



**IMPEO**

Effective from: 1st Nov 2007

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# Spread Betting Terms

Impeo Markets

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# 1. Introduction

**1.1** The Terms of the contract between us in relation to your spread betting Account consist of: -

- the General Terms;
- these Spread Betting Terms;
- the Market Information Sheets relating to spread betting;
- the Margining Terms.

# 2. Definitions

**2.1** The definitions in the General Terms apply to these Spread Betting Terms. Please refer to clause 35 of the General Terms.

# 3. Roll Overs

**3.1** Before the expiry date of a spread bet you may ask us to roll over that spread bet. You have to make this request a certain time before expiry – please refer to the Market Information Sheets or Support Services for the times by which you have to make this request; these times may vary depending on the Market concerned. We are not obliged to agree to roll over the spread bet.

**3.2** If you are permitted to roll over a spread bet: -

- the original spread bet is closed at Our Price and becomes due for settlement;
- a new spread bet is immediately opened (in the relevant Market) at the Our Price offered for the new spread bet;
- any Orders that are attached to the spread bet concerned (i.e. any Guaranteed Stop Loss Orders, Stop Loss Orders, Attached Limits, Trailing Stop Loss Orders and One Cancels the Other) are automatically cancelled and cease to have effect. However, this does not apply to GTC orders attached to rolling bets; see clause 4.

# 4. Rolling spread bets

**4.1** On some Markets we may offer rolling spread bets. Please refer to the Market Information Sheets, the ITP and the Website for details of the Markets on which we offer rolling spread bets.

**4.2** Rolling spread bets operate as follows: -

- each rolling spread bet is automatically closed at the end of each of our trading days for the relevant Market;
- when each rolling spread bet is closed it becomes

due for settlement at Our Price for closure of a rolling spread bet;

- subject to clause 4.3, after a rolling spread bet has been automatically closed a new rolling spread bet is opened at the same time and at the same Our Price (i.e. the same Our Price as the closure Our Price referred to above);
- any Orders that attach to the rolling spread bet cease to have effect when it is automatically closed, but if the attached Order was GTC then that Order attaches to the new spread bet automatically opened as referred to above.

**4.3** We can refuse to open a new rolling spread bet if for any reason we are entitled under the Terms to refuse to open a spread bet for you; see for example clauses 14.5 and 14.6 of the General Terms (e.g. if any amount you owe us is unpaid, including Margin and Margin Requirement). If we refuse to open a new rolling spread bet for you, the rolling spread bet (that had been placed) will still be closed (i.e. as per the 1st bullet point of clause 4.2).

**4.4** A daily financing charge applies to rolling spread bets. Please note: -

- The financing charge will either be paid by you to us or by us to you, depending on the type of rolling spread bet concerned and whether you hold a Long Position or a Short Position.
- The method of calculation of the financing charge varies depending on the type of rolling spread bet concerned.
- The amount of financing charge will vary as it is calculated by reference to current interest rates (such as LIBOR).

**4.5** You need to refer to the following sources to ascertain whether you pay or receive the financing charge and the method of calculation: -

- the Market Information Sheets;
- the Website;
- Support Services.

**4.6** The financing charge will be credited or debited (as appropriate) to your Account on our next trading day after the day to which it relates.

**4.7** We reserve the right to vary the method of calculating the financing charge, financing rates and/or the types or rolling spread bets to which it relates by not less than 14 days written notice to you.

**4.8** It is your responsibility to make sure you access the sources referred to in clause 4.5, so that you know whether you pay or receive the financing charge and how it is calculated.

**4.9** A dividend adjustment may apply to rolling spread bets. A dividend adjustment is credited to rolling Long Positions and debited from rolling Short Positions if the dividend relates directly or indirectly to your rolling spread bets and your rolling spread bet is open at the close of our business on our last trading day before the ex-dividend date. Payment is credited or debited to your Account over the ex-dividend date. See Market Information Sheets for further details. We may (acting reasonably) terminate or vary the dividend adjustment depending on changes in the law, the Regulatory System and/or rates of tax.

## 5. How to Calculate a Profit or Loss on a spread bet

**5.1** On closure of a spread bet a profit or a loss will have arisen, as follows: -

- you will have made a profit if the Our Price at which you sold (whether opening or closing the spread bet) exceeded the Our Price at which you bought (whether opening or closing the spread bet);
- you will have made a loss if the Our Price at which you sold (whether opening or closing the spread bet) was less than the Our Price at which you bought (whether opening or closing the spread bet).

**5.2** To calculate your profit or loss, you multiply the stake on closing by the difference between the closing Our Price and the opening Our Price of the bet concerned.

**5.3** Profits on closed spread bets will be credited to your Cash Balance.

**5.4** Losses on closed spread bets will be debited from your Cash Balance.

**5.5** Unrealised Marked to Market profits (i.e. profits on Open Positions) will not be credited to your Account. Likewise unrealised Marked to Market losses (i.e. losses on Open Positions) will not be debited to your Account. Those unrealised profits and losses will be calculated as above, replacing the closing Our Price with the Marked to Market Our Price; we call the total of your unrealised profits and losses (Marked to Market) "Open Position P&L". Please note that Open Position P&L is taken into account in the calculation of Trading Resource. This means that Open Position P&L is taken into account to calculate Margin, to determine whether or not you can place a spread bet and to determine maximum stake size of a spread bet.

## 6. Credit Allocation

**6.1** A Standard Account may have a Credit Allocation. However, a Credit Allocation is only granted in our absolute discretion.

**6.2** If a Credit Allocation is to be granted it will be set by us when we open your Account and we can set it at nil. We will notify you in writing of the level of your Credit Allocation unless it is nil. We have the right to vary your Credit Allocation; see clauses 20.5 and 21.4 of the General Terms.

**6.3** A Credit Allocation: -

- is not a credit facility;
- does not mean you do not have to pay for your losses and it will not restrict your losses;
- is used in the calculation of Margin and Trading Resource.

## 7. Waived Margin

**7.1** A Standard Account may have Waived Margin. Waived Margin is granted in our absolute discretion.

**7.2** Waived Margin is taken into account in the calculation of Trading Resource.

**7.3** If Waived Margin is to be granted, it will be set by us when we open your Account and we can set it at nil. We will notify you in writing of the level of your Waived Margin unless it is nil. We have the right to vary your Waived Margin; see clauses 20.5 and 21.4 of the General Terms.

## 8. Law and Jurisdiction

**8.1** The Terms, (including all Margined Trades and Orders) and our relations prior to the establishment of any contract between us shall be governed by and construed in accordance with the laws of England and Wales.

**8.2** The Courts of the United Kingdom will have exclusive jurisdiction over any claim or matter arising under or in connection with the Terms and the legal relationships established by the Terms. Nothing in this clause shall limit our right to take proceedings against the Client in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

## 9. Regulation

**9.1** We are entered on the FSA's register under number 113942. Our registered office is 3rd Floor, Moorgate Hall, 155 Moorgate, London, EC2M 6XB (telephone 020 7550 8500). Our main business is the provision of spread betting, CFD trading and related services and products.

**9.2** We are authorised and regulated by the Financial Services Authority.

## Contact us

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For the purposes of Margined Trading, Impeo AB has introduced you to Impeo Markets, which is a trading name of City Index Limited (No: 1761813) ("CI"), Moorgate Hall, 155 Moorgate, London, EC2M 6XB. For the purposes of Margined Trading the contract is between you and CI and your Account is with CI. CI are authorised and regulated by the Financial Services Authority and are entered on the Financial Services Authority's register under number 113942. In this contract CI are referred to as Impeo Markets.