



Stock Collateral Service

We are pleased to be able to offer you the option to use physical stock as collateral for your trading with us. You can now use the value of your investments to support your short-term trading without having to liquidate any long-term positions.

The service works by offsetting the value of the physical stock that we hold on your behalf against the deposit requirement of your account. You can use most UK SETS shares of which you are the sole owner as collateral (excluding shares in IG Group or any company of which you are a Director). In order to allow for the possibility of price movements, the value of the stock is discounted or 'haircut' when calculated for collateral purposes. Typically, the amount of this discount varies between 5% and 50% depending on the volatility and liquidity of the individual stock.

The total 'haircut' value of all stock held as collateral will appear on your current IG statements.

IG Markets is approved and authorised to do agency stockbroking by the FSA.

How do I register for the service?

To register for the collateral service, please sign and return the letter agreeing to abide by the terms and conditions contained in the Stockbroking Customer Agreement.

How do I move my stock to be held as collateral?

To use stock as collateral, you must transfer it to IG Nominees Ltd. There are two methods of doing this, depending on the form in which the stock is currently held:

1. For stock currently held in Crest with a Stockbroker: please arrange an electronic Crest transfer by informing your stockbroker you wish to make a 'Free of Payment transfer to HJKAV' and supplying them with the name (and ISIN if available) and quantity of the stock(s) you intend to transfer (with T+1 settlement). If possible, please also let us know the details of the stock you are transferring. We reserve the right to charge an administrative fee for this service.

2. For stock in certificate form: please complete and sign the enclosed Stock Transfer Form and send it to us alongside the actual share certificate. Please complete one form per certificate. The stock will be converted to electronic form to be held in IG Nominees. We reserve the right to charge an administrative fee for this service.

Can I trade stock held as collateral?

The service is not intended to provide a frequent trading facility for physical stock, although clients may trade stock held as collateral at our discretion provided that it is kept to a modest level of, say, once a month. This service is subject to commission.

Can I use anything else as collateral?

Yes, we will also accept gilts as collateral. Please call us for details.

Stockbroking Customer Agreement

1. Introduction

(1) IG Markets Limited, (company number 04008957), whose registered office is situated at Cannon Bridge House, 25 Dowgate Hill, London EC4R 2YA, UK, is regulated by the FSA for the conduct of investment business (our FSA registration number is 195355). All references in this Agreement to “we”, “our”, or “us” shall mean IG Markets Limited.

(2) This Agreement shall govern all transactions entered into between us which are identified as stockbroking transactions when entered into or in the contract note or confirmation or which relate to Investments of a kind listed in this Agreement or as otherwise notified by us to you from time to time. You should read the Agreement carefully, together with, if you are a Private Customer, the Risk Disclosure Notice and any other documents that we have supplied to you. Your attention is drawn, in particular, to those terms which are highlighted in italics and to Terms 9, 11, 25, 26 and 29, which deal with our rights on our default, encumbrances and power of sale over your Investments, force majeure, our rights in the event of a dispute between us and manifest error.

(3) Nothing in this Agreement shall exclude or restrict any duty or liability owed by us to you under the Financial Services and Markets Act 2000 or the FSA Rules and if there is any conflict between this Agreement and the FSA Rules, the FSA Rules shall prevail.

(4) This Agreement comes into effect on the date we notify you in writing. Each Transaction you enter into with us after such date will be subject to the terms of this Agreement.

(5) In this Agreement, certain words and expressions have the meanings set out in Term 32.

2. The services we will provide

(1) We will provide to you pursuant to this Agreement an execution-only dealing service in respect of those Investments as may from time to time be offered by us. You acknowledge and agree that the terms of this Agreement will not apply to any dealings you may have with us in contracts for differences or other products identified by us as “Margin Trades”, and that any such dealings in these products will be governed solely by the Margin Trading Customer Agreement. You further agree and acknowledge that the terms of this Agreement will not apply to any dealings you have with us in foreign exchange “Contracts”, and that any such dealings in these products will be governed solely by the Foreign Exchange Customer Agreement.

(2) Unless we otherwise agree, you will need to enter into a further agreement with us in respect of any other services that we agree to provide to you.

(3) We may also, in the case of Intermediate Customers, provide advisory services on a nonmanaged basis on the basis set out in Term 4 below.

3. Customer types

(1) We will deal with you either as a “Private Customer” or as an “Intermediate Customer”, as such terms are defined in the FSA rules. You will have been advised of your classification when you opened your first account with us.

(2) Unless we accept an instruction we are not obliged to carry out any stockbroking transactions for you.

(3) Any reference in this Agreement to our giving advice or recommending Transactions applies to only Intermediate Customers.

4. Execution-only arrangements and advisory service

(1) All dealings with you will be carried out by us on an execution-only basis except (if you are an Intermediate Customer) where we give you investment advice in accordance with Terms 4(2) to 4(6) below.

(2) Even if you are an Intermediate Customer to whom we sometimes give or have given advice, we will not advise you about the merits of a particular Transaction unless we reasonably believe that, when you give the order for that Transaction, or at any other relevant time, you are expecting and wish to receive advice from us in relation to it. You agree that, unless otherwise provided in this Agreement, we are under no obligation to satisfy ourselves as to the suitability of any Transaction for you or to monitor or advise you on the status of any of your Investments, notwithstanding that previously we may have given such advice or taken such action in relation to a Transaction or your Investments. If we advise you that we consider an investment decision to be unsuitable, but you still wish to proceed, then we will only accept the order on an execution-only basis.

(3) If you are an Intermediate Customer we may (but shall not be obliged to) provide advice or recommendations relating to certain Transactions or Investments or their suitability for you, or otherwise.

(4) Any advice we give you will be based on information which you provide to us or an Associated Company regarding your investment objectives and other relevant personal or financial circumstances at the time you open an account with us or an Associated Company. You are responsible for ensuring that any information we have concerning your investment objectives and other personal or financial circumstances is up to date and accurate and for informing us immediately in writing of any change in your circumstances or investment objectives.

(5) We will not be under any duty to, and will not, provide you with any legal, tax or other similar advice.

(6) *Notwithstanding Terms 4(3) to 4(5), you agree that in respect of execution-only dealing you rely on your own judgement in entering into any Transaction with us and that in respect of both execution-only and advisory dealing we shall not, in the absence of fraud, wilful default or gross negligence be liable for any losses (including, without limitation, indirect or consequential losses or loss of opportunity or profits arising from any failure by you to make any anticipated profits), costs, expenses or damages suffered by you arising from any inaccuracy or mistake in any information or advice, or unsuitability of any advice, given to you, including without limitation, information or advice relating to any of your Transactions with us. Subject to our right to void or close any Transaction in the specific circumstances set out in this Agreement, any Transactions made on your orders following such inaccuracy or mistake shall nonetheless remain valid and binding in all respects on both you and us.*

(7) *Without detracting from any other limitation of our liability contained elsewhere in this Agreement, the maximum amount of our liability in respect of any losses which you may suffer in connection with any advice given by us regarding a Transaction shall be limited to ten thousand pounds (£10,000) in respect of that Transaction. You acknowledge that we are not charging you any fee in respect of any advice we give to you over and above the IG Commission charged in respect of execution-only dealing, and accordingly you agree that it is reasonable for us to limit our liability as set out in this Term 4 and in this sub-paragraph in particular.*

5. Dealing procedures - generally

(1) Without prejudice to our right to rely and act on instructions from your agent under Term 6(4), we shall not be under any duty to execute any Transaction or accept and act in accordance with any instruction if we reasonably believe that to do so may not be practicable or would in our opinion infringe any law, rule, regulation or a Term of this Agreement or, in the case of instructions received from an agent, if we reasonably believe that such agent may be acting in excess of their authority. In the event that we have executed such a Transaction before coming to such an opinion or belief we may, at our absolute discretion, reverse such a Transaction at the then prevailing market price. Nothing in this Term 5(1) shall be construed as placing us under a duty to enquire about the authority of an agent who purports to represent you.

(2) Additional dealing procedures may be set out in such other documents as may be provided by us to you from time to time, none of which form part of this Agreement.

(3) In the event that a situation arises that is not covered under these Terms or such other documents as referred to in Term 5(2) above, we 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.

(4) Usually in performing services for you we will act as your agent. However, in respect of any Investments, we may enter into Transactions with you as a principal and not act on your behalf as agent. We will nevertheless continue to be subject to the FSA Rules, and the principles of conduct requiring us to act in the best interests of our customers. If we act as a principal, a statement to that effect will be included on the contract note.

6. Instructions and other communications

(1) An instruction to buy or sell an Investment must be given by you, or on your behalf orally either by telephone or in person, or in such other manner as we may specify from time to time. Written instructions to buy or sell an Investment, including instructions sent by fax or e-mail, will not be accepted. Any communication which is not an instruction to buy or sell an Investment must be given by you, or on your behalf orally, by telephone or in person, or in writing, by post, fax, e-mail or in such other manner as we may specify from time to time, and, if sent to us by post or by fax, must be sent to head office and if sent by e-mail must be sent to an e-mail address currently designated by us for that particular purpose. Any such communication will only be deemed to have been received by us upon actual receipt thereof.

(2) If we receive an instruction to buy or sell an Investment other than in accordance with Term 6(1), we shall only accept and act upon such instruction in our absolute discretion and shall not be responsible for any loss, damage or cost which you suffer or incur arising out of any error, delay or omission in acting upon such instruction.

(3) If at any time you are unable, for whatever reason, to communicate with us, we do not receive any communication from you, or you do not receive any communication sent by us under this Agreement we shall not:

(a) be responsible for any loss, damage or cost caused to you by any act, error, omission or delay resulting therefrom where such loss, damage or cost is a result of your inability to buy or sell an Investment; and

(b) except where your inability to instruct us or communicate with us results from our fraud, wilful default or gross negligence, be responsible for any other loss, damage or cost caused to you by any act, error, omission or delay resulting therefrom including, without limitation, where such loss, damage or cost is a result of your inability to buy or sell an Investment.

(4) You acknowledge and agree that any instruction and communication transmitted by you or on your behalf is made at your risk and you authorise us to rely and act on, and treat as fully authorised and binding upon you, any instruction (whether or not in writing) which we believe in good faith to have been given by you or on your behalf by any agent or intermediary whom we believe in good faith to have been duly authorised by you. You acknowledge that we will rely on your account number and/or password to identify you and agree that you will not disclose these details to any person not duly authorised by you.

(5) **You agree that we may record our telephone conversations with you. Such records will be our sole property and you accept that they shall constitute evidence of the instructions given.**

(6) We will confirm each Transaction in writing, by e-mail, post, or fax. Any such confirmation will be e-mailed, posted, or as the case may be, faxed to you or to your order on or before the Business day following the day upon which the Transaction is executed.

(a) You will, in the absence of a Manifest Error, be bound by and deemed to have acknowledged and agreed with the content of any confirmation unless you have notified us to the contrary both orally, as soon as possible, and in writing within two business days of the day on which you are deemed to have received the confirmation in accordance with Term 6(8) below. In the event that you think you have instructed that a Transaction be executed but we have not sent you a confirmation in respect of that Transaction, any query in relation to the purported Transaction will not be entertained unless: (i) you inform us within two business days of the day on which you ought to have received such confirmation that you

have not received it; and (ii) you can provide accurate details of the time and date of the purported Transaction.

(b) We will provide you with an annual statement of your account or upon request.

(7) **We may communicate with you by telephone, letter, fax, telex or e-mail and you consent to us telephoning you at any time whatsoever.**

(8) All correspondence, documents, written notices, confirmations and statements will be sent or transmitted to you or to your order at the address, fax number, telex number or e-mail address specified by you on account opening or to such other address or number as you may subsequently notify to us. Any correspondence, document, written notice, confirmation or statement will be deemed to have been properly given:

(a) if sent by post to the address last notified by you to us, on the next business day after being deposited in the post;

(b) if delivered to the address last notified by you to us, immediately on being deposited at such address;

(c) if sent by fax or telex, as soon as we have transmitted it to any of the fax or telex numbers last notified by you to us; and

(d) if set by electronic mail, one hour after we have transmitted them to any e-mail address last notified by you to us.

(9) It is your responsibility to ensure that we are notified of your current and correct address and contact details at all times. Any change to your address or contact details must be notified to us immediately in writing, unless we agree to another form of communication.

(10) Whilst e-mail is generally a reliable way to communicate, no electronic system is entirely reliable or always available. You acknowledge and accept that a failure or delay to receive any communication from us sent by e-mail, 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. We are not liable to you for any loss or damage, howsoever caused, arising directly or indirectly out of a failure or delay by you to receive an e-mail. Further, you understand and accept that e-mails we send to you are not encrypted and therefore are not secure.

7. Payments and set-off

(1) You may make any payment to us by debit card, direct debit, telegraphic transfer or cheque. If we accept any payment(s) in connection with this Agreement by credit card we reserve the right to levy an administrative charge.

(a) Cheques should be crossed and made payable to IG Markets Limited and your account number should be marked clearly on the reverse. Cheques must, unless otherwise agreed, be drawn upon a United Kingdom clearing bank. Where you pay by cheque we may decline to treat such payment as having been made for the purpose of Term 8(1) until we have received cleared funds in our bank account.

(b) We reserve the right to require payments of the minimum amount accepted by common usage by such banks for telegraphic transfers or more, or other currency equivalent, to be made by telegraphic transfer to our bank.

(2) Any payments due will, unless otherwise agreed or specified by us, be required in pounds.

(3) Money standing to the credit of your account will, subject to Terms 7(4) and 7(5) and our right to set such sums off against any sums due from you to us which are outstanding, be remitted to you if requested by you. Where you do not make such a request, we shall be under no obligation to, but may in our absolute discretion, remit such monies to you. All bank charges howsoever arising shall, unless otherwise agreed, be for your account.

(4) Without prejudice to our right to require immediate payment from you we shall at any time have the right to set off any such sums owed to us by you or debit balances in any of your accounts against any sums held by us for you or to your credit on any other account (including any joint account and any account held with an Associated Company of ours), whether a collateral or other account in which you may have an interest. If any sum owing to us or debit balance exceeds all amounts so held, you must forthwith pay such excess to us whether demanded or not. You also authorise us to set off sums held by us for or to your credit in a joint account against losses incurred by the joint account holder or debit balances in any of the joint account holder's other accounts with us or any Associated Company of ours. You also authorise us to set off any losses incurred in respect of, or any debit balances in, any account held by you with an Associated Company of ours against any credit on our account(s) (including a joint account) with us.

(5) We shall be under no obligation to pay any money to you if that would reduce your credit balance (less amounts owed to us in relation to that account) to less than the amounts owed to us. We will remit any money requested by you if you are entitled to it not later than the next business day or in such a manner as we may agree.

8. Default and default remedies

(1) Each of the following constitutes an "Event of Default":

- (a) your failure to make any payment to us or to any Associated Company of ours as and when it becomes due;
 - (b) your failure to perform any obligation due to us;
 - (c) **where the total amount owed by you in respect of any Transaction or combination of Transactions results in you exceeding any credit or other limit placed upon your dealings;**
 - (d) if you are an individual, your death;
 - (e) the initiation by a third party of proceedings for your bankruptcy (if you are an individual) or for 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;
 - (f) where any representation or warranty made by you in Term 22 is or becomes untrue;
 - (g) you are or become unable to pay your debts as and when they fall due; and
 - (h) any other circumstance where we reasonably believe that it is necessary or desirable to take any action set out in Term 8(2) in order to protect ourselves or any or all our other clients.
- (2) If an Event of Default occurs in relation to us or in relation to any account(s) held by you with an Associated Company of ours, we may in our absolute discretion at any time and without prior notice:
- (a) exercise rights of set-off under Term 7(4);
 - (b) exercise our rights under Term 10;
 - (c) charge you interest on any money due, from close of business on the date when monies first fell due until the date of actual payment at a rate not exceeding 4% above the base rate from time to time;
 - (d) if you have failed to make payment when due, inform your partner, employer, any professional, regulatory or other organisation with which you are associated or any person whom we believe to have an interest in knowing such facts of the amount of such overdue sum, the circumstances thereof and the fact that you have failed to make payment thereof; and
 - (e) close any or all of your accounts held with us and refuse to accept further dealing instructions from you.
- (3) If we take any action under term 8(2), unless in our absolute discretion we consider it necessary or desirable to do so without prior notice by you, we shall where reasonably possible take steps to advise you before exercising such rights. However, any failure on our part to take such steps shall not invalidate the action taken by us under Term 8(2).

9. Settlement

- (1) Before you buy Investments there must be sufficient cleared funds in your account.
- (2) When you buy Investments you must make sure that there is enough money in your account before you give the instruction to buy, to cover any payments when they are due. Our obligation to deliver the Investments to you or to your account is conditional on prior receipt by us of cleared funds from you.
- (3) **If there is not sufficient money in your account to pay for the Investments we may purchase them without notice and at our complete discretion. In these circumstances we will charge the cost of the purchase to you and will add interest to any amount owing to us at 4% over the base rate from time to time of Barclays Bank PLC.**
- (4) We will hold you responsible for any legal or other fees that become liable as a result of any failure by you to settle your account. We may also set-off against any sum due to you any sums that you may owe to us in the event that you fail to settle your account.
- (5) You must send us any dividends or other benefits which you receive that you are not entitled to. We may take these amounts from your account or claim them from you. We will send them to the person who is entitled to them.
- (6) Where Investments are lodged with us, you will be unable to deal in those Investments until they are registered in the name of IG Nominees Limited ("IGNL") and lodged with CREST or such other relevant settlement system.
- (7) Instructions to deal in more than one Investment will be transacted separately, and all charges, including commission, will be allocated individually to each transaction.

(8) Sales and purchases of Investments will be treated as separate Transactions for settlement purposes.

(9) We will pay any amount we owe to you into your account unless we agree other arrangements with you.

(10) We are entitled not to pay you until a previous payment due to us from you has cleared.

10. Encumbrances and power of sale over your Investments

- (1) All Investments held in nominee(s) and/or safe custody will remain free of any lien, claim, pledge, charge, and legal or equitable encumbrance created by you in favour of any third party.
- (2) We will hold a specific lien on all such Investments and cash held by IGNL as custodian or by us or an Associated Company of ours as security against your default to us for your obligations in respect of any charges relating to the performance of this Agreement. We will hold a general lien on all such Investments and cash held by IGNL as custodian or by us as security against your default to us in any of your obligations arising from any business you undertake with us.
- (3) We reserve the right to sell or realise any Investments which IGNL is holding (or entitled to receive) on your behalf in order to meet any liabilities which you may have incurred to us however arising. This right to sell any such investments will arise immediately upon your failure to make any payment to us as and when it becomes due or upon the occurrence of any other Event of Default and in such event we are entitled without further notice to sell or dispose of all or any such Investments (being either the Investments in respect of which the default arises or any other Investments for the time being held by us or IGNL, or which we or IGNL are entitled to receive on your behalf) as we may think fit.
- (4) Subject to due compliance with FSA Rules in connection with such sale, we shall not be liable to you in any respect of any loss arising nor in any respect of any choice made by us in selecting the Investments sold. For the avoidance of doubt we shall not be liable for any potential loss of profits on the sale of such Investments. The proceeds of sale (net of costs) will be applied in or towards the discharge of your liabilities and we will account to you for any balance. In the event that such proceeds of sale are insufficient to cover the whole of your liabilities, you remain liable for the balance.
- (5) We shall not be responsible for advising you about the investment merits of any Transaction effected by us pursuant to this Term, which shall be treated as an 'execution-only' order.
- (6) At any time after the termination of this Agreement, or after we have determined in our sole discretion, that you have not performed (or after we have reasonably determined that you may not be able or willing in the future to perform) any of your obligations to us, we may, without notice:
- (a) treat any Transaction in Investments that is then outstanding as having been cancelled or terminated;
 - (b) sell any of your Investments to realise sufficient funds to cover any outstanding amount; and/or
 - (c) close out, replace or reverse any such Transactions, enter into any other Transaction or take, or refrain from taking, any other action at such times and in such manner as we consider necessary or appropriate to cover, reduce or eliminate any loss or liability in respect of any contracts, positions or commitments.

11. Charges

- (1) Our charges will be in accordance with the published tariff in force at the time the charges are incurred.
- (2) Charges may change from time to time, but we will notify you of any such changes on or before the time they occur. You must also pay any applicable value added tax, duties or any charges levied by the relevant exchange or other investment bodies.
- (3) Any additional charges due to us (or to agents used by us) may be deducted from any funds held by us on your behalf or, at our discretion, shall be paid by you as stated in the relevant contract note or advice.
- (4) We may keep part of any commission paid as a result of Transactions we carry out for you through an associate or third party. We will not supply you with details of any commissions we have kept unless you specifically request them.

12. Client money

- (1) Unless otherwise agreed in writing, we will hold your money as trustee in a segregated margined transaction account at an approved bank or banks chosen by us in accordance with the FSA Client Money Rules and subject to and in accordance with this Agreement.
- (2) **It is not our policy to pay interest to you on any of your money that we hold and by signing this Agreement you acknowledge that you are waiving any entitlement to interest on such money under the FSA Client Money Rules.**

13. Registration and custody of Investments

(1) Unless we receive alternative instructions from you, all Investments purchased by you through us or transferred by you to us will be held on your behalf and registered in the name of IG Nominees Limited or another eligible custodian in accordance with the rules of the FSA. You will at all times remain the beneficial owner.

(2) In the event of a default by an eligible custodian used by us, we will be liable to the extent of your identified Investments at the marked-to-market closing price of the Investments at the time of default.

(3) Investments registered or recorded in the name of a nominee on your behalf may be commingled with Investments held on behalf of one or more other customers. Accordingly, your Investments or individual entitlements may not be identifiable by separate certificates, other physical documents of title, entries on the register, or equivalent electronic record in dematerialised Investments. In the event of a default by the eligible custodian for the commingled Investments, giving rise to a shortfall that cannot be reconciled, we will be liable for that shortfall. However, in the event that the default by the eligible custodian coincides with a default by us, you may not receive your full entitlement and you agree to share any shortfall pro-rata with those other customers whose Investments are co-mingled with yours.

(4) In the event that entitlements to rights and bonuses etc. are provided by the issuer(s) of Investment(s) in an inequitable manner favouring larger or smaller holders, you agree to share the entitlement(s) pro-rata and may be disadvantaged as a result. Where the calculation used to arrive at a pro-rata value of each commingled customer's entitlement to a right or bonus does not result in a whole unit of the right or bonus, we will take such action as we reasonably consider necessary to afford equity to all customers concerned.

14. Dividends, rights issues, takeovers etc

(1) We will be responsible for claiming and receiving dividends, interest payments and other rights accruing to you in respect of your Investments. We will not:

- (a) send you company reports & accounts, and other material issued by companies to shareholders;
- (b) facilitate your attendance at Annual or Extraordinary General Meetings, or exercise voting rights;
- (c) make any notification under Part VI, Companies Act 1985 (Declaring Notifiable Interests) except responding to Section 212 Notices under the Companies Act 1985; or
- (d) facilitate shareholders' concessions.

(2) You acknowledge that, in entering into this Agreement, you give us the power to make all decisions in dealing with takeovers or other offers or capital reorganisations (including voting, conversion and subscription rights) in respect of your Investments ("Corporate Actions"). We will act reasonably in exercising our judgement to act as we think fit in what we reasonably consider to be your best interests. We will not be liable to you for any losses that you may suffer arising from the exercise by us of rights on your behalf.

(3) If you do not wish for us to exercise the power granted by Term 14(2) above, you acknowledge that you must contact us to give us express instructions in relation to a Corporate Action. We will then use our reasonable efforts to carry out your instructions and you acknowledge we will carry out such instructions on an 'execution-only' basis.

(4) Where a Corporate Action results in your entitlement to part of a share, this cannot be allocated to your portfolio. Instead, the part share entitlement will be satisfied by a payment to you of its equivalent value in cash, subject to a minimum of £5.

15. Conflicts of interest

(1) Your attention is drawn to the fact that when we carry out a Transaction for you or (in the case of Intermediate Customers only) give you investment advice, we, or some other person connected with us, may have an interest, relationship or arrangement that is material in relation to the Transaction, Investment or service concerned. When we recommend a Transaction to you or enter into a Transaction for you, we or one of our Associated Companies could be:

- (a) dealing as principal for our/its own account by selling the Investment concerned to you or buying it from you;
- (b) matching your Transaction with that of another customer by acting on his behalf as well as yours;
- (c) buying or selling units in a collective investment scheme where we are the trustee, operator (or an adviser of the trustee or operator) of, or broker to, the scheme; or
- (d) buying Investments where we are or an associate of ours is involved in a new issue, rights issue, take-over or similar transaction concerning the Investment.

However, our employees are required to comply with a policy of independence and disregard any such interest when making recommendations to you.

16. Aggregating orders

We may combine your order and orders of other customers. By combining your orders with those of other customers we must reasonably believe that we will obtain a more favourable price than if your order had been executed separately. However, on occasions aggregation may result in you obtaining a less favourable price.

17. Non-readily realisable Investments

We may enter into Transactions on your behalf in non-readily realisable Investments. These are Investments in which the market is limited or could become so. Investments of this kind can be difficult to deal in and it can be difficult to assess what would be a proper market price for them.

18. Off-exchange transactions

Unless you inform us to the contrary, in writing, we may deal for you in circumstances in which the relevant Transaction is not regulated by the rules of any investment exchange.

19. Stabilisation

Unless you instruct us to the contrary, we may deal for you in Investments that may be or may have been the subject of stabilisation, a price-supporting process that may take place in the context of new issues. You acknowledge that the effect of stabilisation can be to make the market price of the new issue temporarily higher than it would otherwise be. The market price of Investments of the same class already in issue, and of other Investments whose price affects the price of the new issue, may also be affected. This process is undertaken in order to ensure that the issue of Investments is introduced to the market in an orderly fashion, and that the issue price and/or the price of associated Investments is not artificially depressed because of the increase in supply caused by the new issue. You acknowledge that the fact that there have been dealings in an Investment in which respect of which stabilisation may be taking place does not necessarily mean that investors are interested in buying that Investment or in buying it at the level at which those dealings have taken place. Stabilisation may only take place for a limited period, and there are limits on the price at which shares, warrants and depository receipts may be stabilised (although there are no limits in respect of loan stock and bonds).

20. Restrictions on types of Investment on which we will offer advice

(1) If you are an Intermediate Customer to whom we provide investment advice and you do not inform us of any Investments or types of Investment which you do not wish us to recommend to you (or deal in for you), we may recommend to you any Investment which falls within any of the categories of Investment that we provide.

(2) However, under the rules of the FSA, we may only recommend to you Investments which we have reasonable grounds for believing are suitable for you unless you are an Intermediate Customer and have waived any requirement of suitability.

21. Indemnity and liability

(1) Subject always to Term 1(3), you will indemnify us, and keep us indemnified, on demand in respect of all fines, penalties, liabilities, losses, costs or other similar charges of any kind or nature whatsoever which may be suffered or incurred by us as a direct or indirect result of any failure by you (including, without limitation, any liability to taxation) to perform any of your obligations under this Agreement or in relation to any Transaction.

(2) We shall have no liability to you for any consequential or indirect loss, or loss of profits or opportunity, unless as a direct result of our wilful default, fraud or gross negligence.

22. Representations and warranties

(1) You represent and warrant to us, and agree that each such representation and warranty is deemed repeated each time you instruct us to execute a Transaction by reference to the circumstances prevailing at such time, that:

- (a) the information provided to us when you open your account and at any time thereafter is true and accurate in all respects;
- (b) you have full legal title to the Investments or cash held under this Agreement and that they are and shall remain free from any charges, liens and encumbrances other than those that may be created under the terms of this Agreement;
- (c) you are duly authorised to execute and deliver this Agreement, to enter into each Transaction and to perform your obligations and have taken all necessary action to authorise such execution, delivery and performance;
- (d) you will enter into this Agreement and each Transaction as principal;

(e) any person representing you in giving instructions to execute a Transaction will have been, and (if you are a company) the person signing this Agreement on your behalf is, duly authorised to do so on your behalf;

(f) you have obtained all governmental or other authorisations and consents required in connection with this Agreement and in connection with executing any Transaction and such authorisations are in full force and effect and all their conditions have been and will be complied with; and

(g) execution, delivery and performance of this Agreement and each Transaction will not violate any law, ordinance, charter, by-law or rule applicable to you, the jurisdiction in which you are resident or any agreement by which you are bound or by which any of your assets are affected;

(h) other than in exceptional circumstances, you will not send funds to your account(s) with us from, or request that funds be sent from your account(s) to, a bank account other than that identified to us previously or as otherwise agreed by us. Whether exceptional circumstances exist shall be determined by us from time to time; and

(i) you will not instruct us to execute any Transaction on your behalf that contravenes any primary or secondary legislation or other law against insider dealing. For the purposes of this clause you agree that we may proceed on the basis that when we execute a Transaction for you, you may be treated as dealing in securities within the meaning of Part V of the Criminal Justice Act 1993.

(2) No person other than a director of IG Markets Limited is authorised to make any representation on our behalf with regard to this Agreement or its effect.

(3) We give no warranty regarding the performance of our website, our internet dealing or other software or their suitability for any equipment used by you for any particular purpose. You agree and acknowledge that we will not be liable for any loss or damage, howsoever caused, arising directly or indirectly out of a failure of our website, internet dealing or other software, whether due to mechanical, software, computer, telecommunications or other electronic systems failure.

23. Credit

Details of any credit arrangements that may be available to you are or will be set out in, and shall be subject to such terms, conditions and limits as may be agreed in, separate correspondence.

24. Force Majeure Events

(1) We may, in our reasonable opinion, determine that an emergency or an exceptional market condition exists (a "Force Majeure Event"), in which case we will, in due course, inform the FSA and take reasonable steps to inform you. A Force Majeure Event shall include, but is not limited to, the following:

(a) any act, event or occurrence (including, without limitation, any strike, riot or civil commotion, interruption of power supply, electronic, communication, equipment or supplier failure) which, in our opinion, prevents us from dealing in one or more of the Investments in respect of which we ordinarily accept dealing instructions;

(b) the suspension or closure of any market upon which any Investment is traded, or the imposition of limits or special or unusual terms on the trading in any such market; or

(c) the occurrence of an excessive movement in the level of any of the Investments in respect of which we ordinarily accept dealing instructions and/or any corresponding market or our anticipation (acting reasonably) of the occurrence of such a movement.

(2) If we determine that a Force Majeure Event exists we may in our absolute discretion without or modify the application of any or all the Terms of this Agreement to the extent that the Force Majeure Event makes it impossible or impractical for us to comply with the Term or Terms in question.

25. Queries and complaints

(1) If you have a complaint against us, you must advise us of the complaint immediately. We shall investigate the complaint promptly and fully. A copy of our internal complaints handling procedure may normally be found on our website(s) and is available on request. If you are dissatisfied with the result of our investigation or with any action taken by us as a result thereof, you may (if you are a Private Customer) refer the complaint to the Financial Ombudsman Service for further investigation.

(2) In the event of a dispute arising between us under or in connection with this Agreement, you should refer the dispute to our Customer Services Department and, if they are unable to resolve it to your satisfaction, to our Compliance Department. If the Compliance Department is unable to resolve the matter you may (if you are a Private Customer) refer the dispute to the Financial Ombudsman Service. Submission of your complaint to the Ombudsman shall not abrogate your duty to mitigate your losses.

(3) If you are a Private Customer, in the event that we are unable to meet a claim by you, you may be eligible for compensation under the Financial Services Compensation Scheme. The maximum that can be claimed under the Financial Services Compensation Scheme, as of the date of this Agreement, is £48,000.

26. Miscellaneous

(1) We reserve the right to close or suspend your account at any time.

(2) Our rights and remedies under this Agreement shall be cumulative, and our exercise or waiver of any right or remedy shall not preclude or inhibit the exercise of any additional right or remedy. Our failure to enforce or exercise any right under this Agreement shall not amount to a waiver or bar to enforcement of that right.

(3) We may assign the benefit and burden of this Agreement to a third party, in whole or in part, provided that any assignee agrees to abide by the terms of this Agreement and subject to the approval of the FSA. Such assignment will come into effect 10 business days following the day you are deemed to have received notice of the assignment in accordance with Term 6(8).

(4) You acknowledge and agree that the copyrights, trade marks, database and other property or rights in any information distributed to or received by you from us (including, but not limited to, our prices), together with the contents of our websites, brochures and other material connected with our collateral service and in any database that contains or constitutes such information, shall remain the sole and exclusive property of IG Markets Limited or any third party identified as being the owner of such rights.

(5) You agree that you shall not permit or facilitate, and shall take steps to prevent, any sale, dissemination, re-distribution or re-publication of the information referred to in Term 26(4) to any third party.

(6) If any Term of this Agreement (or any part of any Term) shall be held by a court of competent jurisdiction to be unenforceable for any reason then such Term shall, to that extent, be deemed severable and not form part of this Agreement, but the enforceability of the remainder of this Agreement shall not be affected.

27. Amendments and termination

(1) We may amend this Agreement and any arrangements made hereunder at any time by written notice to you. Such amendments will come into effect 10 business days after you are deemed to have received such notice in accordance with Term 6(8) (unless it is impractical in the circumstances to do so) and will not apply to Transactions executed prior to such date.

(2) This Agreement and any arrangements hereunder may be suspended or terminated by either party upon giving the other party written notice of suspension or termination which shall take effect immediately, unless otherwise specified in the notice. Any such suspension or termination will not affect any obligation which may already have been incurred by either party in respect of any Transactions or any legal rights or obligations which may already have arisen under the Agreement or any dealings made thereunder.

28. Manifest Error

(1) We reserve the right to treat as void from the outset (and as never having been accepted) or to amend the terms of any Transaction, instruction or our acceptance of it, which contains or is based upon a manifest error. A "Manifest Error" is any error that we believe to be obvious or palpable. In deciding whether an error is a Manifest Error we may take into account any relevant information including the state of the Market at the time of the error. In making such a decision we will act in our sole discretion, reasonably and in good faith. Any financial commitment that you have entered into or refrained from entering into in reliance on any agreement by us to execute a Transaction on your behalf will not be taken into account in deciding whether or not there has been a Manifest Error.

(2) In the absence of wilful default or fraud we shall not be liable to you for any loss, cost, claim, demand or expense following a Manifest Error. In the event that a Manifest Error is made by any information source, commentator or official upon whom we reasonably rely we shall not, in the absence of wilful default or fraud, be liable to you for any loss, cost, claim, demand or expense. Following any Manifest Error we may decide to cancel any Transaction we have agreed to execute on your behalf or, at your request, we may agree to amend the terms of the Transaction to what we believe would have been fair and reasonable at the time we accepted your instruction.

29. Privacy

(1) You acknowledge that by opening an account with us and entering into Transactions you will be providing us with personal information within the meaning of the Data Protection Act 1998. You consent to us processing all such information for the purposes of performing the contract and administering the relationship between us. You consent to our disclosing such information to Associated Companies, to the FSA and other regulatory authorities upon their reasonable request, and to introducing brokers with whom we have a mutual relationship, any of whom may be either within or outside the European Economic Area.

(2) You authorise us to carry out such credit and identity checks as we may deem necessary or desirable, including requesting a reference from your bank from time to time and you agree to assist us, where necessary, in obtaining such a reference. You agree that we shall be permitted, if so required, to furnish relevant information concerning you or your account to any person that we accept as seeking a reference or credit reference in good faith.

30. Governing law

This Agreement and each Transaction executed for you is in all respects governed by English law and the courts of England and Wales will have jurisdiction to settle any disputes which may arise in relation thereto. For such purposes you irrevocably submit to the exclusive jurisdiction of the courts of England and Wales in relation to any such dispute. Nothing in this Term 30 shall prevent us from bringing proceedings against you in any other jurisdiction.

31. Custodian

(1) We have an arrangement with a Custodian to provide settlement and associated services. The Custodian will deal with us as principal. Your attention is drawn to the following points regarding the use of a Custodian:

- (a) the Custodian will deal with your Investments as a clearing broker pursuant to a clearing agreement with us and until receipt from you as the customer of written instructions to the contrary, the Custodian may accept instructions from us, without enquiry or investigation in respect of orders or settlement of orders already executed by us for the purchase or sale of Investments, or any other instructions concerning your account;
- (b) it is agreed that notices to you concerning matters related to your account will go through us;
- (c) you understand that we are not acting as agent of the Custodian and the Custodian shall not be responsible or liable for any acts or omissions of us or our employees;
- (d) you agree that you will in no way hold the Custodian and their officers, directors and agents liable for any trading losses incurred by you; and
- (e) we will be responsible to you for the Custodian's adherence to the rules and regulations of the FSA which apply to it regarding its own operations, and for the supervision of the account and our personnel. We are also responsible for approving the opening of accounts and obtaining customer account documents, the acceptance and execution of orders, the assessment of the suitability of those Transactions, the rendering of investment advice to our Intermediate Customers and, in general, for the ongoing relationship we have with our customers. Enquiries regarding your account should be directed to us.

32. Interpretation

In this Agreement:

(1)

"account" means an account with us or an Associated Company for the purposes of placing Margin Trades or spread bets, governed by our Customer Margin Trading Agreement and our Spread Betting Customer Agreement respectively;

"Associated Company" means any holding company or subsidiary company (as defined in the Companies Act 1985) from time to time of IG Markets Limited and/or any subsidiary company of such holding company;

"business day" means any day other than a Saturday, Sunday, and a UK public holiday;

"Contracts" means any foreign exchange transaction, the dealing in which is not governed by the terms of this Agreement and shall have the further meaning attributed to it in the Foreign Exchange Customer Agreement;

"Corporate Actions" has the meaning attributed to it in Term 14(2);

"Credit Account" means any account which you open with us pursuant to which we grant you a credit limit;

"Custodian" means Hargreave Hale Limited or any other third party custodian that we appoint from time to time and inform you of;

"Event of Default" has the meaning attributed to it in Term 8(1);

"Force Majeure Event" has the meaning attributed to it in Term 24(1);

"FSA" means The Financial Services Authority or any organisation that shall replace the FSA or take over the conduct of its affairs;

"FSA Rules" means the rules of the FSA as from time to time varied, amended or substituted by the FSA;

"Investment" means a financial instrument which you are able to buy or sell through the dealing services governed by this Agreement which may, subject to the rules of FSA, include shares, bonds, debentures, other fixed interest instruments, warrants, collective investment schemes such as unit trusts and any other instrument that we might decide to make available from time to time;

"Margin Trade" means any contract for differences, the dealing in which is not governed by the terms of this Agreement and shall have the attributed to it in the Margin Trading Customer Agreement;

"Market" means the exchange on which an Investment is traded or trading in that Investment as the context requires;

"pounds" and "£" denote lawful currency of the United Kingdom at the date of issue of these terms, known as "sterling";

"Transaction" means a transaction effected as a result of a dealing instruction which you have given or are deemed to have given to us buy or sell Investments;

(2) A reference to:

- (a) Term is a reference to a term of this Agreement; and
- (b) any Act of Parliament is a reference to such Act as from time to time amended, consolidated or re-enacted (with or without modification) and includes all instrument or orders made under such enactment.

IG Markets Ltd
May 2006