



## FOREIGN EXCHANGE MODULE

### 1. SCOPE

- 1.1 **Transactions:** The clauses in this Module apply to transactions which constitute [spot foreign exchange contracts or foreign exchange futures, forwards, options or contracts for differences, including without limitation non-derivable forwards and non-derivable options (a "Transaction"). In this Module, "Transaction" means such a transaction whether or not falling within sub-clauses (i)-(iv) of the definition of Transaction in the Interpretation Module.
- 1.2 **Netting:** Any Transaction to which this Module applies shall, subject as follows, be deemed included in the definition of "Netting Transaction" for the purposes of this Agreement and subject to termination and liquidation under the clause headed "Netting" (the "Netting Clause") following an Event of Default. The Netting Clause shall not apply to any Transaction to the extent that action which conflicts with or overrides the provisions of the Netting Clause has been started in relation to that Transaction by a Market or clearing organisation under Applicable Regulations and is continuing.

### 2. PRICING

- 2.1 **Price quotation:** We act as market maker in relation to Transactions. We will quote prices at which we are prepared to deal with you. Save where:

- (a) we exercise any of our rights to close out a Transaction; or
- (b) a Transaction closes automatically,

it is your responsibility to decide whether or not you wish to deal at the price quoted by us. Our prices are determined by us at our absolute discretion

- 2.2 **Availability of prices:** Each price shall be effective and may be used in a dealing instruction prior to the earlier of its expiration time and the time, if any, at which it is otherwise withdrawn by us. A price may not be used in a dealing instruction after such time. Each price shall be available for use in a dealing instruction for a transaction with a principal amount not to exceed a maximum determined by us. You acknowledge that these prices and maximum amounts may differ from prices and maximum amounts provided to other customers of ours and may be withdrawn or changed without notice. We may in our sole discretion and without prior notice to you immediately cease the provision of prices in some or all currency pairs and for some or all value dates at any time.

2.3 **Market movement:** When we quote a price, market conditions may move between our sending of the quote and the time your order is executed. Such movement may be in your favour or against it. Prices that may be quoted and/or traded upon, from time to time, by other market makers or third parties shall not apply to trades between us and you.

### 3. CURRENCY FLUCTUATIONS

3.1 **Currency conversion in respect of margin:** If you enter in any Transaction we are authorised to convert funds in your account into and from such foreign currency at a rate of exchange determined by us on the basis of the then prevailing market rates. In such circumstances, we will not be liable to you for any loss suffered by you as a result of such action (although, we will limit the funds converted to the amount prudently required to cover the position in respect of the relevant Transaction).

3.2 **Indemnity for loss in respect of currency conversion:** This clause is without prejudice to the Indemnity clause in the Indemnities and Limitation of Liability Exclusions, Limitations and Indemnity Module. If we receive or recover any amount in respect of any of your obligations in a currency other than that in which such amount was payable, whether pursuant to a judgment of any court or otherwise, you will indemnify us and hold us harmless from and against any cost (including costs of conversion) and loss suffered by us as a result of receiving such amount in a currency other than the currency in which it was due.

### 4. PHYSICALLY SETTLED TRANSACTIONS

4.1 **Currency ledgers:** Your account may comprise a number of currency ledgers. When you enter into one or more Transactions in a currency other than the Base Currency, we shall create a currency ledger. Such ledgers are for memorandum purposes only and *may* not constitute deposits placed with us or obligations owed by you to us.

4.2 **Insufficient currency:** We will settle trades in the relevant currency where the account comprises such currency ledger. However, where the currency balance on the relevant currency ledger is insufficient, we may settle trades in any currency for which there is a currency ledger in the account using the current house rate.

4.3 **Authorisation to roll over or offset positions:** In the absence of timely instructions from you, we are authorised, at our absolute discretion, to roll over or offset all or any portion of the currency positions in your accounts or to make or receive delivery on your behalf upon such terms and by such methods deemed reasonable by us in our sole discretion.

4.4 **Settlement of Transactions:** We will not arrange delivery of currencies unless we deem them necessary or if we otherwise agree in writing with you and, accordingly, unless such arrangements have been made by us any currency positions that settle shall do so by credit or debit to your account with us.

4.5 **Currency conversion:** You may direct us to convert any currency ledger balance to the Base Currency at any time using the current house rate and/or we may elect upon written notice to you

to automatically convert any currency ledger balance to the BaseCurrency on a daily basis using the current house rate

4.6 ***Accounting and payment in Base Currency:*** We will account to you only in the BaseCurrency and we will pay you profits and you will reimburse us in respect of losses from time to time by making payments in the Base Currency.

## 5. **MAKING PAYMENTS**

5.1 ***Payment netting:*** If on any date the same amounts are payable under “Agreement” (refers to the Client Agreement as a whole and not this module) in respect of the same account by each party to the other in the same currency, then, on such date, each party's obligations to make payment of any such amount will be automatically satisfied and discharged. If the aggregate amount that is payable by one party exceeds the aggregate amount that is payable by the other party in the same currency, then the party by whom the larger aggregate amount is payable shall pay the excess to the other party and the obligations to make payment of each party will be satisfied and discharged.