

Key Information Document on CFDs on Major Currencies Pairs

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.

PRODUCT

CFDs on major currencies are offered by [Triton Capital Markets Ltd. holds an Investment Service Class 2 License and is regulated by the Malta Financial Services Authority \(MFSA\) of Notabile Road, Attard, Bkr3000, Malta MFSA IS/48817.](#)



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

WHAT IS A CFD?

A Contract for Difference (CFD) is a financial instrument that allows clients to speculate on the increases and decreases in the prices of the underlying assets.

CFDs are leveraged. Leverage trading requires a small amount of capital to be invested in order to open larger positions. Leverage trading requires extra caution, because whilst you can realize large profits if the price moves in your favor, you can also realize extensive losses if the price moves against you. When your remaining account equity falls below the margin requirement, failure to deposit additional funds may result in the position being auto-closed. The leverage varies with the product and it depends on the volatility and liquidity of the underlying asset. CFDs do not have pre-determined maturity date. At the end of the day any open positions are rolled over and charged a swap fee.

CFDs on Major Currencies Pairs

CFDs on major currencies pairs base their price on exchange rates from international markets. Clients open a long position (buy) if they think the price of the asset will increase or a short position (sell) if they think that the price will fall.

CFDs on major currencies pairs have the highest leverage 30:1

You may refer [here](#) to view all the currencies pairs that the Company currently offers.

OBJECTIVES

This product is entered into for the purpose of speculation, portfolio diversification or hedging. Clients do not own the underlying asset. CFDs are also highly customizable, which allows broker to offer products tailored to the client's needs, allowing lower minimum tradable sizes and lower minimum capital requirements.

INTENDED RETAIL INVESTOR

Trading in this product will not be appropriate for everyone. Only investors who understand how the prices of the product are derived, what is the margin and what is the financial leverage should choose this product. Investors must be aware of the investment risk; they can afford to lose; have a diversified investment and savings portfolio; have a high-risk tolerance; and have a good understanding of the impact of and risks associated with trading on margin.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

Foreign exchange trading carries a high level of risk that may not be suitable for all investors. Leverage creates additional risk and loss exposure. Before you decide to trade foreign exchange, carefully consider your investment objectives, experience level, and risk tolerance. You could lose some or all of your initial investment; do not invest money that you cannot afford to lose. Educate yourself on the risks associated with foreign exchange trading, and seek advice from an independent financial or tax advisor if you have any questions.

The Company has classified this product as 7 out of 7, which is the highest' risk class:

1	2	3	4	5	6	7
LOWER RISK			HIGHER RISK			

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Be aware of currency risk: in case the instrument is denominated in a currency different from the currency of your investments (base currency of the trading account), the final return is subject to the risk of exchange rate fluctuations between these currencies.

PERFORMANCE SCENARIOS

The scenario illustrated below shows you how your investment could perform, but it is not an exact indicator. 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.

CFD on EUR/USD (held intraday) with leverage 1:30			
Opening price (either BID or ASK depending on the scenarios in table below)	P	\$	1.1850
Trade size	TS	\$	10,000.00
Margin %	M		3.33%
Margin requirement (USD)	MR = P * TS * M	\$	395.00
Notional value of the trade (USD)	TN= MR/M	\$	11,850.00

Position opened as BUY (ASK price)			
Scenario	Price	Price variation	PNL
Favorable	\$ 1.19000	0.42%	\$ 50.00
Moderate	\$ 1.18750	0.21%	\$ 25.00
Unfavorable	\$ 1.18250	-0.21%	\$ (25.00)
Stress	\$ 1.17000	-1.28%	\$ (150.00)

Position opened as SELL (BID price)			
Scenario	Price	Price variation	PNL
Favorable	\$ 1.18000	0.42%	\$ 50.00
Moderate	\$ 1.18250	0.21%	\$ 25.00
Unfavorable	\$ 1.18750	-0.21%	\$ (25.00)
Stress	\$ 1.20000	-1.27%	\$ (150.00)

The figures shown include all the costs of the product itself. If you have been sold this product by someone else, or have a third party advising you about this product, these figures do not include any cost that you pay to them. The figures do not take into account your personal tax situation, which may also affect how much you get back.

WHAT HAPPENS IF FXDD IS UNABLE TO PAY OUT?

All client funds deposited with FXDD are 100% segregated from the company's funds. This segregation of funds ensures clients deposits cannot be used for any purpose other than client account trading. In addition, the Investor Compensation Scheme administrated by the Malta Financial Services Authority (MFSA), the Maltese regulator, provides limited protection for certain classes of investors. Triton Capital Markets Ltd. contributes to this scheme annually and in the event it becomes insolvent, its customer are afforded protection. FXDD's customers will be eligible for compensation of 90% of their investment up to a maximum limit of €20,000. Professional Clients or Eligible counter parties are not eligible for compensation as they fall out of the scope of the Investor Compensation Scheme which was set up as a protection for retail customers.

WHAT ARE THE COSTS?

Company offers two types of accounts: a standard tier, commission-free account and the Premium tier, subject to commissions that are disclosed on our website. In addition, during the Premium tier registration, the clients are requested to sign a commission acknowledgment form, where the commission structure is explained.

- Spread: The difference between the buy price and sell price is called the spread.
- Commission: charged only on premium accounts.
- Rollover/Swap: at the end of each business day, FXDD will automatically rollover the trade. FXDD will debit or credit the customer's account depending on the interest rate differential between the base currency and the counter currency and the direction of the customer's position. For example, if the customer is long a currency pair where the overnight rate for the base currency is higher than the counter currency, the customer will earn a small credit for positions held overnight. If the opposite is true, the customer account will be debited for the

difference in the interest rate differential. The daily debit/credit will be multiplied threefold for positions carried over Wednesday nights. The debit/credit will be charged/credited at 17:00 New York time for any position open at this time. You can close your position before 5PM EST to avoid the swap fee.

HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

CFD does not have any recommended holding period, and generally is used for short term trading. There is not any lock-up period, and the Investor can liquidate the trading position and monetize the financial result at any time during market hours.

HOW TO FILE A COMPLAINT

At FXDD our customers are our top priority. FXDD strives to ensure that all customer enquiries are dealt with promptly, effectively, and with the world-class customer service you have grown accustomed to. In the unlikely event you are dissatisfied with the service you were provided, you are welcome to contact a FXDD Compliance Officer at compliancemalta@fxdd.com.mt who will thoroughly look into your enquiry. An FXDD Compliance Officer will independently review your enquiry and will inform you of its outcome.

Although all enquiries are reviewed with an impartial view, we acknowledge that you may still be dissatisfied with its results. FXDD views client feedback as an opportunity to improve its products and services; therefore, if you feel so inclined, you may refer your feedback to the Office of the Arbiter <https://financialarbiter.org.mt/en/Pages/Home.aspx>.

OTHER RELEVANT INFORMATION

Please refer to our website for further information on our products and services.