



Service Terms: Unregulated Financial Markets

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1. INTRODUCTION

- 1.1 These service terms cover the provision of unregulated financial market services by Bank ABC (the **“Unregulated FM Terms”**) as described herein. They are to be read together with Bank ABC’s General Terms and will apply to you, in addition to the General Terms, for as long as we provide such services to you.
- 1.2 Unless the context requires otherwise, Clause 2 (Definitions and Interpretation) of the General Terms shall apply to these Unregulated FM Terms.

2. YOUR TRANSACTIONS WITH US

- 2.1 On the date you instruct the Bank to enter into a Transaction governed by these Unregulated FM Terms, you represent and warrant that you are entering into such Transaction:
 - (i) **as principal and not as agent or trustee on behalf of someone else;**
 - (ii) **having made your own independent decision to enter into the Transaction, on an execution-only basis, without advice or recommendation from us; and**
 - (iii) **having an understanding as to the nature and risks of such Transaction, including with respect to credit risk (i.e. the risk that we may fail to perform our obligations to you), market risk (i.e. the risk of your exposure to foreign exchange fluctuations and market volatility which may result in the market rate being more favourable to you than the rate agreed with us) and liquidity risk (i.e. the risk of an inability to execute or settle a Transaction in an illiquid currency).**
- 2.2 You agree to effect payment to us in respect of a Transaction governed by these Unregulated FM Terms in cleared funds. If you fail to make any payment in cleared funds we shall be entitled to charge interest until the payment is received in cleared funds or to close out the relevant Transaction by selling out or buying in and to debit your Account with any costs and losses incurred by us in or in connection with closing out that Transaction.

3. MONEY MARKET TRANSACTION

- 3.1 Any Transaction which represents a fixed deposit of funds by you with us is a Money Market Transaction (a “**Money Market Transaction**”). The provisions of Clause 2 of the Unregulated FM Terms shall apply to any Money Market Transaction which we agree to from time to time.
- 3.2 After a deposit is placed, we will send you a confirmation on the same trading day to the contact details which we have on record (a “**Confirmation**”), such Confirmation setting out the amount, the interest rate, the deposit period, and the interest payment date(s).
- 3.3 The amount of your deposit will be fixed for the deposit period stated in the Confirmation, and the deposit cannot be added to or withdrawn in whole or in part during that period without our permission, which may be: (i) given or withheld at our absolute discretion; and (ii) given on such terms, and subject to such additional charges as we may notify to you. Subject to our discretion, additional deposits will be placed as a separate Transaction.
- 3.4 You must nominate an Account to which all repayments of, and interest payments on, the deposit will be credited. If you wish to nominate an account held elsewhere, a written request must be provided to Bank ABC which will be considered at our sole discretion.
- 3.5 Subject to the terms outlined in the Confirmation, interest shall accrue in your favour from the relevant value date until the designated maturity of the deposit and will be paid up to the end of the deposit period.
- 3.6 For deposits placed in excess of one year, interim interest may apply based on terms agreed at the time of the deposit.
- 3.7 At the end of the fixed period stated in the Confirmation, the maturing deposit plus interest will be reinvested for a similar term, unless you instruct us otherwise. Any such Instruction must be received by us two business days prior to the maturity of the deposit and no later than the cut-off time for the corresponding currency as specified by Bank ABC from time to time.

4. FOREIGN EXCHANGE SPOT TRANSACTIONS

- 4.1 The provisions of this Clause 3 of the Unregulated FM Terms shall apply to any Foreign Exchange Transaction (“FX Spot Transaction”) we agree to. An “**FX Spot Transaction**” means any Transaction for which the delivery of one currency for another falls on a specified payment date (the “**Settlement Date**”) being no more than, for major currency pairs, two business days after the Transaction is entered into and, for all other currencies, the period generally accepted as the standard delivery period for the relevant currency pair.
- 4.2 An FX Spot Transaction request should clearly state the necessary details which include: the currency pairs being exchanged, amounts, the Settlement Date and any other relevant details. Incomplete requests may cause delay in the timely execution of an FX Spot Transaction and we will not be liable for any commercial costs or losses incurred by anyone in connection with any delay.
- 4.3 Payments under an FX Spot Transaction can be settled through your accounts held with us, or alternatively, at our sole discretion, we may agree to settle according to the settlement instructions provided by you in writing.
- 4.4 An FX Spot Transaction request should be received no later than two business days prior to the proposed Settlement Date. Requests received outside of this period may be considered at our sole discretion.

5. FOREIGN EXCHANGE FORWARD TRANSACTIONS

5.1 On the date you instruct the Bank to enter into a purchase or sale of a specified amount of a specified currency at an agreed rate of exchange to be delivered on a Settlement Date falling more than two business days after the Bank enters into the Transaction (an “**FX Forward Transaction**”) with you, you represent and warrant that you are entering into such FX Forward Transaction:

- (i) as a means of payment; and
- (ii) in order to facilitate payment for identifiable goods, services or direct investment;

You may wish to speak with your Relationship Manager for further information on this.

5.2 Following any agreement between us to terminate an FX Forward Transaction earlier than the Settlement Date for a specified quote, you acknowledge that there shall be an additional cost due to us from you, or due to you from us, arising as a result of such early termination, as such cost shall be calculated by us (an “**Early Termination Cost**”).

You will be notified of such Early Termination Cost following our calculation of it, whereupon such amount shall be due and payable. Such Early Termination Cost may differ from the mid-market valuation of the Transaction due to a number of factors including, without limitation, the timing of the execution, credit-worthiness and market liquidity.

Following payment of the Early Termination Cost, no further obligations shall be owed between in in respect of the early terminated FX Forward Transaction.

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