Markets Limited, t/a World-Markets.com

**“Website”** www.world-markets.com

**“Welcome Letter”** the letter **you** received from **us** when **you** open **your Account**, which includes details of how to make payments to **us**

**“You and your”** the person or persons signing the Registration form

## SCHEDULE 1

### RISK WARNING NOTICE

The following statements are intended to make **you** aware of and disclose to **you** the nature and risk of certain investment types and trading strategies and potential for risk and loss that will arise in respect of trading on the financial markets.

**This Risk Warning Notice cannot disclose all the risks and other significant aspects of the investment types or different trading strategies that you may enter into. Before undertaking any trading, you must familiarise yourself with the product that you propose to trade in and the way in which the market operates. Please ensure that you read all the information on our Trading Platform that is relevant to the trading that you propose to undertake with us. You should not deal in these products unless you understand their nature and the extent of your exposure to risk. You should also be satisfied that the product is suitable for you in the light of your circumstances and financial position.**

### 1. LEVERAGE

1.1 When entering into **Trades** on **our Trading Platform**, there is a high degree of 'gearing' or 'leverage' required. This is because the margining system **we** use on **our Trades** involves a relatively

# World First Markets terms and conditions

small deposit of the overall contract value required to enter into a Trade. This can work for **you** and against **you**. A small price movement in **your** favour can result in a high return on the money placed on deposit; however, a small price movement against **you** may result in substantial losses, possibly more than the money placed on deposit. Prices can move quickly particularly at times of high market volatility and, if these price movements are unfavourable to **your Trade(s)**, **you** could quickly build up significant losses.

- 1.2 If **you** do not maintain enough funds in **your Account** to satisfy your **margin requirements**, **we** may close any or all of **your Open Positions**, sometimes without warning to **you**. If **we** do this, **your Open Positions** may be closed at a loss for which **you** will be liable.

## 2. CONTRACTS FOR DIFFERENCE

- 2.1 Futures and options contracts can also be referred to as contracts for difference. These can be options and futures on the FTSE 100 index or any other index, as well as currency and interest rate swaps. However, unlike other futures and options, these contracts can only be settled in cash. Investing in a contract for differences carries the same risks as investing in a future or an option and **you** should be aware that, for example, if **you** wish to close a contract for difference earlier than at the time at which it would otherwise automatically expire, **you** will have to close it at our quotation, which may reflect a premium or discount to the underlying market. When the underlying market is closed, **our** quotation can be influenced by the weight of other clients buying or selling. Bets entered into with **us** can only be closed with **us**. Transactions in contracts for differences may also have a contingent liability and **you** should be aware of the implications of this as set out in paragraph 4 below.

## 3. LIQUIDITY

- 3.1 A decrease in liquidity (i.e. the availability of buyers and sellers who are prepared to deal) may adversely impact the price at which **we** quote to **you** for **your Trade** and **our** ability to quote and trade in a market. If there is a significant reduction or a temporary or permanent cessation in liquidity, **we** may increase our price for **your Trade**, suspend trading or take any other action as **we** consider reasonable in the circumstances. This may mean that **you** are not able to enter into Trades or close **Open Positions**.

## 4. SUSPENSIONS OF TRADING

- 4.1 Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a stop-loss order will not necessarily limit **your** losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

## 5. INSOLVENCY

- 5.1 **Our** insolvency or default, or that of any other brokers involved with **your** transaction, may lead to positions being liquidated or closed out without **your** consent. In certain circumstances, **you** may not get back the actual assets which **you** lodged as collateral and **you** may have to accept any available payments in cash. On request, **we** must provide an explanation of the extent to which it will accept liability for any insolvency of, or default by, other firms involved with **your** transactions.

## 6. PAST PERFORMANCE

- 6.1 **You** should be aware that the price of the financial instruments that **you** are dealing with depends on fluctuations in the financial markets outside of **our** control and that past performance is no indicator of future performance.