Direction

To: CMC Markets UK Plc & CMC Spreadbet Plc ("the *firms*")

Ref: 5150788 & 5159744

FRN: 173730 & 170627

Of: 133 Houndsditch
London
EC3A 7BX

Date: 1 March 2019

Handbook Version as in force at the date of this Direction

Power

1. This direction is given by the *FCA* under section 138A of the *Act.*

Duration

2. (1) This direction takes effect on 1 March 2019.

(2) This direction ends on 1 June 2019.

Rule modified

3. The *FCA* directs that the *rule* listed below applies to the firm with the modification shown:

Rule	**Modification**
CASS 7.11.50R	A *firm* may pay away to a registered charity of its choice a *client money* balance ~~which is allocated to a *client*~~ and if it does so the released balance will cease to be *client money* under *CASS 7.11.34 R (10)*, provided: (1) this is permitted by law and consistent with the arrangements under which the *client money* is held;

	(2) the *firm* held the balance concerned for at least six years following the last movement on the *client's* account (disregarding any payment or receipt of interest, charges or similar items); ~~(3) it can demonstrate that it has taken reasonable steps to trace the *client* concerned and to return the balance~~; and (3) the *firm* complies with *CASS 7.11.54 R*.
CASS 7.11.57R	A *firm* may pay away to a registered charity of its choice a *client money* balance ~~which is allocated to a *client*~~ and if it does so the released balance will cease to be *client money* under *CASS 7.11.34 R (10)*: (1) the balance in question is (i) for a *retail client*, in aggregate, £25 or less, or (ii) for a *professional client*, in aggregate, £100 or less; (2) the *firm* held the balance concerned for at least six years following the last movement on the *client's* account (disregarding any payment or receipt of interest, charges or similar items); ~~(3) the *firm* has made at least one attempt to contact the *client* to return the balance using the most up-to-date contact details the *firm* has for the *client*, and the *client* has not responded to such communication within 28 days of the communication having been made; and~~ (3) the *firm* makes and/or retains records of all balances released from *client bank* accounts in according with this *rule*. Such records must include the information in *CASS 7.11.55 R (1)(a)* and *CASS 7.11.55 R (1)(b)*.

Conditions

4. This direction is conditional upon:

(i) The modification only applying in relation to the particular client balances notified by the firm to, and agreed by, the FCA; and

(ii) The firm notifying the FCA in writing of the total value paid to the registered charity, the date on which this was done and the name of the chosen registered charity.

Interpretation

5. Interpretative provisions (including definitions) of the *Handbook* apply to this direction in the same way they apply to the *Handbook*.

Salek Uddin
Waivers Team
Supervision- Retail & Authorisations