INFORMATION ABOUT US

We, CCBI Global Markets (UK) Limited, are authorised and regulated by the Financial Conduct Authority (‘**FCA**’). Our registered office is at 111 Old Broad Street, London EC2N 1AP. The FCA's registered office is at 12 Endeavour Square, London E20 1JN.

We act as principal and not as agent on your behalf. We will treat you as a professional client or as an eligible counterparty for the purposes of the FCA Rules and will inform you in writing of which category applies to you. You have the right to request a different client categorisation. If you are treated as an eligible counterparty then you will not benefit from certain protections granted to professional clients, which include formal requirements in the following areas: (a) to act in accordance with your best interests; (b) not to give or receive inducements; (c) to achieve best execution in respect of your orders; (d) to execute orders subject to other constraints as regards timing and handling relative to other clients' orders; and (e) to ensure that information we provide is fair, clear and not misleading. If you request to be categorised as a retail client - thereby requiring a higher level of regulatory protection - we may not be able to provide our services to you. You are responsible for keeping us informed about any change that could affect your categorisation as a professional client. You act as principal and not as agent (or trustee) on behalf of someone else.

In connection with the provision by us of services in our capacity as general clearing member, we shall conduct a periodic assessment of your performance against the due diligence criteria listed below. We shall conduct such assessments annually. Where you do not meet such criteria, we may immediately suspend or terminate one or more of the services. Our assessment criteria are:

(a) credit strength, including any guarantees given;

(b) internal risk control systems;

(c) intended trading strategy;

(d) payment systems and arrangements that enable you to ensure a timely transfer of assets or cash as margin, as required by us in relation to the clearing services we provide;

(e) systems settings and access to information that helps you to respect any maximum trading limit agreed with us;

(f) any collateral provided to us by you;

(g) operational resources, including technological interfaces and connectivity;

(h) any breach by you of the rules ensuring the integrity of the financial markets, including involvement in market abuse, financial crime or money laundering.

YOUR TRANSACTIONS

Confirmations

We shall send you confirmations by the end of the next trading day for any transactions that we have executed on your behalf on a trading day to the e-mail address on record for you. It is your responsibility to inform us of any change to your e-mail address, the non-receipt of a confirmation, or whether any confirmations are incorrect before settlement.

Position limits and position management controls

In respect of certain commodity derivative contracts, position limits may be imposed by the FCA or other national competent authorities, and position management controls may be imposed by a market. In order to ensure compliance with such position limits and position management controls, we may require you to limit, terminate, or reduce the positions which you may have with us at any time. We will communicate to you appropriate trading and position limits to mitigate and manage our own counterparty, liquidity, operational and other risks. We will monitor your positions against such limits as close to real-time as possible.

Regulatory reporting

We may be obliged by applicable regulations to make information about certain transactions public. You agree and acknowledge that any and all proprietary rights in such transaction information are owned by us and you waive any duty of confidentiality attaching to the information which we reasonably disclose.

Trading obligation for OTC derivatives

In certain circumstances we may conclude transactions only on a regulated market, multilateral trading facility, organised trading facility or a third-country trading venue assessed as equivalent.

Electronic communications

Subject to applicable regulations, any communication between us using electronic signatures shall be binding as if it were in writing. Orders or instructions given to you via e-mail or other electronic means will constitute evidence of the orders or instructions given. Your communications with us will be recorded. A copy of the record will be available on request for a period of five years and, where requested by the FCA or other relevant regulatory authority, for a period of up to seven years.

Recording of calls

If you give us execution or trade instructions by telephone, your conversation may be recorded. We may record telephone conversations without use of a warning tone to ensure that the material terms of the transaction and any other material information relating to the transaction is promptly and accurately recorded. Such records will be our sole property and accepted by you as evidence of the orders or instructions given. A copy of the recording will be available on request for a period of five years and, where requested by the FCA or other relevant regulatory authority, for a period of up to seven years.

Complaints procedure

We are obliged to put in place internal procedures for handling complaints fairly and promptly. Our full complaints Handling Policy is available on our website.
You may submit a complaint to us by letter, telephone, e-mail, or in person. We will send you a written acknowledgement of your complaint promptly following receipt, enclosing details of our complaints procedures, including when and how you may be able to refer your complaint to the Financial Ombudsman Service.

Charges

You shall pay our charges as agreed with you from time to time; any taxes imposed by any competent authority on any account opened or transaction effected by or cleared for you; any fees or other charges imposed by a market or any clearing organisation and/or any intermediate broker; interest on any amount due to us at the rates then charged by us (and which are available on request); any fines imposed by any competent authority where attributable to your conduct; and any other value added or other applicable taxes of any of the foregoing, including any withholding tax.

Transmission of orders

Your orders may be subject to pre-trade transparency requirements imposed by relevant financial services regulation, which may require your bid and offer prices on certain venues to be disclosed to other market participants for a specified period before we are able to offer a firm price to you.

In relation to transactions to be effected through an intermediate broker, you acknowledge that the relevant intermediate broker may only deal with the market when the intermediate broker is open for business and the relevant market is open for business.

UNDERSTANDING THE RISK OF DERIVATIVES TRANSACTIONS

Derivatives transaction can be used for risk-management purposes, but different types of transaction involve different levels of exposure. Before entering into a derivatives transaction you should ensure that you understand the nature of the transaction and the extent of your exposure to risk. You should also be satisfied that the contract is suitable for you, based on your circumstances and financial position.

You should be aware that the product information and advice contained in this statement is not necessarily a comprehensive description of all aspects of the product. Additionally, specific products may be tailored for a particular client or market. The terms of a particular transaction will prevail over the product description and information given in this statement.

Exchange-traded futures and options are not subject to a prospectus. Exchange-traded futures and options may give rise to liabilities for the investor, calculated in accordance with market or clearing house rules. Your firm may not deal directly in the relevant market but may act through one or more brokers or intermediaries. In such cases, your positions may be affected by the performance of those third parties in addition to the performance of your firm. In addition, settlement of such transactions may not be effected via the market itself but may be effected on the books of your firm or of a broker or intermediary if such transactions can be crossed with equal but opposite orders of another participant transacting through the same firm, broker or intermediary. Your rights in such circumstances differ from those you would enjoy if your transaction was effected in the market. The price and liquidity of any investment depends upon the availability and value of the underlying asset, which can be affected by a number of extrinsic factors including, but not limited to, political, environmental and technical. Such factors can also affect the ability to settle or perform on time or at all. Any payments made or received in relation to any investment may be subject to tax and you should seek professional advice in this respect. Where you are unable to transfer a particular instrument which you hold, in order to exit your commitment under that instrument you may have to offset your position by either buying back a short position or selling a long position. Such an offsetting transaction may have to be over the counter and the terms of such a contract may not match entirely those of the initial instrument. For example, the price of such a contract may be more or less than you received or paid for the sale or purchase of the initial instrument.

Futures and Forwards

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. The risk of loss in trading commodity futures contracts can be substantial. The amount of initial margin that you will be required to pay is small relative to the value of the futures contract, meaning that transactions are “leveraged” or “geared”. A relatively small market movement will have a proportionately larger impact on the funds that you have deposited or will have to deposit: this may work for or against you. You should, therefore, carefully consider whether such trading is suitable for you in light of your circumstances and financial resources. Placing contingent orders, such as ‘stop-loss’ or ‘stop-limit’ orders, will not necessarily limit your losses to the intended amounts, since market conditions on the exchange where the order is placed may make it impossible to execute such orders. Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example, when the market reaches a daily price fluctuation limit (‘limit move’). The 'gearing' or 'leverage' often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you. Futures transactions have a contingent liability, and you should be aware of the implications of this, in particular the margining requirements. You may sustain a total loss of the funds that you deposit with your broker to establish or maintain a position in the commodity futures market, and you may incur losses beyond these amounts. If the market moves against your position, you may be called upon by your broker to deposit a substantial amount of additional margin funds, on short notice, in order to maintain your position. If you do not provide the required funds within the time required by your broker, your position may be liquidated at a loss, and you will be liable for any resulting deficit in your account. You should consult your broker concerning the nature of the protections available to safeguard funds or property deposited for your account.

Options

If you trade options you should inform yourself of the exercise and expiration procedures and your rights and obligations upon exercise or expiry. The purchaser of an option may offset or exercise the option or allow the option to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying asset. If the option is on a futures contract then the purchaser will acquire a futures position with associated liabilities for margin.

Buying options involves less risk than selling options because, if the price of the underlying asset moves against you, you can allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. If you buy a call option on a futures contract and you exercise the option, then you will acquire the futures contract. This will expose you to the risks described in the section headed 'Futures' above.

If you sell an option, the risk involved is considerably greater than the risk involved in buying options. You may be liable for margin to maintain your position and a loss may be sustained well in excess of the premium received. By selling an option, you accept a legal obligation to purchase or sell the underlying asset if the option is exercised against you, however far the market price has moved away from the exercise price. If you already own the underlying asset which you have contracted to sell (when the option will be known as a 'covered call option') the risk is reduced. If you do not own the underlying asset (an 'uncovered call option') the risk can be unlimited.

Off-exchange transactions

While some off-exchange markets are highly liquid, transactions in off-exchange or ‘non-transferable’ derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out positions. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction, or to assess the exposure to risk. Bid and offer prices need not be quoted and, if they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price.

Suspension of trading

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, if, at times of rapid price movement, the price rises or falls in one trading session to such an extent that, under the rules of the relevant market, trading is suspended or restricted, or if the systems of the relevant market cannot function for any reason. 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.

Electronic trading and order routing systems

Electronic trading and order routing systems differ from traditional open outcry pit trading and manual order routing methods. Transactions using an electronic system are subject to the rules and regulations of the exchange(s) offering the system and/or listing the contract. Before you engage in transactions using an electronic system, you should carefully review the rules and regulations of the exchange(s) offering the system and/or listing contracts which you intend to trade.

Trading or routing orders through electronic systems varies widely among the different electronic systems. You should consult the rules and regulations of the exchange offering the electronic system and/or listing the contract traded or order routed to understand, among other things, in the case of trading systems, the system's order matching procedure, opening and closing procedures and prices, error trade policies and trading limitations or requirements; and, in the case of all systems, qualifications for access and grounds for termination and limitations on the types of orders that may be entered into the system. Each of these matters may present different risk factors with respect to trading on or using a particular system. Each system may also present risks related to system access, varying response times, and security. In the case of internet-based systems, there may be additional types of risks related to system access, varying response times and security, as well as risks related to service providers and the receipt and monitoring of electronic mail.

Trading through an electronic trading or order routing system exposes you to risks associated with system or component failure. In the event of system or component failure, it is possible that, for a certain time period, you may not be able to enter new orders, execute existing orders, or modify or cancel orders that were previously entered. System or component failure may also result in loss of orders or order priority.

Simultaneous open outcry pit and electronic trading

Some contracts offered on an electronic trading system may be traded electronically and through open outcry during the same trading hours. You should review the rules and regulations of the exchange offering the system and/or listing the contract to determine how orders that do not designate a particular process will be executed.

Limitation of liability

Exchanges offering an electronic trading or order routing system and/or listing the contract may have adopted rules to limit their liability and the amount of damages you may collect for system failure and delays. These limitations of liability provisions vary among the exchanges. You should consult the rules and regulations of the relevant exchange(s) in order to understand these liability limitations.

Terms and conditions of contracts

You should familiarise yourself with the terms and conditions of the specific futures or options which you intend to trade and associated obligations (e.g. the circumstances under which you may become obliged to make or take delivery of the underlying interest of a futures contract and, in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

Deposited cash and property

You should familiarise yourself with the protections given to money or other property which you deposit for domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover money or property may be governed by specific legislation or local rules.

Currency risks

The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

CFTC RULE 1.55 RISK DISCLOSURE STATEMENT

THE FOLLOWING STATEMENT IS REQUIRED TO BE MADE TO CUSTOMERS WHO ARE US PERSONS OR RESIDENTS. THE RISK OF LOSS IN TRADING COMMODITY FUTURES CONTRACTS CAN BE SUBSTANTIAL. YOU SHOULD, THEREFORE, CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR CIRCUMSTANCES AND FINANCIAL RESOURCES. YOU SHOULD BE AWARE OF THE FOLLOWING POINTS:

1. You may sustain a total loss of the funds that you deposit with your broker to establish or maintain a position in the commodity futures market, and you may incur losses beyond these amounts. If the market moves against your position, you may be called upon by your broker to deposit a substantial amount of additional margin funds, on short notice, in order to maintain your position. If you do not provide the required funds within the time required by your broker, your position may be liquidated at a loss, and you will be liable for any resulting deficit in your account.

2. Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example, when the market reaches a daily price fluctuation limit ('limit move').

3. Placing contingent orders, such as 'stop-loss' or 'stop-limit' orders, will not necessarily limit your losses to the intended amounts, since market conditions on the exchange where the order is placed may make it impossible to execute such orders.

4. All futures positions involve risk, and a 'spread' position may not be less risky than an outright 'long' or 'short' position.

5. The high degree of leverage (gearing) that is often obtainable in futures trading because of the small margin requirements can work against you as well as for you. Leverage (gearing) can lead to large losses as well as gains.

6. You should consult your broker concerning the nature of the protections available to safeguard funds or property deposited for your account.

ALL OF THE POINTS NOTED ABOVE APPLY TO ALL FUTURES TRADING WHETHER FOREIGN OR DOMESTIC. IN ADDITION, IF YOU ARE CONTEMPLATING TRADING FOREIGN FUTURES OR OPTIONS CONTRACTS, YOU SHOULD BE AWARE OF THE FOLLOWING ADDITIONAL RISKS:

7. Foreign futures transactions involve executing and clearing trades on a foreign exchange. This is the case even if the foreign exchange is formally 'linked' to a domestic exchange, whereby a trade executed on one exchange liquidates or establishes a position on the other exchange. No domestic organisation regulates the activities of a foreign exchange, including the execution, delivery, and clearing of transactions on such an exchange, and no domestic regulator has the power to compel enforcement of the rules of the foreign exchange or the laws of the foreign

country. Moreover, such laws or regulations will vary depending on the foreign country in which the transaction occurs. For these reasons, customers who trade on foreign exchanges may not be afforded certain of the protections which apply to domestic transactions, including the right to use domestic alternative dispute resolution procedures. In particular, funds received from customers to margin foreign futures transactions may not be provided the same protections as funds received to margin futures transactions on domestic exchanges. Before you trade, you should familiarise yourself with the foreign rules which will apply to your particular transaction.

8. Finally, you should be aware that the price of any foreign futures or option contract and, therefore, the potential profit and loss resulting therefrom, may be affected by any fluctuation in the foreign exchange rate between the time the order is placed and the foreign futures contract is liquidated or the foreign option contract is liquidated or exercised.

THIS BRIEF STATEMENT CANNOT, OF COURSE, DISCLOSE ALL THE RISKS AND OTHER ASPECTS OF THE COMMODITY MARKETS.