

## Key information document

### 1. 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.

### 2. Product

FX Forwards are offered by TFI Markets Ltd, which is authorised and regulated as an Investment Firm by the Cyprus Securities and Exchange Commission.

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

### 3. What is this product?

#### Type

An FX Forward is an agreement between two parties to exchange (pay or receive) specific currencies at a fixed price for settlement at a predetermined time in the future. FX Forwards are entered into with TFI Markets on a bilateral basis.

#### Objectives

The objective of an FX Forward, is to allow the investor to gain leveraged exposure to the potential movement of the underlying currency-pair. The client makes a profit or loss based on the direction chosen, Long (Buy) if they believe the price of the currency-pair will rise or Short (Sell) if they believe the price of the currency-pair will fall. FX Forwards allow investors to speculate on the prices of the underlying currency-pair or to hedge an existing FX exposure. This involves the simultaneous buying of the one currency and selling of the other currency. The price of the FX forward is based on the spot price of the underlying currency-pair and the relevant forward points which derive from the applicable interest rates of the two currencies. FX Forwards can be both settled physically or in cash. FX Forwards are leveraged products. Margin requirements are set by the Company, in accordance with its leverage policy.

Trading of leveraged products requires caution since, while profits are magnified, losses are magnified as well. For example, if an investor buys a Forward of 1,000,000 on EUR/USD with margin 10% and an underlying price of 1.17660/1.17690, the initial investment will be EUR 100,000. For every 1 point move of the market price in the client's favour, the client will gain 100 USD, while for every 1 point move of the market price against the client, the client will lose 100 USD.

Each FX Forward transaction has a specific maturity date which is agreed between the Company and the client when the trade is initiated.

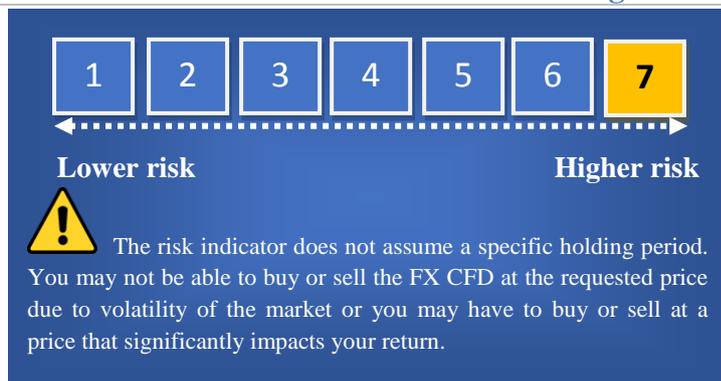
Open positions can be closed by TFI Markets in case the account cut-out level is reached. Cut-out level is defined as a percentage of Equity to Margin. This means that the investor is losing a significant amount of the invested capital. Cut-out is usually set to 40%.

#### Intended retail investor

FX Forwards are intended for investors with the need to hedge a foreign exchange exposure and who possess relevant trading experience or relevant work experience and are in a position to understand the main features of the product such as margin requirements, margin call, cut-out and counterparty credit risk due to its OTC nature.

FX Forwards do not have a recommended holding period and it is to the investors' discretion to decide the appropriate holding period according to their individual trading strategy and objectives.

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



The risk indicator does not assume a specific holding period. You may not be able to buy or sell the FX CFD at the requested price due to volatility of the market or you may have to buy or sell at a price that significantly impacts your return.

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 market 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.**

Leveraged Trading magnifies the losses due to market movements and this may result in your position to reach the cut-out level. In case the investor wishes not to close-out an open losing position if the cut-out level is reached, then he should send additional funds in order to support the margin of the trade before the cut-out level is triggered.

This product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from a consumer protection scheme (see the section ‘what happens if we are unable to pay you’). The indicator above does not consider this protection.

#### Performance Scenarios

The scenarios shown illustrate how your investment could perform. 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.

What you get will vary depending on how the market performs. 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 figures shown include all the costs of the product itself but may not include all the costs that you may pay to an advisor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

The following scenarios assume an intraday holding of a position, and thus do not include any overnight swap fees.

Instrument	Forward on EUR/USD
Trade Size	EUR 1,000,000
Opening Price	1.1769
Margin %	10%
Margin Requirement	Trade Size * Margin% = EUR 100,000

Long Position Scenario	Price change	Close Price	Profit/Loss (EUR)	Short Position Scenario	Price change	Close Price	Profit/Loss (EUR)
Favourable	1%	1.1866	8,174	Favourable	-1%	1.1672	8,310
Moderate	0.5%	1.1816	3,978	Moderate	-0.5%	1.1722	4,700
Unfavourable	-1%	1.1666	-8,829	Unfavourable	1%	1.1872	-8,676
Stress	-5%	1.1266	-44,648	Stress	5%	1.2272	-40,988

## 5. What happens if TFI Markets Ltd is unable to pay out?

If TFI Markets is unable to meet its financial obligations to you, you may lose the value of your investment. However, all client funds are segregated from the Company's own money, in accordance with the regulatory requirements. TFI Markets Ltd is also a member of the Investor Compensation Fund (ICF), which covers eligible investments up to 20,000 Euro per person. More information can be found in the [Investor Compensation Fund Policy](#).

## 6. What are the costs?

The table below shows the different types of cost categories

<b>One-off costs</b>	<i>Spread</i>	This is the difference between the buy and sell price
	<i>Currency conversion</i>	The cost of converting Profit or Loss from trades to the currency of your Trading Account
<b>Recurring costs</b>	<i>Swap fees</i>	This is the financing cost in case the client decides to roll back the position to an earlier date or roll over the position to a later date than the maturity date. Depending on whether the position is long or short and the prevailing interest rates of the two currencies of the currency-pair, your account may be credited or debited with the Swap fee.

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

FX Forwards do not have a recommended holding period and it is to the investors' discretion to decide the appropriate holding period according to their individual trading strategy and objectives. Positions in FX Forwards can be opened and closed at any time during the market trading hours of each currency-pair.

## 8. How can I complain?

Clients who wish to file a complaint can do so by submitting the complaint form to the below email address: [compliance@tfimarkets.com](mailto:compliance@tfimarkets.com)

The complete complains procedure and the complaint form can be found on the Company's website: [Complain Procedure](#)

## 9. Other relevant information

It is a legal requirement of the Company to provide to its clients the following documents and policies:

[Terms and Conditions](#)

[Client Categorisation Policy](#)

[Order Execution Policy](#)

[Conflicts of Interest Policy](#)

[General Risk Disclosure](#)