Charlgate Ltd

Key Information Document

CFDs on FOREX

Purpose

This document provides you with key information about this financial product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Name of Product: Contracts for Difference (CFDs) on Foreign Exchange (FOREX)

Manufacture of this Product is: CharlgateLtd (hereinafter "the Company") is a licensed Investment Firm regulated by the Cyprus Securities and Exchange Commission with authorisation number [XXX/XX]. The Company is located at Kristellina Tower, 12 Arch. Makarios III Avenue Mesa Geitonia, Office 301, CY 4000, Limassol, Cyprus.

Date of production: [xx/xx/xxx]

Alert

You are about to purchase a product that is not simple and may be difficult to understand

What is this product?

Type

The product is Contracts for Difference ("CFD") on currency pairs ("FOREX"). A CFD is a tradable instrument that allows you to obtain an indirect exposure to an underlying asset or instrument, in this case a currency pair - also known as "Forex pair". CFDs on FOREX are traded Over-The-Counter (OTC). The Company is the agent to the execution of your trades. CFDs are leveraged products, enabling investors to make transactions with only a small margin (deposit). The underlying asset or instrument is never actually owned by you and the profit or loss is determined by the difference between the buying and the selling price of the CFD, minus any relevant costs (detailed below). This means you will never own the underlying asset, but you will make gains or incur losses as a result of price movements in the underlying asset. Currencies are traded in pairs and these pairs fall under three categories; Majors, Minors and Exotics

Underlying Instrument

CFDs on FOREX, have different underlying currency pairs.

<u>Major Currency Pairs:</u> The Majors are the most popular currency pairs, formed from such currencies as USD, EUR, GBP, CHF, JPY, AUD, CAD and NZD. They are most liquid trading instruments, which means traders will find the lowest spreads when trading these pairs. Examples include EUR/USD, GBP/USD, USD/JPY and AUD/US

<u>Minor Currency Pairs:</u> The Minors are pairs which mostly consist of crosses of the majors. They are less liquid than majors but are quite popular amongst traders. Examples include EUR/JPY, NZD/JPY, GBP/JPY and EUR/GBP.

<u>Exotic Currency Pairs:</u> The Exotic pairs are not as widely traded as the Majors and Minors as they are less liquid, making the cost of trading them higher. These currency pairs usually consist of one major currency, and a currency from a developing economy. Examples include EUR/TRY, USD/TRY, USD/MXN and USD/ZAR.

The first currency listed in a Forex pair is called the base currency, and the second currency is called the quote currency (each currency pair is listed as a three-letter code). The price of an FOREX pair is how much one unit of the base currency is worth in the quote currency. If the base currency rises against the quote currency, then a single unit of the base currency will be worth more units of the quote currency and the FOREX pair's price will increase. If it drops, the FOREX pair's price will decrease.

So how do CFDs work?

As an example – if you enter into a Buy trade for a CFD on EUR/USD when the underlying price of EUR/USD is USD 1.20, we will ask you to place a margin with us to enable you to trade. If the margin is say 1:100, this means that as a minimum you will need to place USD 0.12 with us. If the price of EUR/USD goes to USD 1.25, you will profit USD 0.05, minus any relevant costs (detailed below). If it reduces to USD 1.15, you will lose USD 0.05, plus any relevant costs (detailed below). Depending on whether we apply any notifications when your account is close to margin calls, we may ask you for more money to ensure your trade / position remains open, otherwise we may be forced to close your position.

You will never lose more than the Equity of your trading account as we offer Negative Balance Protection.

Objectives

The objective of trading CFDs on FOREX is to speculate on price movements (generally over the short term) in an underlying instrument (currency pair), without actually buying or selling the underlying currency pair. Your return depends on movements in the price of the underlying instrument and the size of your position. Through your trading with us, you receive the exposure to the performance of the underlying instruments, but you do not receive any ownership or other rights to such underlying asset. This product is appropriate only for speculative investment purposes.

Trading in CFDs on FOREX carries high level of risk and thus can generate great profits as well as great losses. You should never invest more that you are willing to lose, as it is possible to lose your initial investment.

Prior to commencing trading in CFDs on FOREX it is prudent to consult with this KID and evaluate whether trading in CFDs in FOREX in appropriate for you.

Intended retail investor

Trading in this product is highly speculative and involves a significant risk of loss. This product is for clients with a relatively short-term investment horizon, and is NOT suitable for ALL investors but **only for those who** i) understand and are willing to bear the risks involved, including the risks associated with margin trading; ii) possess the necessary experience and knowledge about trading in derivatives and the underlying instruments; have for objective hedging their business foreigner exchange risk, and speculation over short term, and iii) are financially able to bear the risk of a total loss of their invested amounts, subject to the negative balance protection mechanism offered by the Company.

Term

CFDs on FOREX generally have no expiration date and therefore it is up to you to open and close your position.

You should be aware that if your margin level reaches or falls below the Margin Close Out Level of 20%, you will receive a stop out or margin call and your positions will start liquidating, without notice by us to you, starting with the highest losses.

What are the risks and what could I get in return?

Risk Indicator

Lower Risk — Higher Risk

Typically lower rewards — Typically higher rewards

1	2	3	4	5	6	7

Signification of the indicator

This indicator measures the level of risk at which your investment may be exposed.

The risk category is not guaranteed and may shift over time. The lowest category does not mean «risk-free». The CFDs on FOREX display a grade of 7 on a scale ranging from 1 to 7 (1 being the less risky category). They therefore exhibit (because also of leverage) the highest risk characteristics.

This product does not include any protection from future market performance so you could lose all of your investment. The Client could place Stop Loss to limit potential losses, and Take Profit to collect profits.

If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from the Investor Compensation Fund (see the section 'what happens if we are unable to pay you'). This indicator shown above does not consider this protection.

General CFD risks

- CFDs are complex financial instruments and are traded Over the Counter ("OTC"). You can only exit a position by trading with us, during the trading hours of the underlying instrument as stated on our Website. You cannot transfer your open positions/trades to any other firm. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk.
- You do not owe the underlying asset. Through your trade with us, you receive by us exposure to the performance of the underlying asset, but you do not receive any ownership or other rights to such underlying asset.
- CFDs are leveraged products. You only need a small margin for getting exposure to the underlying asset. Leverage can magnify both your profits as well as your losses.
- Statistically, because of leverage, a significant part of clients lose because leverage amplifies losses, leading to margin calls and closures of clients' open positions. We operate a Negative Balance Protection i.e. you cannot lose more than the Equity of your trading account, however you risk losing the capital invested with us.
- CFD trading is undertaken on electronic platforms. There may be times that system or other breakdowns arise. This may affect your ability to trade, or our ability to offer continuous prices or create a need for subsequent adjustment of prices to reflect underlying exchange prices.
- CFDs on certain instruments can be highly volatile. The prices of CFDs and the underlying instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by us. Under certain market conditions it may be impossible for a Client's order to be executed at the declared price leading to losses.
- Prices of CFDs as well as their commercial terms like the spreads maybe varied to reflect periods of actual or expected heightened market volatility.
- Depending on the currency your trading account is denominated and the currency of the underlying instrument you trade, your final return maybe exposed to the exchange rate risk between the two currencies.
- The tax legislation of your home Member State may have an impact on your return.

The above list of risks is non-exhaustive. For the Company's Risk Disclosure Policy please visit the Company's website.

Performance Scenarios

The performance scenarios represent general situations of changes in the prices of CFDs in FOREX and their impact on the return of the Client's investment in monetary and percentage terms. These scenarios are general and applicable to the range of CFDs on currency pairs offered by the Company.

The example below involves Buying 1 lot CFD of EUR/USD currency pair, (notional amount 100,000 Euro), using leverage of 1:100 and the Client deposited and invested 1000 Euros. Costs of execution are not included in this section but are presented in detailed in the Section '**Fees and charges"**. Costs of execution must be taken into consideration when planning your trading activity.

Scenario	Open Price	Close Price	Percentage change in equity	Profit/Loss (EUR)
Favourable	1.18000	1.19000	100%	1000
Moderate	1.18000	1.18010	1%	10
Unfavourable	1.18000	1.17600	-40%	-400
Stress 1	1.18000	1.17190	-81%	-810
Stress 2	1.18000	1.16000	-200%	-1000

In the first Stress scenario the client would reach stop out level and the positions would be liquidated.

In the second Stress scenario the client would benefit from negative balance protection.

What happens if the Company is unable to pay out?

For CFDs on underlying instruments, in case of our financial default you may seek compensation from the Investor Compensation Fund ("ICF") of Cyprus Investment Firms. The maximum compensation is Euro 20,000. ICF Rules apply, including with respect to your categorization and eligibility. In general, retail clients are covered by the ICF.

Fees and Charges

- The charges you pay are used to cover the costs of our operational activities, including the costs of obtaining market / price data from the underlying exchanges, the staff costs, our regulatory license costs, our funding costs as well as the marketing and distribution costs.

One-off Cost at the time of your trade	Entry Cost	**Spread** Spread is the difference, usually indicated in pips, between the Bid and Ask price and reflects, in part, the spread of the underlying instrument. The Spread values vary for different accounts and depends on the currency pair that is the underlining instrument. The min value of the spreads is 30 pips and is floating; therefore, it may increase depending on the volatility and liquidity. Mark-ups start from 26 pips and are embedded in the spread price. Please refer to our Website for more information on the spreads cost of which may be substantial.
	Exit costs	The same as when entering the trade (see above).
On-going costs		**Swaps** Swap is the fee for keeping the position opened over the night. The swap can be positive or negative depending on the instrument. Swap for the opened positions is calculated at 23:59:59 – 00:00:00 (EET), Monday to Friday. In the spot market the settlement is done on the second working day after the deal. Therefore, when calculating the swap for any orders held from Wednesday to Thursday, the charge will be 3 times the normal size as it includes the fees for the weekend, while the value date will be Monday. If you leave a position open overnight, it will be rolled over (at a swap charge) to the next trading day. In this way it will maintain open spot status. Swap rates can be found on our website. **Please see our swap calculation formula below**: Swap value = Number of lots x contract size x Swap rate x Number of nights Example: Swap value = Number of lots x contact size x Swap rate x Number of nights Example: 4 (number of lots) x 100000 x -0.00009861 (long EUR/USD) x 4 (number of nights*) = -$157.77 *CFD on Forex position opened on Tuesday and closed on Thursday (triple swap is charged from Wednesday to Thursday night as it includes the charge for the weekend).
Incidental cost		Inactivity fee charged after the inactivity of 3 months: 5 USD or equivalent in other currency per month.

How long should I hold it and can I take money out early?

- You can only exit an open trade by entering into an opposite trade, only with us, during the trading hours of the market of the underlying instrument being made available by us on our Website.

How can I complain?

You are entitled to submit a complaint at any time, where you may feel that our service has not met your satisfaction.

Where any trading or other query has not been addressed or when you wish to submit a formal complaint at the initial or a subsequent stage, you can do so by completing the Online Complaint Form.

If you are not satisfied with our response to your complaint you can refer your complaint to the Financial Ombudsman of the Republic of Cyprus. For more information please visit http://www.financialombudsman.gov.cy

Other relevant information

We recommend reading the Terms and Conditions. For any questions regarding the KID or any other documents please contact us through the Contact Us page.

Charlgate Ltd
Key Information Document
CFDs on INDICES

Purpose

This document provides you with key information about this financial product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products. This Key Information Document ("KID") was last updated in January 2018.

Product

Name of Product: Contracts for Difference (CFDs) on Indices.

Manufacture of this Product is: Charlgate Ltd (hereinafter "the Company") is a licensed Investment Firm regulated by the Cyprus Securities and Exchange Commission with authorisation number [XXX/XX]. The Company is located at Kristellina Tower, 12 Arch. Makarios III Avenue Mesa Geitonia, Office 301, CY 4000, Limassol, Cyprus.

Date of production: [xx/xx/xxx]

Alert

You are about to purchase a product that is not simple and may be difficult to understand

What is this product?

You are about to trade in a Contract for Difference ("CFD") with the underlying instrument being Futures on Indices, adjusted for fair value.

What is CFD?

A CFD is a tradable instrument that allows you to obtain an indirect exposure to an underlying asset or instrument. CFDs on Indices are traded Over-The-Counter (OTC). The Company is the agent to the execution of your trades. CFDs are leveraged products, enabling investors to make transactions with only a small margin (deposit). The underlying asset or instrument is never actually owned by you and the profit or loss is determined by the difference between the buying and the selling price of the CFD, minus any relevant costs (detailed below). This means you will never own the underlying asset or instrument, but you will make gains or incur losses as a result of price movements in the underlying asset or instrument.

Underlying Instrument

You are about to trade in a Contract for Difference ("CFD") with the underlying instrument being Futures on Indices, adjusted for fair value.

What are Cash Indices?

A Cash Index consists of hypothetical portfolio of stocks, where its price is constituted by the price fluctuation of consistent shares in a percentage distribution basis. In a cash market, the exchange of goods and money between the seller and the buyer is settled in the present, as opposed to the futures market where such an exchange takes place on a specified future date. A Cash Index CFD tracks the performance of the related futures contract, adjusted for fair value. The fair value is the theoretical calculation of the value of the futures contract taking into account the current index value, any dividends paid on constituent stocks and current interest rates. In other words the fair value can show the difference between the futures price and what it would cost to own all the stocks of the particular index.

So how do CFDs work?

The Company is the agent to the execution of your trades. As an example – if you enter into a Buy trade for a CFD on US30 when the underlying price of US30 is USD 23,940, we will ask you to place a margin with us to enable you to trade. If the margin is say 1:100, this means that as a minimum you will need to place USD 239.40 with us. If the price of US30 goes to USD 23,980, you will profit USD 40.00, minus any relevant costs (detailed below). If it reduces to USD 23,900, you will lose USD 40.00, plus any relevant costs (detailed below). Depending on whether we apply any notifications when your account is close to margin calls, we may ask you for more money to ensure your trade / position remains open, otherwise we may be forced to close your position. You will never lose more than the Equity of your trading account as we offer Negative Balance Protection.

Objectives

The objective of trading CFDs on Indices is to speculate on price movements (generally over the short term) in an underlying instrument, without actually buying or selling the underlying asset o future instrument. Your return depends on movements in the price of the underlying future instrument and the size of your position. Through your trading with us, you receive the exposure to the performance of the underlying instruments, but you do not receive any ownership or other rights to such underlying asset or future instrument. This product is appropriate only for speculative investment purposes.

Trading in CFDs on Indices carries high level of risk and thus can generate great profits as well as great losses. You should never invest more that you are willing to lose, as it is possible to lose your initial investment.

Prior to commencing trading in CFDs on Indices it is prudent to consult with this KID and evaluate whether trading in CFDs in Indices in appropriate for you.

Intended retail investor

Trading in this product is highly speculative and involves a significant risk of loss. This product is for clients with a relatively short-term investment horizon, and is NOT suitable for ALL investors but **only for those who** i) understand and are willing to bear the risks involved, including the risks associated with margin trading; ii) possess the necessary experience and knowledge about trading in derivatives and the underlying instruments; have for objective speculation over short term, and iii) are financially able to bear the risk of a total loss of their invested amounts, subject to the negative balance protection mechanism offered by the Company.

Term

CFDs on Cash Indices generally have no expiration date and therefore it is up to you to open and close your position.

You should be aware that if your margin level reaches or falls below the Margin Close Out Level of 20%, you will receive a stop out or margin call and your positions will start liquidating, without notice by us to you, starting with the highest losses.

What are the risks and what could I get in return?

Risk Indicator

Lower Risk — Higher Risk

Typically lower rewards — Typically higher rewards

1	2	3	4	5	6	7

Signification of the indicator

This indicator measures the level of risk at which your investment may be exposed.

The risk category is not guaranteed and may shift over time. The lowest category does not mean «risk-free». The CFDs on Indices display a grade of 7 on a scale ranging from 1 to 7 (1 being the less risky category). They therefore exhibit (because also of leverage) the highest risk characteristics.

This product does not include any protection from future market performance so you could lose all of your investment. The Client could place Stop Loss to limit potential losses, and Take Profit to collect profits.

If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from the Investor Compensation Fund (see the section 'what happens if we are unable to pay you'). This indicator shown above does not consider this protection.

General CFD risks

- CFDs are complex financial instruments and are traded Over the Counter ("OTC"). You can only exit a position by trading with us, during the trading hours of the underlying instrument as stated on our Website. You cannot transfer your open positions/trades to any other firm. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk.
- You do not owe the underlying asset. Through your trade with us, you receive by us exposure to the performance of the underlying asset, but you do not receive any ownership or other rights to such underlying asset.
- CFDs are leveraged products. You only need a small margin for getting exposure to the underlying asset. Leverage can magnify both your profits as well as your losses.
- Statistically, because of leverage, a significant part of clients lose because leverage amplifies losses, leading to margin calls and closures of clients' open positions. We operate a Negative Balance Protection i.e. you cannot lose more than the Equity of your trading account, however you risk losing the capital invested with us.

- CFD trading is undertaken on electronic platforms. There may be times that system or other breakdowns arise. This may affect your ability to trade, or our ability to offer continuous prices or create a need for subsequent adjustment of prices to reflect underlying exchange prices.
- CFDs on certain instruments can be highly volatile. The prices of CFDs and the underlying instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by us. Under certain market conditions it may be impossible for a Client's order to be executed at the declared price leading to losses.
- Prices of CFDs as well as their commercial terms like the spreads maybe varied to reflect periods of actual or expected heightened market volatility.
- Depending on the currency your trading account is denominated and the currency of the underlying instrument you trade, your final return maybe exposed to the exchange rate risk between the two currencies.
- The tax legislation of your home Member State may have an impact on your return.

The above list of risks is non-exhaustive. For the Company's Risk Disclosure Policy please visit the Company's website.

Cash Indices specific risks

- Cash Indices consist of a portfolio of shares. If one or more share/s distribute dividends, according to the cap of the share/s in the portfolio, positive or negative cash dividend adjustment depending on the direction of your trade, are applied in order to neutralize the economic effect that may affect the price of the underlying Share on the ex-dividend date.
- Therefore, where you have open positions that you do not wish to receive cash dividend adjustment, you shall close them before end-of-day.

Performance Scenarios

The performance scenarios represent general situations of changes in the prices of CFDs in Indices and their impact on the return of the Client's investment in monetary and percentage terms. These scenarios are general and applicable to the range of CFDs on Indices offered by the Company.

As an example – if you enter into a Buy trade for a CFD on US30 when the underlying price of US30 is USD 20,000, we will ask you to place a margin with us to enable you to trade. If the margin is say 1:100, this means that as a minimum you will need to place USD 200.00 with us. Costs of execution are not included in this section but are presented in detailed in the Section '**Fees and charges"**. Costs of execution must be taken into consideration when planning your trading activity.

Scenario	Open Price	Close Price	Percentage change in equity	Profit/Loss (USD)
Favourable	20,000	20,200	100%	200
Moderate	20,000	20,040	20%	40
Unfavourable	20,000	19,960	-20%	-40
Stress 1	20,000	19,838	-81%	-162
Stress 2	20,000	19,600	-200%	-200

In the first Stress scenario the client would reach stop out level and the positions would be liquidated.
In the second Stress scenario the client would benefit from negative balance protection.

What happens if the Company is unable to pay out?

For CFDs on underlying instruments, in case of our financial default you may seek compensation from the Investor Compensation Fund ("ICF") of Cyprus Investment Firms. The maximum compensation is Euro 20,000. ICF Rules apply, including with respect to your categorization and eligibility. In general, retail clients are covered by the ICF.

Fees and Charges

- The charges you pay are used to cover the costs of our operational activities, including the costs of obtaining market / price data from the underlying exchanges, the staff costs, our regulatory license costs, our funding costs as well as the marketing and distribution costs.

	Entry Cost	**Spread**

One-off Cost at the time of your trade		Spread is the difference, usually indicated in pips, between the Bid and Ask price and reflects, in part, the spread of the underlying instrument. The min value of the spreads is 25 pips and is floating; therefore, it may increase depending on the liquidity and volatility. Mark-ups start from 15 pips and are embedded in the spread price. Please refer to our Website for more information on the spreads cost of which may be substantial.
	Exit costs	The Same as when entering the trade (see above).
On-going costs		**Swaps** Swap is the fee for keeping the position opened over the night. The swap can be positive or negative depending on the instrument. Swap for the opened positions is calculated at 23:59:59 – 00:00:00 (EET), Monday to Friday. If you leave a position open overnight, it will be rolled over (at a swap charge) to the next trading day. In this way it will maintain open future status. Swap rates can be found on our website. **Please see our swap calculation formula below**: Swap value = Number of lots x contract size x Swap rate x Number of nights Example: Swap value = Number of lots x contract size x Swap rate x Number of nights Example: 4 (number of lots) x 100 x -0.09861 (long US30) x 4 (number of nights*) = -$157.77 *CFD on Indices position opened on Friday and closed on Monday (triple swap is charged from Friday to Monday night as it includes the charge for the weekend).
Incidental cost		Inactivity fee charged after the inactivity of 3 months: 5 USD or equivalent in other currency per month.

How long should I hold it and can I take money out early?

- You can only exit an open trade by entering into an opposite trade, only with us, during the trading hours of the market of the underlying instrument being made available by us on our Website

How can I complain?

You are entitled to submit a complaint at any time, where you may feel that our service has not met your satisfaction.

Where any trading or other query has not been addressed or when you wish to submit a formal complaint at the initial or a subsequent stage, you can do so by completing the Online Complaint Form.

If you are not satisfied with our response to your complaint you can refer your complaint to the Financial Ombudsman of the Republic of Cyprus. For more information please visit http://www.financialombudsman.gov.cy

Other relevant information

We recommend reading the Terms and Conditions. For any questions regarding the KID or any other documents please contact us through the Contact Us page.

Charlgate Ltd

Key Information Document

CFDs on COMMODITIES

Purpose

This document provides you with key information about this financial product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Name of Product: Contracts for Difference (CFDs) on Commodities.

Manufacturer of this Product is: Charlgate Ltd (hereinafter "the Company") is a licensed Investment Firm regulated by the Cyprus Securities and Exchange Commission with authorisation number [XXX/XX]. The Company is located at Kristellina Tower, 12 Arch. Makarios III Avenue Mesa Geitonia, Office 301, CY 4000, Limassol, Cyprus.

Date of production: [xx/xx/xxx]

Alert

You are about to purchase a product that is not simple and may be difficult to understand

What is this product?

Type

The product is Contracts for Difference ("CFD") on Commodity (i.e. agricultural, metal, energy). A CFD is a tradable instrument that allows you to obtain an indirect exposure to an underlying asset or instrument. CFDs on Commodities are traded Over-The-Counter (OTC). The Company is the agent to the execution of your trades. CFDs are leveraged products, enabling investors to make transactions with only a small margin (deposit). The underlying asset or instrument is never actually owned by you and the profit or loss is determined by the difference between the buying and the selling price of the CFD, minus any relevant costs (detailed below). This means you will never own the underlying asset, but you will make gains or incur losses as a result of price movements in the underlying asset.

Underlying Instrument

CFDs on Commodities have different type of commodity futures as underling instruments; the main are agricultural (grains and oilseeds like corn, soybeans, and soybean oil as well as other products including livestock, dairy, lumber, coffee, etc.), energy (Natural Gas, Coal, Oil etc.) and Refined Products, and metal futures (copper, gold futures, palladium, aluminium, silver etc.).

What are Futures?

Futures means a future contract which gives the buyer the obligation to purchase a specific asset, and the seller to sell and deliver the asset at a specific future date, unless such contract is terminated prior to such date for any reason. A CFD that is linked to a financial instrument which is a Future has an expiration date.

So how do CFDs work?

As an example – if you enter into a Buy trade for a CFD on Oil when the underlying price of Oil future is USD 60.00, we will ask you to place a margin with us to enable you to trade. If the margin is say 1:100, this means that as a minimum you will need to place USD 0.60 with us. If the price of Oil future goes to USD 65.00, you will profit USD 5.00, minus any relevant costs (detailed below). If the price of the Oil future goes to USD 55.00, you will lose USD 5.00, plus any relevant costs (detailed below). Depending on whether we apply any notifications when your account is close to margin calls, we may ask you for more money to ensure your trade / position remains open, otherwise we may be forced to close your position.

You will never lose more than the Equity of your trading account as we offer Negative Balance Protection.

Objectives

The objective of trading CFDs on Commodity is to speculate on price movements (generally over the short term) in an underlying future instrument, without actually buying or selling the underlying asset of future instrument. Your return depends on movements in the price of the underlying future instrument and the size of your position. Through your trading with us, you receive the exposure to the performance of the underlying instruments, but you do not receive any ownership or other rights to such underlying asset or future instrument. This product is appropriate only for speculative investment purposes.

Trading in CFDs on Commodities carries high level of risk and thus can generate great profits as well as great losses. You should never invest more that you are willing to lose, as it is possible to lose your initial investment.

Prior to commencing trading in CFDs on Commodities it is prudent to consult with this KID and evaluate whether trading in CFDs in Commodities in appropriate for you.

Intended retail investor

Trading in this product is highly speculative and involves a significant risk of loss. This product is for clients with a relatively short-term investment horizon, and is NOT suitable for ALL investors but **only for those who** i) understand and are willing to bear the risks involved, including the risks associated with margin trading; ii) possess the necessary experience and knowledge about trading in derivatives and the underlying instruments; have for objective hedging their commodities related risk, and speculation over short term, and iii) are financially able to bear the risk of a total loss of their invested amounts, subject to the negative balance protection mechanism offered by the Company.

Term

CFDs on Commodities have an expiration date. Such products are not traded up until the exact expiration date of the underlying future instrument. Unless the relevant CFD order is closed by you, the CFD is automatically rolled over to the next underlying Futures contract and price, usually on the last Friday before the official expiration day (the specific expiry date per underlying Future can be found in our Website). This is known as the Expiration Rollover. You should be aware that whenever an Expiration Rollover occurs we will charge you an amount equal to the Spread of the underlying Future being rolled over.

You should be aware that if your margin level reaches or falls below the Margin Close Out Level of 20%, you will receive a stop out or margin call and your positions will start liquidating, without notice by us to you, starting with the highest losses.

What are the risks and what could I get in return?

Risk Indicator

Lower Risk — Higher Risk

Typically lower rewards — Typically higher rewards

1	2	3	4	5	6	7

Signification of the indicator

This indicator measures the level of risk at which your investment may be exposed.

The risk category is not guaranteed and may shift over time. The lowest category does not mean «risk-free». The CFDs on Commodities display a grade of 7 on a scale ranging from 1 to 7 (1 being the less risky category). They therefore exhibit (because also of leverage) the highest risk characteristics.

This product does not include any protection from future market performance so you could lose all of your investment. The Client could place Stop Loss to limit potential losses and Take Profit to collect profits.

If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from the Investor Compensation Fund (see the section 'what happens if we are unable to pay you'). This indicator shown above does not consider this protection.

General CFD risks

- CFDs are complex financial instruments and are traded Over the Counter ("OTC"). You can only exit a position by trading with us, during the trading hours of the underlying instrument as stated on our Website. You cannot transfer your open positions/trades to any other firm. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk.
- You do not owe the underlying asset. Through your trade with us, you receive by us exposure to the performance of the underlying asset, but you do not receive any ownership or other rights to such underlying asset.
- CFDs are leveraged products. You only need a small margin for getting exposure to the underlying asset. Leverage can magnify both your profits as well as your losses.
- Statistically, because of leverage, a significant part of clients lose because leverage amplifies losses, leading to margin calls and closures of clients' open positions. We operate a Negative Balance Protection i.e. you cannot lose more than the Equity of your trading account, however you risk losing the capital invested with us.
- CFD trading is undertaken on electronic platforms. There may be times that system or other breakdowns arise. This may affect your ability to trade, or our ability to offer continuous prices or create a need for subsequent adjustment of prices to reflect underlying exchange prices.

- CFDs on certain instruments can be highly volatile. The prices of CFDs and the underlying instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by us. Under certain market conditions it may be impossible for a Client's order to be executed at the declared price leading to losses.
- Prices of CFDs as well as their commercial terms like the spreads maybe varied to reflect periods of actual or expected heightened market volatility.
- Depending on the currency your trading account is denominated and the currency of the underlying instrument you trade, your final return maybe exposed to the exchange rate risk between the two currencies.
- The tax legislation of your home Member State may have an impact on your return.

The above list of risks is non-exhaustive. For the Company's Risk Disclosure Policy please visit the Company's website.

Future specific risks

• CFDs on Commodities have an expiration date because the underlying Commodity futures have an expiration day. Unless the relevant CFD order is closed by you, the CFD is automatically rolled over to the next underlying Futures contract and price, usually on the last Friday before the official expiration day. This is known as the Expiration Rollover. You should be aware that whenever an Expiration Rollover occurs we will charge you an amount equal to the Spread of the underlying Future being rolled over.

• Therefore, where you have open positions that you do not wish to have rolled over to reflect effectively the new tradable Futures contract, you should close your position(s) and/or cancel Orders before the rollover date.

Performance Scenarios

The performance scenarios represent general situations of changes in the prices of CFDs in Commodities and their impact on the return of the Client's investment in monetary and percentage terms. These scenarios are general and applicable to the range of CFDs on Commodities offered by the Company.

As an example – if you enter into a Buy trade for a CFD on Oil when the underlying price of Oil future is USD 100.00, we will ask you to place a margin with us to enable you to trade. If the margin is say 1:100, this means that as a minimum you will need to place USD 1.00 with us. Costs of execution are not included in this section but are presented in detailed in the Section '**Fees and charges"**. Costs of execution must be taken into consideration when planning your trading activity.

Scenario	Open Price	Close Price	Percentage change in equity	Profit/Loss (USD)
Favourable	100.00	101.00	100%	1
Moderate	100.00	100.10	10%	0.10
Unfavourable	100.00	99.80	-20%	-0.20
Stress 1	100.00	99.19	-81%	-0.81
Stress 2	100.00	98.00	-200%	-1

In the first Stress scenario the client would reach stop out level and the positions would be liquidated.
In the second Stress scenario the client would benefit from negative balance protection.

What happens if the Company is unable to pay out?

For CFDs on underlying instruments, in case of our financial default you may seek compensation from the Investor Compensation Fund ("ICF") of Cyprus Investment Firms. The maximum compensation is Euro 20,000. ICF Rules apply, including with respect to your categorization and eligibility. In general, retail clients are covered by the ICF.

Fees and Charges

- The charges you pay are used to cover the costs of our operational activities, including the costs of obtaining market / price data from the underlying exchanges, the staff costs, our regulatory license costs, our funding costs as well as the marketing and distribution costs.

One-off Cost at the time	Entry Cost	**Spread** Spread is the difference, usually indicated in pips, between the Bid and Ask price and reflects, in part, the spread of the underlying instrument. The Spread values vary for different accounts and depends on

of your trade		the futures that is the underlining instrument. The min value of the spreads is 6 pips and is floating; therefore, it may increase depending on the liquidity and volatility. Mark-ups start from 3 pips and are embedded in the spread price. Please refer to our Website for more information on the spreads cost of which may be substantial.
	Exit costs	The Same as when entering the trade (see above).
On-going costs		**Swaps** Swap is the fee for keeping the position opened over the night. The swap can be positive or negative depending on the instrument. Swap for the opened positions is calculated at 23:59:59 – 00:00:00 (EET), Monday to Friday. If you leave a position open overnight, it will be rolled over (at a swap charge) to the next trading day. In this way it will maintain open future status. Swap rates can be found on our website. **Please see our swap calculation formula below**: Swap value = Number of lots x contract size x Swap rate x Number of nights Example: Swap value = Number of lots x contract size x Swap rate x Number of nights Example: 4 (number of lots) x 1000 x -0.09861 (long Oil) x 4 (number of nights*) = -$1577.76 *position opened on Friday and closed on Monday (triple swap is charged from Friday to Monday night as it includes the charge for the weekend). **Expiration Rollover** The CFD is automatically rolled over to the next underlying Futures contract and price, usually on the last Friday before the official expiration day. Whenever an Expiration Rollover occurs we will charge or credit you an amount equal to the Spread of the underlying Future being rolled over. If the new contract trades at a higher price than the expiring contract, long position (buy) will be charged negative rollover adjustment and short position (sell) will be charged positive rollover adjustment. If the new contract trades at a lower price than the expiring contract, long position (buy) will be charged positive rollover adjustment and short position (sell) will be charged negative rollover adjustment.
Incidental cost		Inactivity fee charged after the inactivity of 3 months: 5 USD or equivalent in other currency per month.

How long should I hold it and can I take money out early?

- You can only exit an open trade by entering into an opposite trade, only with us, during the trading hours of the market of the underlying instrument being made available by us on our Website.

How can I complain?

You are entitled to submit a complaint at any time, where you may feel that our service has not met your satisfaction.

Where any trading or other query has not been addressed or when you wish to submit a formal complaint at the initial or a subsequent stage, you can do so by completing the Online Complaint Form.

If you are not satisfied with our response to your complaint you can refer your complaint to the Financial Ombudsman of the Republic of Cyprus. For more information please visit http://www.financialombudsman.gov.cy

Other relevant information

We recommend reading the Terms and Conditions. For any questions regarding the KID or any other documents please contact us through the Contact Us page.