

Rollover Policy

1. Purpose of the Rollover Policy

At Taurex, we offer Futures CFDs (Contract for Differences) to provide our clients with the ability to speculate on the price movements of underlying futures contracts. This Rollover Policy outlines the procedure for rolling over open Futures CFD positions and explains any associated fees or adjustments. By using our services, you agree to comply with the terms outlined in this policy as well as Taurex's Client Agreement / Standard Terms and Conditions which are incorporated by reference and are viewable at <https://www.tradetaurex.com/legal/>.

2. What is a Rollover?

A rollover refers to the process of extending an open position in a Futures CFD from one contract expiration date to another, thereby maintaining exposure to the underlying asset. When a futures contract nears its expiration date, clients may choose to roll over their position into a new, later-expiring contract. CFD rollover will not take place automatically or be automatically rolled over by Taurex.

3. What will happen on the CFD expiration date if the CFD has not been rolled over?

After the expiration date of a Futures CFD contract, Taurex will liquidate the Client's open CFD positions. The liquidation will be executed at the prevailing market price, and any resulting profit or loss will be settled to the Client's account balance accordingly. Following liquidation, the Client can elect to open a new position based on the latest available market price.

4. Rollover Procedure

To rollover a Futures CFD position, the following procedure must be followed:

- **Closing of an Expiring Contract:** Prior to, or on the same date as the expiration date of a Futures CFD contract, Client must close any open positions in the near-expiry contract.
- **Opening of a New Contract:** Client may then simultaneously open a new position in the corresponding next-expiry Futures CFD contract. This ensures that your exposure to the underlying asset is maintained without interruption.
- **No Automatic Rollover:** Rollover will **NOT** occur automatically on the expiration date of the contract, you must have manually closed the position before that date and executed a manual rollover prior to the Futures CFD expiration date.
- **Rollover Timeframe:** The Client can rollover his positions between the starting date of the next-expiry contract and the expiration date of the near-expiry contract. The exact time may vary depending on market conditions and asset liquidity. The exact cutoff time for rollover will be in accordance with the rollover calendar viewable at <https://www.tradetaurex.com/>.

5. Rollover Fees and Adjustments

The rollover process may result in certain fees or price adjustments, depending on market conditions and the price difference between the near-expiry and next-expiry futures contracts. These adjustments are made to reflect the cost of transitioning from one contract to another.

- **Rollover Costs:** The rollover may result in a cost if the next contract is priced higher than the expiring contract (contango), or you may receive a credit if the next contract is priced lower (backwardation).
- **Rollover Fee:** A nominal rollover fee may apply depending on the size of your position and the market conditions. The fee is calculated based on the difference in price between the two contracts and is charged or credited to your account once the rollover is complete.
- **Fee Transparency:** Any rollover fee or adjustment will be clearly displayed on your account statement. You will be notified of the applicable fee or credit before the rollover process is executed.

6. Impact of Rollover on Your Position

- **P&L Adjustment:** Any profit or loss from the change in contract price (from the expiring contract to the new contract) will be reflected in your account after the rollover has been completed.
- **Margin Requirements:** The margin requirement for the new contract may differ from the expiring contract. If the margin requirement for the new contract is higher, you will need to ensure your account has sufficient funds to cover the margin. If the margin requirement is lower, your margin will be adjusted accordingly.

7. Client Responsibility

- **Review Positions:** It is the client's responsibility to review their positions before the rollover date. Clients may choose to manually close their positions before the rollover is triggered if they do not wish to maintain their exposure.
- **Account Balance:** Clients should ensure their account balance is adequate to cover the rollover fees, margin requirements, and any other associated costs.
- **Changes to Contracts:** We recommend that clients stay informed of any changes in contract specifications or market conditions that may affect the rollover process.

8. Exceptions and Special Circumstances

- **Illiquid Markets:** In rare cases, if a futures contract becomes illiquid or if there is insufficient liquidity in the next contract, Taurex may delay or adjust the rollover process. In such cases, clients will be notified as soon as possible.

- **Corporate Actions:** If any corporate actions (such as mergers or restructurings) impact the underlying asset, Taurex reserves the right to modify or cancel any rollover procedures and will notify clients accordingly.

9. Contacting Taurex

For questions or clarifications regarding the rollover process, fees, or your Futures CFD positions, please contact our support team at support@tradetaurex.com.

10. Policy Updates

Taurex reserves the right to modify or update this Rollover Policy at any time. Any changes will be communicated to clients via email and will take effect on the specified date. We encourage clients to review the policy regularly for updates.

11. Acknowledgment

By trading Futures CFDs with Taurex, you acknowledge that you have read, understood, and agreed to the terms of this Rollover Policy.

Taurex Dealing Team