

Client Money Overview

Effective date: 1 April 2020

Segregation of funds

Client funds are held within segregated client money bank accounts. The funds in these accounts are held in trust for LMAX Global, which is a trading name for LMAX Broker Limited's ("LMAX"), clients and there is no right of offset between the LMAX's funds and the clients' funds. Each day we ensure that all available client funds are placed into the client money bank accounts.

Where your funds are held

Funds belonging to Retail clients or Professional clients, who have not opted for Title Transfer collateral arrangements, are deposited in to client money bank accounts, which are held at leading banks. In accordance with FCA rules, LMAX exercises all due skill, care and diligence in its selection and appointment of banks with which it holds client money bank accounts. LMAX conducts periodic reviews to ensure that the banks with which these accounts are held continue to meet LMAX's selection criteria. We also endeavour to reduce exposure to the credit risk of these banks by spreading the value of client funds, where practicable, between the banks at which we hold client money bank accounts

Deposits to/ Withdrawals from your LMAX trading account

Client deposits via bank transfer or credit/debit cards are credited in to segregated client trust accounts at European regulated institutions. Withdrawals are debited directly from the client trust account to the client's bank account or third party payment service provider.

Profits & Losses

All realised profits and losses are either credited or debited to/from the client trust account on a T + 1 working day basis. All open positions are marked to market each day and LMAX credits the net profit, or deducts the net loss, for each client, directly to the client trust account, again on a T+1 working day basis. Dividends are credited or debited (long / short) on the same day as they are applied to the account statement.

Charges

Commissions are charged at the time of trade and funding is applied within two business days.

Reconciliation

Client trust accounts are reconciled on a daily basis to ensure that funds transfers have been completed correctly and each client's cash entitlement is held in segregated client trust accounts and that all funds are allocated to clients.

In the event of insolvency of LMAX or a bank

In the event that one of our banks should become insolvent, only the proportion of client money held at that bank is at risk. However, a client that meets the eligible claimant criteria of the Financial Services Compensation Scheme ("FSCS") will benefit from the protection of the first

£75,000 of that client's deposited money. In the event that LMAX should become insolvent a client that meets the eligible client criteria in relation to investment business conducted with LMAX may benefit from the protection of the FSCS in relation to the first £50,000 of a claim. In accordance with FCA rules, LMAX has prepared a CASS resolution pack to provide immediate assistance to an insolvency practitioner in achieving a timely return of client money and assets to the LMAX's clients.

Governance

LMAX complies with FCA rules regarding client money processes and files monthly client asset returns with the FCA. In addition to ongoing internal reviews the firm commissions an external client money audit on an annual basis.