

Key Information Document – CFD on an FX pair

PURPOSE: This document provides you (the “client”) with key information about this investment product. It is not marketing material. The information is required by Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) 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: CFD on an FX pair

The said product is provided by Instant Trading EU Ltd (the “Company”) a Cyprus Investment Firm (the “CIF”) regulated by Cyprus Securities and Exchange Commission (the “CySEC” or “Commission”) with license number 266/15

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If you have any questions for this document, use above information to get support on your inquiry.



You are about to purchase a product that is not simple and may be difficult to understand. This Product may not be suitable for all investors. Please ensure that you fully understand the risks involved.

**WHAT IS THIS PRODUCT?****Type**

A contract for difference (“CFD”) is a leveraged contract entered into with Instant Trading EU Ltd on a bilateral bases, settled in cash. It allows an investor to speculate on rising or falling prices on an underlying FX pair. An FX pair (e.g. EURUSD) involves the simultaneous buying and selling of two different currencies. The first currency referenced in a currency pair is known as the base currency (EUR) and the second (USD) is known as the Quote currency. The price of the CFD on an FX pair is derived from the price of the underlying FX pair, which is the current spot price. An investor has the choice to buy (or go “long”) the currency pair if they think the price of the base currency will rise in relation to the Quote currency; or to sell (or go “short”) the currency pair if they think the price of the Quote currency will rise in relation to the base currency.

CFDs are leveraged products and leverage can vary from 2:1 to 30:1 according to the volatility of the underlying. At the end of the day any open positions are rolled over and charged a daily swap fee. Please note that margin trading requires extra caution, because whilst you can realize large profits if the price moves in your favor, you risk extensive losses if the price moves against you. Failure to deposit additional funds in order to meet the maintenance margin requirement as a result of a

negative price movement may result in the CFD being auto-closed. This will occur when your remaining account equity falls below the maintenance margin requirement.

The CFD on FX pair does not have a pre-defined maturity date and is therefore open-ended. Instant Trading EU Ltd retains the ability to unilaterally terminate any CFD contract where it deems that the terms of the contract have been breached.

Objectives

The objective of trading CFDs is to speculate on the price movement generally over a short-term trading. It allows investors to have a leveraged exposure on an underlying instrument without the need to buy the actual instrument.

Given the leveraged nature of a CFD trading the investor has to deposit only a portion of the notional value of the contract traded as initial margin. For example, if an investor deposits \$10,000 and opens 1 lot on EURUSD at a price of 1.1979 with a leverage on the account at 1:30 then it will require an initial margin of \$3,989.01. In case of any negative price movement, the investor will be losing \$10 per each tick move.

The spot CFD instrument does not have any maturity date whereas the future CFD has a pre-defined expiry date (these details are included in the Company's website under the [Contract Specifications](#) section). There is no recommended holding period and it is up to the investor to decide when to open and close a CFD trade.

You will need to have adequate balance in your account and where applicable deposit additional funds in order to avoid any closures on your open positions or reach a stop out.

Intended

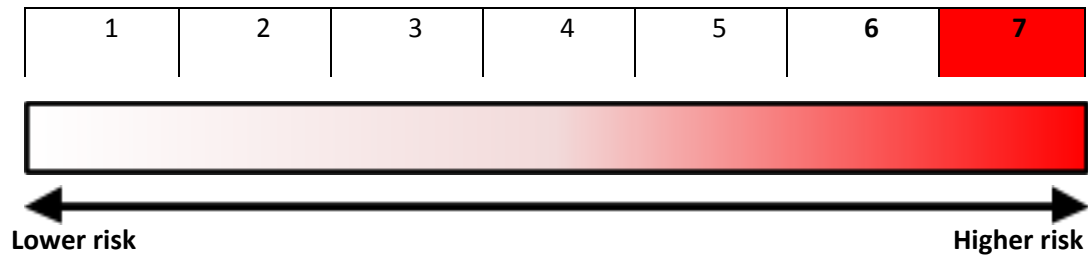
CFDs are intended for investors who have the necessary trading experience and/or investment knowledge with leveraged products. Investors should only trade with capital they can afford to lose. Investors should be aware and knowledgeable that trading on the Company's products could result in them losing all the funds deposited for trading (including any profits in the account). The investors will understand the risk/reward profile of the product compared to the traditional shares trading. Given the risky nature of the Company's products, investors can have high returns as well as high losses in a short period of time.

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

Risk indicator

Due to the trading characteristics, this product obtains the highest risk scoring which is 7 out of 7. CFDs are traded on margin and carry a risk of losing all your initial deposit and/or investment. You should maintain adequate margin in your account to avoid any stop outs and keep your position(s) open. Before deciding to trade on margin products you should consider your investment objectives, risk tolerance and your level of experience on these products. Trading with high leveraged level can either be against you

or for you. Margin products may not be suitable for everyone and you should ensure that you understand the risks involved. You should be aware of all the risks associated with regards to products that are traded on margin and seek independent financial advice, if necessary.



Performance scenarios

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.

The Key Information Document applies to any CFD instrument. For each trade, you will be responsible for choosing the instrument, when you open and close, the trade size and whether to use any risk mitigation features (such as stop loss orders). Each instrument has different characteristics such as lot sizes (number of units i.e. CFD on currency pairs are traded on 100,000 units) or pip value (price move). Further details can be found in the Company's website under [Contract Specifications](#).

The scenarios below include only a price movement and under the stress scenario the position goes on stop out with a 50% margin level (margin level = equity / margin).

CFD on Currency Pair (i.e. EURUSD pair)		
Opening Price	OP	1.1979
Trade Size (per CFD)	TS	0.1
Lots size	LS	100,000
Margin %	M	3.33%
Margin Requirements (EUR)	$MR = OP * TS * M * LS$	333.33
Notional Value of the Trade (USD)	N	\$10,000
Equity	E	\$15,000

LONG Performance Scenario	Closing Price	Price Change	Profit/Loss
Favorable	1.21480	1.50%	150 EUR
Moderate	1.19790	0%	0 EUR
Unfavorable	1.14170	-5.00%	(500) EUR
Stress	1.06310	-12%	(1200) EUR

SHORT Performance Scenario	Closing Price	Price Change	Profit/Loss
Stress	1.21480	1.50%	(150) EUR
Moderate	1.19790	0.00%	0 EUR
Favorable	1.14170	-5.00%	500 EUR
Very Favorable	1.06310	-12%	1200 EUR

What happens if the Product Manufacturer is unable to pay out?

In the case where the Company is unable to pay out its financial obligation then you may lose the entire value of your investment (i.e. account balance held with the Company). However the Company segregates all retail clients funds from its own funds in accordance with the CySEC's rules on safeguarding of financial instruments and funds belonging to clients. The Company is also a member of the Investor Compensation Fund, which covers eligible clients up to a maximum of €20,000 per person. Further details can be found [here](#).

What are the costs?

This table shows the different types of costs related to trading CFDs

One-off entry or exit costs	Spread	Applicable to all instruments	A spread is the difference between the bid (buy) and the ask (sell) price on the specific instrument you trade. This cost is realised every time you open and close a trade.
	Commission	Applicable only to CFDs on futures and CFDs on shares	This is the commission you pay when you buy and sell an instrument.
	Currency Conversion	Applicable to all instruments	This is the cost for converting realised profits and losses as well as any costs and charges that are denominated in a currency other than the base currency of your trading account.
Ongoing costs	Swap (Financing Fee)	Applicable to all instruments. There is an option for a Swap Free account.	This is the swap cost for keeping your position open overnight. The swap cost can be positive or negative depending of the instrument to be traded

More specific details on the costs and charges can be found on the Company's website under [Contract Specifications](#).

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

CFDs are mainly intended for short-term trading and in some cases for intraday trading. In general, CFDs are not suitable for long-term investments. Some investors may also hold CFDs positions for hedging or speculative trading. There is no recommended holding period, no cancellation period and therefore no cancellation fees. Investors can trade (open and close) on CFDs at any time during market trading hours. CFDs should be kept for more than 2 minutes otherwise the trade may be categorized as a short order (scalp trade) and cancelled by Instant Trading EU Ltd.

How can I complain?

You should submit a complaint through the Complaints Portal on the Company's website [here](#). The Company will issue a unique reference number, upon review of the submitted form, and you should use this unique reference number in any future correspondence. A copy of the Company's complaint procedure can be found [here](#).

If you are not satisfied with the Company's final decision then you can submit a complaint to the Financial Ombudsman at <http://www.financialombudsman.gov.cy>.

Other relevant information

Additional important documents such as Terms and Conditions, Order Execution Policy, Privacy Policy, Risk Disclosure, Pillar III Disclosures etc. are included [here](#). These are important documents for you to read and understand prior to opening an account and start trading with the Company.