

## Key Information Document (KID)

### Purpose

This document provides you (the “Client”) with 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

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

**Provider:** Forextime Ltd (the “Company”) is a Cyprus Investment Firm (the “CIF”), authorized, licenced, regulated and supervised by the Cyprus Securities and Exchange Commission (the “CySEC”) and its licence number is 185/12. It is also licensed by the Financial Sector Conduct Authority (FSCA) of South Africa, with FSP No. 46614. For more information please visit the Company’s website at [www.forextime.com/eu/](http://www.forextime.com/eu/) or call us at 0035725558777.

**Date of production:** 01/01/2018 (updated 04/07/19)



**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 CFDs on Spot Commodities. CFDs on Spot Commodities are over-the-counter products which reflect the price of the underlying asset. Spread may vary depending on the market conditions. Margin required to open the position is fixed for each CFD on Spot Commodities.

For further information please visit the Company’s [website](#).

#### Objectives

CFDs are derivative financial instruments. A CFD is an agreement between two counterparties to exchange the price difference of a specific underlying instrument for the time period the deal was opened.

CFDs are leveraged products and are traded not on an exchange basis but Over-The-Counter (OTC) and there is no central clearing of the transactions. Forextime Ltd is the principal to the execution of your trades. CFDs on Spot Commodities, have different underlying assets (e.g. Brent, US Crude and US Natural Gas).

A CFD is a speculative instrument and while trading CFDs with different underlying assets, the trader does not become the owner of this asset. CFD pricing reflects the pricing of the underlying assets received by the Liquidity Providers. Long position means buying the instrument with the expectation for its value to rise. Short position suggests selling the asset expecting its value to decrease.

CFDs are speculative products which are traded with leverage and are not appropriate for all investors. CFDs, are leveraged products where most of them mature when you choose to close an existing open position. Positions may also be closed due to margin calls/ stop outs. Information on margin calls/ stop out per account can be accessed on the Company’s [website](#). Moreover, in case where the Company intends to remove the availability of a CFD, it shall inform you (i.e. the Client) in order to close any open positions until a specific deadline. If the Client does not close the position by the said deadline, the Company has the right to close any open positions on his behalf. By investing in CFDs, you assume a high level of risk which can result in the loss of all of your invested capital.

Trading in CFDs carries high level of risk and thus can generate great profits as well as great losses. You should never invest more than you are willing to lose, as it is possible to lose your initial investment. Unless a Client knows and fully understands the risks involved in CFD trading, they should not engage in any trading activity. Clients should consider whether CFDs are appropriate for them according to their financial status and goals before trading. If you do not have enough knowledge and experience to trade, we suggest you seek independent advice before you invest. If you still don’t understand these risks after consulting an independent financial advisor, then you should refrain from trading at all. Trading in CFDs comes with a significant risk of losses and the investment value can both increase and decrease. CFDs require constant monitoring and may not be appropriate for persons who cannot devote time in this respect.

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

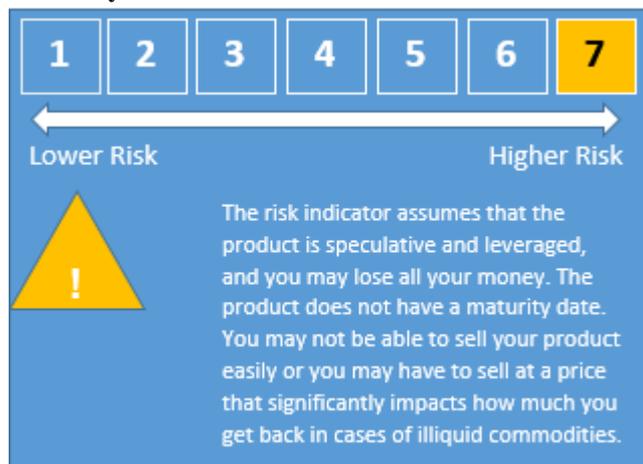
### Intended Retail Investor

CFDs are available for Clients that their objectives and needs will be to increase wealth/ capital, hedge their business foreign exchange risk and speculation over the short, medium or long term investment horizon. Clients should have a high-risk tolerance and ability to lose of 100% of their capital. The Clients should be willing to accept margined price fluctuations in exchange for the opportunity of higher returns. Moreover, the Clients should be willing to accept concentration risk with the exchange for the opportunity of higher returns.

Clients that are risk intolerant should not invest in the respective target market as these instruments are risky and bear significant amount of risk.

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

#### Summary risk indicator



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 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. **Be aware of currency risk. You may receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies.** For example, maintaining a trading account in Euros and trading in CFDs that are not priced in Euros are subject to foreign exchange risks and may be affected in fluctuations of the underlying currencies. **This risk is not considered in the risk indicator.**

In some circumstances you may need to make additional payments to compensate for losses (i.e. margin payments). The total loss you may incur will never exceed your invested amount. The Company offers Negative Balance Protection to its Clients, meaning that they will never be in a position to lose more funds than the amounts invested with the Company. In case the account balance of a Client enters in the negative territory for example due to a gap in the market, this amount will not be requested by the Company, and the Client's account will be brought back to zero (0).

Please refer to the Company's Risk Disclosure Policy on the Company's [website](#).

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 to protect against market movements. 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.

### Performance Scenarios

The performance scenarios represent general situations of changes in the prices of CFDs in Spot 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 commodities offered by the Company.

The scenarios are an estimate of future performance based 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 keep the investment/ product. 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 unable to pay you.

#### Example:

Trading 1 lot Crude at the price of 72.00, using leverage 1:10 and 10,000 USD deposit.

Margin requirements: **Volume \* Contract Size \* Open Price / Leverage = 1 \* 1000 \* 72 / 10 = 7,200 USD**

Costs of execution are not included in this section, but are presented in detailed in the Section 'What are the costs'. Costs of execution must be taken into consideration when planning your trading activity. For contract specifications of each instrument offered by the Company please visit our [website](#).

Open price	Scenario (LONG)	Close Price	Change in Equity (%)	Profit/Loss (USD)	Scenario (SHORT)	Close Price	Change in Equity (%)	Profit/Loss (USD)
72.00	Favourable	72.88	8.80	880.00	Favourable	71.25	7.50	750.00
72.00	Moderate	72.19	1.90	190.00	Moderate	71.59	4.10	410.00
72.00	Unfavourable	71.58	-4.20	-420.00	Unfavourable	72.63	-6.30	-630.00
72.00	Stress	71.34	-6.60	-660.00	Stress	73.10	-11.00	-1,100.00

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

### What happens if Forextime Ltd is unable to pay out?

Forextime Ltd is a member of the Investor Compensation Fund (ICF) for the Clients of CIFs, which covers eligible investments if the Company is unable to meet its financial obligations to Clients. The total payable compensation to each covered Client of an ICF's member may not exceed €20,000 or 90% of the covered investor's claim, whichever is lower, irrespective of the number of accounts held, currency and place of offering the investment service.

The ICF covers Retail Clients for all the investment services offered by the Company. For more information please visit the Company's website for more information on the [ICF](#).

### What are the costs?

The Company offers a set of accounts where transaction costs differ between them. Please visit our [Account Comparison](#) page for more information. The Company's cost consist of One-Off costs and on-going costs as presented below:

<b>One- off costs</b>	<b>Entry costs</b>	<p><b>Spread</b> Spread is the difference, usually indicated in pips, between the Bid and Ask price.</p> <p>The Spreads values vary for different accounts as well as depend on the instrument traded. The spread is floating, therefore it may increase depending on the market conditions. Spread is a cost present both at entering and exiting a trade, and it applies to all the accounts.</p> <p>All the minimum and typical spreads for each CFD are reflected at the Company's <a href="#">website</a>.</p> <p><b>Commission</b> Commission is only charged on our (MT4) ECN Account and the FXTM ECN MT5 Account. For more information please visit the Company's <a href="#">website</a>.</p>
	<b>Exit costs</b>	
<b>On-going costs</b>		<p><b>Swaps</b> Swap is the fee for keeping the position opened over the night. The swap can be positive or negative depending on the instrument. Swap values are provided in USD and are reflected at the <a href="#">Contracts Specifications</a> page.</p>
<b>Incidental fees</b>		<b>Performance fees</b> for FXTM Invest for profitable strategies only.

For additional information on the monetary and percentage effect of costs and for specific examples, please visit the Company's website [here](#).

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

There is no recommended period for holding CFDs. These products are traded during market operating hours.

### How can I complain?

In case a Client is dissatisfied by the services provided by the Company, must address any complaints to the Company's Compliance Department by filling out the relevant [forms](#) and submit to the Company via the following methods as per the [Complaints Management Policy](#):

- By email: [complaints@forextime.com](mailto:complaints@forextime.com)
- By post or in person at the Company's Headquarters at FXTM Tower, 35 Lamprou Konstantara, Kato Polemidia, 4156, Limassol, Cyprus.

In case the final decision does not satisfy the complainant's demands, the latter may maintain the complaint through the Financial Ombudsman, the CySEC or the relevant courts (see [www.financialombudsman.gov.cy](http://www.financialombudsman.gov.cy) for more information).

### Other relevant information

Clients must read, understand, and acknowledge the Account Opening Agreements prior to on-boarding. These documents can be accessed at the Company's [website](#).