

Key Information Document – CFD on Currencies

Purpose

This document provides you key information about this investment 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

Contract for Difference (“CFD”)

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Alert

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

What is this product?

Type: CFDs

This investment product is a Contract for Differences (“CFD”). A CFD is an Over the Counter (“OTC”) leveraged financial instrument and its value is determined based on the value of an underlying asset. The investor makes a profit or a loss on the CFD based on the direction chosen (Buy or Sell) and the direction of the value of the underlying asset. The CFD is settled in cash only and the investor has no rights whatsoever on the actual underlying asset.

Objectives:

CFDs offer exposure to the markets while requiring you to only put down a small margin (‘deposit’) of the total value of the trade. They allow investors to take advantage of prices moving up (by taking ‘long positions’) or prices moving down (by taking ‘short positions’) on underlying assets. When the contract is closed you will receive or pay the difference between the closing value and the opening value of the CFD and/or the underlying asset(s). If the difference is positive, the CFD provider pays you. If the difference is negative, you must pay the CFD provider. In order to purchase the specific CFD, the investor must have sufficient margin in his account. In the case of currencies, the prices are determined in interbank transactions whereby banks will quote each other prices of one currency against another currency. Prices of this specific investment product may be obtained either by liquidity providers who obtain such prices from market data aggregators or directly from market data aggregators who collect data from interbank transactions producing a market price for each currency against another currency. The market for most currencies is open 24 hours a day, 5 days a week from Sunday at 23:00 CET until Friday 22:00 CET. For specific trading hours please check Instruments Specifications page (available at www.trade360.com).

In order to purchase the specific CFD, the investor must have sufficient margin in his account. The normal required margin for major currencies is 3.33% and for non-major currencies is 5%. This means that in order to open a transaction of €10,000 (deal size), the investor will need to have a minimum margin of €333.33 for major currencies and €500 for non-major currencies in his account. This represents a leverage of 1:30 for major currencies and 1:20 for non-major currencies. Margin requirements may be increased at the Company’s discretion in cases of extreme market volatility.

Intended Retail Investor:

CFDs are complex products and are not suitable for all investors. CFDs are intended for investors who have knowledge and experience with leveraged products and understand how they operate, including all the risks and costs involved, and are able to bear losses equal to all their invested capital. CFD’s are intended for investors with high risk tolerance.

Term:

CFDs do not have a maturity or termination date. Certain categories of CFDs have an expiry date. For further information in regard to the expiration dates, please check the Company’s website.

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

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very high level.

CFDs are leveraged products that due to underlying market movements can generate losses rapidly. There is no capital protection against market risk, credit risk or liquidity risk.

Summary Risk Indicator (SRI)

1 2 3 4 5 6 7

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Lower risk Higher risk

 This product is highly liquid and the Company does not prescribe a holding period for any position, whether this is a buy or a sell position. Clients are free to open/close a trade whenever they believe that it best suits them.

This risk indicator assumes that you keep the product for up to 24 hours. You may not be able to end the product easily or you may have to end at a price that significantly impacts the return on your investment. CFDs may be affected by slippage or the inability to end the product at a desired price due to unavailability of such price in the market. CFDs are OTC products and cannot be sold on any exchange, MTFs or other trading venue. There is no capital protection against market risk, credit risk or liquidity risk.

Currencies may fluctuate significantly in a short period of time. If the change in price is against the direction chosen by the investor, then the investor can experience significant losses over a short period of time up to a maximum of the amount held as margin in the investor’s account. However, the investor will never owe to the Company any amount in excess of the available funds in the account in light of the contractual “Negative Balance Protection”. Market conditions may mean that your CFD trade is closed at a less favorable price, which could significantly impact how much you get back.

This product does not include any protection from future market performance so you could lose part or all of your investment.

Be aware of currency risk. You may receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies.

Be aware of margin payments. In some circumstances you may be required to make further payments to compensate for losses which occur from leveraged trading and failure to make an additional deposit may result in your position to automatically close. Nevertheless, the total loss you may incur will never exceed the amount invested as the Company offers its Clients Negative Balance Protection.

This product does not include any protection from future market performance so you could lose some or all of your investment. However, you may benefit from a consumer protection scheme (see the section ‘what happens if we are unable to pay you’). The indicator shown above does not consider this protection.

Performance Scenarios (assuming no swap effects)

The scenarios shown below illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you hold the CFD. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

Below are examples of performance scenarios of a deal in CFD based on EURUSD, considering that the client opens a full margin position (i.e. the client ‘s position is using full account margin).

CFD on EURUSD currency pair (Held Intraday)

EURUSD price (P):	\$1.17
Trade size (TS) (per CFD) :	10,000
Margin % (M):	3.33%
Leverage (L):	1:30
Margin Requirement (\$): $MR = P \times TS \times M =$	\$390
Notional value of the trade (\$): $MR \times L = 390 \times 30 =$	\$ 11,700
Account margin at the time of opening a the trade (AM):	\$390

Scenarios							
Buy/Long position	Closing Price (inc. spread)	Price change	Profit/Loss (USD)	Sell/Short position	Closing Price (inc. spread)	Price change	Profit/Loss (USD)
Favourable	1.1850	1.282%	150	Favourable	1.155	-1.1282%	150
Moderate	1.1750	0.42 %	50	Moderate	1.165	-0.42%	50
Unfavourable	1.1550	-1.282%	-150	Unfavourable	1.185	1.282%	-150
Stress	1.1150	-4.7%	-550*	Stress	1.225	4.7%	-550*

*The account is covered by negative balance protection and cannot lose more than the amount deposited.

What happens if Crowd Tech Ltd is unable to pay out?

Client funds are always held in segregated bank accounts separately from the Company’s own funds with credit institutions in Europe, and follows CySEC rules on safeguarding clients’ funds.

In the unlikely event that the Company is unable to meet its financial obligations towards its clients, then the client can lose the value of its investment. However, the Company is a member of the Investor’s Compensation Fund (“ICF”) and eligible clients can receive compensation up to €20,000, irrespective of the number of accounts held. For more information regarding the ICF, please read the Company’s ICF Policy which is found on its website.

What are the costs?

One off costs	Spread	The spread cost is the difference between the buy and sell price. Information about spreads can be found on the Company’s website.
	Exchange Rate	You may receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies.
Ongoing Costs	Daily holding /Overnight Fee/ rollover/swap	A fee is charged to your account for every night that your position is held. This means the longer you hold a position, the more it costs. Swaps can be viewed on the trading platform and the Company’s website . Depending on the position held and the applicable interest rates this can be credited or debited.
Other Costs	Account Maintenance Fee	The Company reserves the right to charge a fee of USD 100 every 45 days for account maintenance assuming that the account has these funds available in case of inactivity of the account.

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

CFDs on currency are usually held for less than 24 hours. You can cash out the CFD at any point you wish during regular market hours, but it may not be at a price beneficial to you or your investment goals. In general, due to the frequent market movements and price changes, CFDs are not intended for long-term trading. It should be noted that swap/overnight fees apply as described above and on the Company’s website. The client can withdraw at any time, any amount except the amount that is used as collateral for his open positions.

How can I complain?

Complaints and enquiries can be addressed to us by sending an email to complaints@trade360.com. For more information on the complaint procedure please read our Terms and Conditions on our website <https://www.trade360.com/en-gb/legal/terms-and-conditions/>. In the unlikely event of you having any reason to feel dissatisfied with our final response, you may then refer the matter to the Financial Ombudsman. For more information please visit www.financialombudsman.gov.cy

Other relevant information

The Company recommends that you visit its website and read all legal documents and Terms and Conditions as they contain important information and details regarding your account and overall relationship with us.