

IMPORTANT NOTICE: YOUR SPREAD BETTING ACCOUNT WITH IFX MARKETS
LIMITED TRADING AS FINSPREADS ("THE ACCOUNT")
PLEASE READ THIS CAREFULLY

As of 31 March 2007, IFX Markets Ltd is transferring its business, including Finspreads, to City Index Ltd. This letter tells you how that will affect your account and what to do in order to ensure that your open positions and your account are moved across to City Index Ltd. In order to find out what to do simply turn to paragraphs 9 and 10 below.

Transfer of business from IFX Markets Ltd to City Index Ltd

1. As you may be aware, IFX Markets Limited ("IFX") was acquired by City Index Limited ("City Index") last year. As a result of that acquisition, IFX's business, including Finspreads, is being transferred to City Index with effect from midnight GMT on 31 March 2007 ("the Changeover"). The purpose of this notice is to explain how this will affect the Account and any positions (that is, spread bets) that are presently open or may be opened on it after you get this Notice.

Notice of termination of the Account

2. You should treat this Notice as notice of termination under clause 21.1 of the 7th edition of the Finspreads Customer Agreement ("the Customer Agreement"). Your contract with IFX will be terminated at the Changeover: the Account will be closed and, unless you tell us you do not wish us to do so (in the manner described in paragraph 10), a new account opened for you on the same terms with City Index.

Positions open as at the Changeover

3. Positions of yours that are open at the Changeover will be dealt with as follows.

Positions opened after you received this Notice

- 3.1 If you open any new position with IFX after receiving this Notice, you will be agreeing that that new position (or, if more than one, all of them), plus all of your other positions existing at that time, whether or not they were opened after you received this Notice, will be transferred to City Index. When a position is transferred to City Index it will cease to exist as a position with IFX and at the same moment will be replaced by an identical position with City Index.

Positions opened before you received this Notice

- 3.2 If for some reason you do not open a position after you received this Notice and if you do not otherwise indicate your consent to the transfer in one of the ways described in paragraph 9 (and you do not object, in the manner described in paragraph 10), all of your positions existing at the Changeover will be transferred to City Index in the manner set out in paragraph 3.1 above, in accordance with the terms of your Customer Agreement.

Finspreads is a trading name of IFX Markets Ltd until 31 March 2007 and thereafter City Index Ltd. www.finspreads.com

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Authorised and regulated by the Financial Services Authority. FRN 181606. Registered in England No: 2876284. VAT no: 820403479

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Authorised and regulated by the Financial Services Authority. FRN 113942. Registered in England No: 1761813. VAT no: 524837435

If you tell us you object to the transfer

- 3.3 If you indicate your objection to the transfer in the manner described in paragraph 10, all positions that were opened before you received this Notice will automatically be closed at close of business in the relevant market on 30 March 2007, or at the Changeover, whichever is later, if they are still open at that time.

Money due and other rights and liabilities at the time of the Changeover

4. If any position of yours is transferred from IFX to City Index at the Changeover (as described in paragraphs 3.1 and 3.2), all sums due from either party as between you and IFX at the time of the Changeover and all other obligations between you and IFX that are not otherwise transferred under this Notice will, together with IFX's file on the Account, be similarly transferred by being extinguished and replaced by an identical debt and/or obligation between you and City Index immediately after Changeover. **By opening any new position after the receipt of this Notice you will be agreeing with IFX and with City Index that you agree to this.**

In transferring your position(s) together with IFX's file on the Account (as described in paragraph 4), personal information held by IFX about you will simultaneously transfer to City Index. If you are content for City Index to replace IFX as the party with whom you trade and accordingly indicate your acceptance in one of the manners detailed in paragraph 9, you also give your consent to that transfer of your personal information and you are indicating your agreement to the terms of City Index's privacy policy which sets out how we will use your personal information. You may access this policy at <http://www.cityindex.co.uk>.

5. If no position is transferred in accordance with paragraph 3.3, all sums due and all other liabilities between you and IFX, including sums due by reason of any automatic closure, will be unaffected by the Changeover and will remain between you and IFX.

Positions and money liabilities after the Changeover

6. All positions held with City Index after the Changeover, whether they were opened after the Changeover or opened before it and transferred to City Index, will be governed by the 8th edition of the Finspreads customer agreement ("New Customer Agreement"), which is the same as your Customer Agreement, save that it has been altered to reflect the fact that after the Changeover you will be dealing with City Index and not with IFX.
7. All sums due from either party or other obligations between you and City Index will to the extent that, but for the Changeover they would have been governed by your current Customer Agreement, be governed by the New Customer Agreement.

Exception

8. Nothing in this Notice shall affect the right of IFX to assign any right that it may have against you to City Index.

WHAT YOU SHOULD DO

If you are content for City Index to replace IFX as the party with whom you trade

9. If you are content for City Index to replace IFX as the party with whom you trade, you can signal this simply by opening a trade with IFX before the Changeover. We will treat this as expressing your consent to have your positions and money rights and obligations moved to City Index in the way explained above. Please note that in exercise of its right under clause 10.2 of the Customer Agreement, IFX refuses to accept new positions on any terms other than those set out in this Notice. If you for some reason do not wish to open a position before the Changeover but still want City Index to replace IFX as the trading party, you can alternatively sign this letter on the dotted line below and send it to us so that it arrives before the Changeover. You can also express your consent by telephoning our Client Services Department on 08000 96 96 20; or when you log on to your Account, a pop up box with the Novation letter and varied terms and conditions will appear, tick the 'I accept' box at the bottom of that page and click continue.

If you do not indicate your consent to the transfer (in one of the ways described in paragraph 9) and if you do not tell us that you do not wish the transfer of your Account to occur (as described in paragraph 10), we will transfer your Account to City Index in the manner described in paragraph 3.2.

If you do not wish for City Index to replace IFX as the party with whom you trade

10. If you decide for any reason that you do not wish City Index to replace IFX as the party with whom you trade, you must inform us in writing by close of business on 23 March 2007 and we will close your positions by 30 March instead of transferring them.

We would like to call you or send to you further information in respect of our services which are similar to those in respect of which you have had dealings with IFX in the past. If you would prefer us not to write to you or call you with such information, please call the telephone number below. In addition, each time we send you marketing information by e-mail, we will provide an opportunity for you to unsubscribe from receiving further information from us.

If you have any queries concerning this notice please telephone our customer Services Department on 08000 96 96 20.

Signed



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For and on behalf of IFX Markets Ltd

For and on behalf of City Index Ltd

CUSTOMER'S OPTIONAL DECLARATION UNDER PARAGRAPH 9

(There is no need to complete this unless you wish to transfer the Account to City Index but do not wish to do so by opening a new position before the Changeover)

I agree that all of my rights and liabilities in relation to IFX shall be replaced by identical rights and liabilities in relation to City Index as from the Changeover, just as though I opened a new position before the Changeover.

Signed

Print name

Finspreads account number