

# Key Information Document

## Pivot TARF



### Purpose

This document provides you 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. Please note that this is a sample product intended to illustrate the structure of a potential contract. All values such as tenor, notional amount, strike, and currency pair, are subject to change.

### Product

Product name	Pivot TARF on GBP/USD
Product Manufacturer	Cambridge Mercantile Risk Management (UK) Ltd 4th Floor, 8-10 Moorgate, London EC2R 6DA England Website: <a href="https://www.corpay.com/en-GB/compliance">https://www.corpay.com/en-GB/compliance</a> For more information, contact: <a href="mailto:info@Corpay.com">info@Corpay.com</a>
Counterparty	Cambridge Mercantile Risk Management (UK) Ltd
Date of production of the KID	September 25, 2025

## I. What is this product?

- Type:** The product is an over-the-counter (OTC) Pivot TARF derivatives contract, linked to the exchange rate between the Sterling Dollar (GBP) and the US Dollar (USD) with a predefined term, without capital protection against market risk.
- Intended Retail Investor:** This product is not designed to be marketed to a specific type of investor or to fulfill a specific investment objective or investment strategy. A retail investor should become familiar with the characteristics of this product to make an informed decision on whether or not this product fits their investment needs. If in doubt, a Retail investor should seek investment advice relating to this product.
- Term:** The expiration date of the product is Friday, March 27, 2026. The term of the product is 183 days. The product does not provide the option that if certain extraordinary events occur, you and/or the product manufacturer can terminate the product early. Therefore the product cannot be terminated. You may nevertheless enter into an additional counter transaction that offsets the economical effect of this contract. The figures of the performance scenarios and cost tables below are not annualized and refer to the recommended holding period, therefore they cannot be directly compared to figures from other products with a different recommended holding period.
- Objectives:** The product is a complex financial instrument linked to the GBP/USD exchange rate. The theoretical advantage you gain by entering into this product is if the spot rate fixes above the lower strike and below the pivot Strike, you will be protected for the notional amount at the lower strike (scenario B). If the spot rate fixes above the pivot strike and below the upper strike, you will be protected for the notional amount at the upper strike (scenario C). Possible disadvantages include if the spot rate fixes below the lower strike, you will be obligated to deal the notional amount at the lower strike which will be worse than the spot rate (scenario A). If the spot rate fixes above the upper strike, you will be obligated to deal the notional amount at the upper strike which will be worse than the spot rate (scenario D). The duration of the contract is not fixed and, should the accrual cap be fully utilised before the final fixing date, you will be left unhedged for the remainder of your expiries. Do not use this product if the strike rate and amounts are not feasible for your business, you do not understand the possible scenarios, advantages or disadvantages of this strategy, or the use of this product is out of line with your treasury policy.

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

### Summary risk Indicator

Lower Risk < (1) (2) (3) (4) (5) (6) **7** > Higher Risk

The risk indicator assumes you keep the product until the end of the recommended holding period. You may not be able to end your product early. You may have to pay significant extra costs to end your product early.

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, and poor market conditions are very likely to impact the capacity of the product manufacturer to pay you. Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above. If we are not able to pay you what is owed, you could incur significant losses.

## Performance Scenarios

- Scenario A:** If the GBPUSD 'Spot Rate' fixes below the 'Lower Strike' of 3.2000, you buy the 'Notional Amount' of GBP 100,000 at the 'Lower Strike'. This expiry will be 'out the money' and the 'Accrual Cap' will remain unchanged for this expiry.
- Scenario B:** If the GBPUSD 'Spot Rate' fixes above the 'Lower Strike' of 3.2000, and below the 'Pivot Strike' of 3.4000 you buy the 'Notional Amount' of GBP 100,000 at the 'Lower Strike'. This expiry will be 'in the money' and the difference between the 'Spot Rate' and the 'Lower Strike' is subtracted from the 'Accrual Cap'.
- Scenario C:** If the GBPUSD 'Spot Rate' fixes above the 'Pivot Strike' of 3.400, and below the 'Upper Strike' of 3.6000 you sell the 'Notional Amount' of GBP 100,000 at the 'Upper Strike'. This expiry will be 'in the money' and the difference between the 'Spot Rate' and the 'Upper Strike' is subtracted from the 'Accrual Cap'.
- Scenario D:** If the GBPUSD 'Spot Rate' fixes above the 'Upper Strike' of 3.6000, you sell the 'Notional Amount' of GBP 100,000 at the 'Upper Strike'. This expiry will be 'out the money' and the 'Accrual Cap' will remain unchanged for this expiry. In the event that the 'Accrual Cap' has not been fully utilised but dealing at the 'Lower Strike' or 'Upper Strike', as in scenario B or Scenario C, at expiry will result in the 'Accrual Cap' becoming fully utilised.
- Scenario E:** You achieve the 'Notional Amount' of GBP 100,000 at the 'Spot Rate' plus or minus the cents remaining in the 'Accrual Cap'. This expiry will be 'in the money' and all future fixings will cease to exist.

## III. What happens if Cambridge Mercantile Risk Management (UK) Ltd is unable to pay out?

If the product manufacturer becomes insolvent or otherwise unable to deliver under the product, you should in the worst case be prepared to suffer a total loss of your investment. Your loss would not be covered by any investor compensation or guarantee scheme.

## IV. What are the costs?

The costs associated with this product are not charged directly to you as an investor. Instead, Cambridge Mercantile Risk Management (UK) earns revenue through the bid-ask spread. This means there are no upfront or ongoing fees and transaction costs are implicit, arising from the spread between the buying and selling prices. Depending on your credit terms, you may have to pay variation margin to satisfy a margin call obligation to us subject to market movements. Failure to do so can result in position being terminated early.

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

### Recommended holding period: 183 Days

The product is designed to be held until the maturity date. It does not provide for an early termination right of the investor other than the termination right upon occurrence of certain extraordinary events set out above under "Term" in Section I, if any. Therefore, investors should be prepared to stay invested for the term of the product.

## VI. How can I complain?

Complaints about the product, the conduct of the product manufacturer and/or the person advising on or selling the product, should be addressed in writing to Cambridge Mercantile Corp. (UK) Limited, 4th Floor, 8-10 Moorgate, London EC2R 6DA England, by email to [complaintscb@corpay.com](mailto:complaintscb@corpay.com), or by contacting directly the person advising or selling the product. A link to the complaints section of the product manufacturer's website can be found on <https://www.corpay.com/en-GB/compliance>.

## VII. Other relevant information

The information contained in this document is for illustrative purposes only. Nothing in this document should be construed as guidance on potential market movements or performance of associated financial products. Neither does this document constitute investment advice. Further information on this product, as well as the others that we offer, can be found, along with updated versions of this Key Information Document on our website: <https://www.corpay.com/en-GB/compliance>.