

September 4th September

Dear

Amendments to terms and conditions
Effective 1st September 2007


As part of our application to become licensed by the Gambling Commission, we have made changes to the terms and conditions that apply to your binary betting with us; these are set out below.

The following changes apply with effect from 1st September 2007:-

- Binary betting is regulated by the Gambling Commission; Victoria Square House, Victoria Square, Birmingham, B2 4BP.
- If we reasonably believe you are gambling irresponsibly we can close your Account by not less than 14 days written notice to you. During the notice period we will suspend your Account and it will remain suspended until your Account is closed. During the period of suspension:-
 - we will not close your open binary bets unless we are otherwise entitled to do so, but you will still be entitled to close your open binary bets in accordance with the terms;
 - you will not be permitted to open any new binary bets.
- Your obligation to monitor your binary bets is subject to any legal obligation imposed on us in relation to binary betting.
- If you are dissatisfied with our handling of any complaint you may refer the matter to the Independent Betting Adjudication Service, PO Box 44781, London, SW1W 0WR.

Thank you for your continued custom. If you have any questions, please do not hesitate to call us on 0800 96 96 20.

Yours sincerely



Chief Executive Officer
City Index Limited