

## KEY INFORMATION DOCUMENT

### 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. This is referred as Key Information Document (the “KID”). This KID is effective from 03/07/2019 and shall remain effective until an updated version is released.

### Product

**Name of Product: Contract for Difference on Indices (hereafter the “CFDs on Indices”).**

**Provider:** Finteractive Ltd (ex Centralspot Trading Ltd) (hereafter “the Company”), is a Cyprus Investment Firm, regulated by the Cyprus Securities and Exchange Commission (“CySEC”) with license number 238/14 and with its head office located at Gladstonos 110 corner of Mesolongiou street, Ayia Trias, 3032, Limassol, Cyprus (the “address”). For further information about our products, you can visit the Company’s website [www.fxvc.eu](http://www.fxvc.eu) (the “website”) or contact us at +357-25123088.

**Alert: 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 Indices. Index CFD trading allows you to obtain an indirect exposure to the price movement of the underlying index by buying or selling the product. CFDs are leveraged products and are not traded on an exchange basis, but Over-The-Counter (OTC) and there is no central clearing of the transactions. Finteractive Ltd (ex Centralspot Trading Ltd) is the principal to the execution of your trades. CFDs on Indices have different underlying indices.

#### Objectives

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 call/stop out. Please click [here](#) to access our Leverage and Margin Policy.

Moreover, in case where the Company intends to remove the availability of a CFD, it shall notify you 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 trading in CFDs, you assume a high level of risk which can result in the loss of your entire invested capital. You should never invest more than what you are willing to lose, as it is possible to lose your entire 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 do not 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

Trading in this product will not be appropriate for everyone. This product would commonly be used by persons who have a high-risk tolerance; are using (trading with) money which they can afford to lose; want to generally gain short-term exposures to financial instruments/markets; understand the impact of and risks associated with margin trading; and, have a diversified investment and savings portfolio.

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

**Summary risk indicator ("SRI"):** The SRI 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.

**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. This risk is not considered in the risk indicator shown above.**

For example, maintaining a trading account in Euros and trading in CFDs on Indices that are not priced in Euros are subject to foreign exchange risks and may be affected in fluctuations of the underlying currencies.

**In some circumstances you may be required to make further 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 Retail Clients, meaning that they will never be able to lose more funds than the amounts invested with the Company. In case the account balance of a Client enters 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 click [here](#) to access the Company's Risk Disclosure Statement.

This product does not include any protection from future market performance, so you could lose your entire investment. Clients could place Stop Loss orders to limit potential losses and Take Profit orders to collect profits to protect against adverse market movements. If we are not able to pay you what is owed, you could lose your entire investment. By trading with the Company, you may benefit from the Investor Compensation Fund (ICF) in case that the Company is unable to pay you and you are categorized as Retail Client (see the section 'what happens if we are unable to pay you'). The SRI shown above does not consider this protection.

## Performance Scenarios

The performance scenarios (see table below) represent general situations of changes in the price of CFDs on an Index and the impact on the return of the Client's investment in monetary and percentage terms. These scenarios are general and applicable to the range of index CFDs offered by the Company. 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 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. The table below shows the money you could get back under different scenarios:

CFDs on USA 500							
Account Balance		Balance		10,000 USD			
Opening Price		O_Price		2,973.63			
Trade Size		Units		10			
Notional Opening Value		Units * O_Price		29,736.30 USD			
Notional Closing Value		Units * C_Price		10 * C_Price			
Profit/Loss		Opening Value – Closing Value		(Units*O_Price) - (Units*C_Price)			
Initial Margin %		IM%		5% of Notional Opening Value			
Initial Margin Requirement		Notional Opening Value * IM%		1,486.82 USD			
Maintenance Margin %		MM%		2.50% of Notional Opening Value			
Maintenance Margin Requirement		Notional Value * MM%		743.41 USD			
Performance Scenarios – CFD on USA 500 (assuming no spread and rollover costs)							
BUY	C_Price	P&L (USD)	Return on investment %	SELL	C_Price	P&L (USD)	Return on investment %
Favourable	3,100.00	+1,263.70	+12.64%	Favourable	2,800.00	+1,736.30	+17.36%
Moderate	3,000.00	+263.70	+2.64%	Moderate	2,900.00	+736.30	+7.36%
Unfavourable	2,900.00	-736.30	-7.36%	Unfavourable	3,000.00	-263.70	-2.64%
Stress	2,800.00	-1,736.30	-17.36%	Stress	3,200.00	-2,263.70	-22.64%

Costs of execution are not included in this section but are presented in detail in the section 'What are the costs' below. Costs of execution must be taken into consideration when planning your trading activity. Trading specifications of each instrument offered

by the Company can be found under “Contract Specifications” section at the bottom right area of our website and/or you may contact your account manager for more information.

### What happens if the Company is unable to pay out?

Finteractive Ltd (ex Centralspot Trading 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 is set to the minimum between €20.000 and 90% of the covered investor’s claim. The ICF covers Retail Clients for all the investment services offered by the Company. Please click [here](#) to review our Investor Compensation Fund Policy. This is available for Clients who are categorized as Retail Clients.

### What are the costs?

#### Composition of Costs

One-off costs	Spread	The spread is the difference between the buy (ask) and sell (bid) price. This cost is realized each time you open and close a trade.
Ongoing costs	Rollover fee	A rollover fee is charged each night that your position is held open. On Wednesday, a triple fee is charged to account for the weekend. This cost applies on all open positions between 00:00 and 00:05 GMT. Rollover fees could either be a credit or debit to your account balance depending on the product and the direction you are trading.
Other Costs	Inactivity Fee, Maintenance Fee, Withdrawal Fee	All accounts held with the company are subject to an inactivity fee of 50 EUR/USD/GBP applicable after 60 days of non-trading activity. Maintenance Fee of 20 EUR/USD/GBP per month. Withdrawal Fee of 50 EUR/USD/GBP.

#### CFDs on USA 500 (assuming you hold onto the CFD for 1 night)

Account Type		Basic/Silver/Gold	Platinum	VIP
Opening Price	O Price	2,973.63	2,973.63	2,973.63
Trade Size	Units	10	10	10
Spread	Ask Price – Bid Price	3.00	2.00	1.00
Cost of Spread	Spread * Units	-30.00 USD	-20.00 USD	-10.00 USD
Daily Rollover % Charge	Rollover %	-0.01806%	-0.01806%	-0.01806%
Rollover Fee	Price * Units * Rollover % * No of periods	-5.37 USD	-5.37 USD	-5.37 USD

For more information regarding the applicable cost and charges, please click [here](#) (paragraph 22).

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

CFDs on Indices have no recommended holding period. Clients may execute transactions during the Company’s normal trading hours. The Company shall proceed with the settlement of all trades upon the execution and/or time of expiration of the specific trade.

### How can I complain?

Please click [here](#) to review our Complaint Handling Policy. You are entitled to submit a complaint at any time in relation to your trading experience with us, where you may feel that our service has not met your satisfaction. When you wish to submit a formal complaint, you can do so by emailing our Customer Support team at [support@fxvc.eu](mailto:support@fxvc.eu). You may also contact us at +357-25123088 to communicate with us in case you are not satisfied with the services offered or in case you have any problems in relation to the services offered to you. 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)).

### Other relevant information

Clients must read, understand and acknowledge all the legal documents found under “Legal” at the bottom left area of the Company’s website.

We strongly advise you to go through our freely available [video courses](#) and [eBooks](#) to familiarize yourself with certain aspects of CFD trading.