

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

This CFD on a cryptocurrency is offered by **FxPro Financial Services Ltd**, (“FxPro”, “we” or “us”), which is authorised and regulated by the Cyprus Securities and Exchange Commission.

Website: www.fxpro.com | Email: support@fxpro.com | Telephone number: +357 25969200

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

What is this product?

Type

A contract for difference (“CFD”) is a leveraged contract entered into with FxPro on a bilateral basis, settled in cash. It allows an investor to speculate on rising or falling prices on an underlying cryptocurrency/fiat currency pair. A cryptocurrency/fiat currency pair (e.g. BTC/USD) involves the simultaneous buying and selling of a cryptocurrency and fiat currency. The first currency referenced in a currency pair is known as the base currency (BTC) and the second (USD) is known as the Quote currency. An investor has the choice to buy (or go “long”) the cryptocurrency/fiat currency pair if they think the price of the base cryptocurrency will rise in relation to the Quote fiat currency; or to sell (or go “short”) the cryptocurrency/fiat currency pair if they think the price of the Quote fiat currency will rise in relation to the base cryptocurrency. A cryptocurrency is a virtual currency that is not issued or backed by a central bank or government. The pricing of cryptocurrencies is derived from specific cryptocurrency exchanges and are traded on cryptocurrency exchanges.

CFDs are leveraged products and leverage is customized and set by the client but subject to a maximum leverage of 2 times by legislation. 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. However, you cannot lose more than your investment as this product is protected from negative equity. The CFD on a cryptocurrency pair does not have a pre-defined maturity date and is therefore open-ended. FxPro retains the ability to unilaterally terminate any CFD contract where it deems that the terms of the contract have been breached.

Objectives

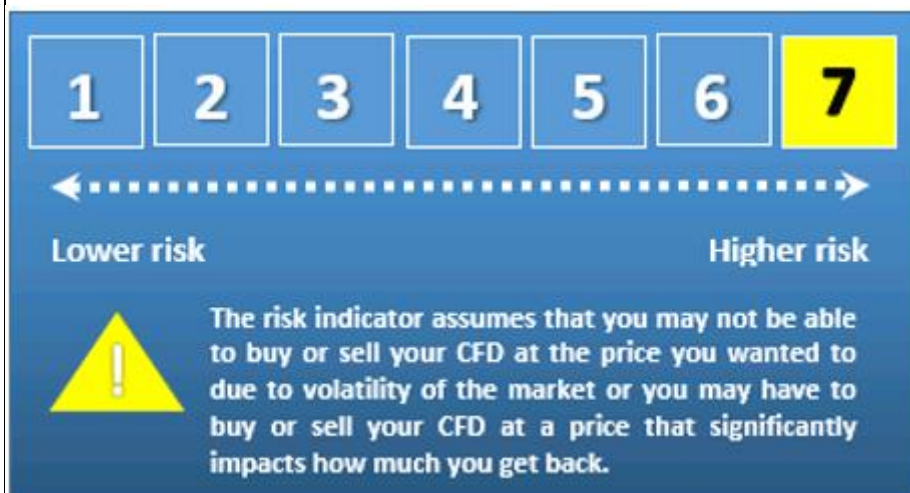
The objective of the CFD is to allow an investor to gain leveraged exposure to the movement in the value of the underlying cryptocurrency pair (whether up or down), without owning the physical cryptocurrency pair. The exposure is leveraged since the CFD only requires a small proportion of the notional value of the contract to be put down upfront as initial margin. For example, if an investor buys 1 lot of CFD on BTC/USD (which is equal to 1 BTC) with an initial margin amount of 50 % and an underlying price of 30,000 USD, the initial investment will be 15,000 USD or the equivalent in your account’s currency. The effect of leverage, in this case 2:1 (1 / 0.5). CFDs in general do not have a recommended holding period and it is down to the discretion of each individual investor to determine the most appropriate holding period based on their own individual trading strategy and objectives.

Intended Retail Investor

CFDs are intended for investors who have knowledge of, or are experienced with, leveraged products and that understand how the prices of CFDs are derived, the key concepts of margin and leverage, the fact that losses may exceed deposits and have the appropriate financial means to bear losses of the entire amount invested.

What are the risks and what could I get in 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 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 of the product at a very high level.

CFDs are leveraged products that due to underlying market movements can generate losses rapidly. There is no capital protection against market risk, credit risk or liquidity risk.

Be aware of currency risk. It is possible to buy or sell CFDs on a

cryptocurrency pair in a currency which is different to the base currency of your account. The final return you may get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

Leveraged trading magnifies the losses of price movements and failure to deposit additional funds may result in the CFD being auto-closed. You are also subject to risks related to internet failures, communications failures and delays or account password theft. Market prices of cryptocurrencies are subject to extreme market movements.

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 shown above does not consider this protection.

Performance scenarios. The scenarios shown below 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 and how long you hold the CFD. 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 not able to pay you.

The following assumptions have been used to create the scenarios in the Table below :

Cryptocurrency pair CFD (held intraday)		
BTC/USD pair opening price:	P	30,000
Trade size (per CFD):	TS	1 lot =1 BTC
Margin %:	M	50%
Margin Requirement (USD):	$MR = P \times TS \times M$	15,000
Notional value of the trade (USD):	$TN = MR/M$	30,000

LONG Performance scenario	Closing price	Price change	Profit/Loss	SHORT Performance scenario	Closing price	Price change	Profit/Loss
Favourable	45,000	50%	15,000	Favourable	15,000	-50%	15,000
Moderate	33,000	10%	3,000	Moderate	27,000	-10%	3,000
Unfavourable	27,000	-10%	-3,000	Unfavourable	33,000	10%	-3,000
Stress	15,000	-50%	-15,000*	Stress	45,000	50%	-15,000*

***The loss is restricted to your account balance as we offer negative balance equity protection. Under the stress scenario your position will be automatically closed when your loss is at 7,500 USD which is the level at which maintenance margin falls below 50% of your equity, however due to extreme market movements the next best available price could be such that you suffer the loss indicated above.** 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 FxPro is unable to pay out?

If FxPro is unable to meet its financial obligations to you, you may lose the value of your investment. However, we segregate all retail client funds from our own money in accordance with our regulatory requirements. FxPro also participates in the Investor Compensation Fund ('ICF'), which covers eligible investments up to 20,000 Euro per person, per firm. More information can be found in the ['Investor Compensation Fund Notice'](#).

What are the costs?

Before you begin to trade CFDs on a cryptocurrency pair you should familiarise yourself with all one-off and ongoing costs for which you will be liable. These charges will reduce any net profit or increase your losses. For more information please visit our [website](#).

This table shows the different types of cost categories and their meaning

One-off costs	<i>Spread</i>	All our platforms	The difference between the buy and sell price is called the spread.
	<i>Currency conversion</i>	All our platforms	The fee charged for converting realised profit/ loss from the instrument currency to the account currency.
Ongoing costs	<i>Financing costs</i>	All our platforms	The financing cost for every day you keep the position open. Depending on the position held (e.g. long or short) and our prevailing interest rates, your account may be credited or debited with the financing cost.

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

CFDs are intended for short term trading, in some cases intraday and are generally not suitable for long-term investments. There is no recommended holding period and no cancellation period. You can open and close a CFD on a cryptocurrency pair at any time during the market trading hours of each CFD.

How can I complain?

If you wish to make a complaint, you can submit it by email to compliance@fxpro.com. For more details please see our ['Complaints Handling Procedure'](#). If you are not satisfied with our final response to your complaint, then you can contact the [Financial Ombudsman of the Republic of Cyprus](#).

Other relevant information

We draw your attention to the following information documents required to be made available by Law:

Client Agreement - the contract based on which we provide investment services to you and contains the terms and conditions that govern our business relationship.

Order Execution Policy - it summarizes the process by which we execute your orders. Further, it describes the various types of orders and how they are executed on all the trading platforms offered by us, the required maintenance margin per platform and the treatment of corporate actions.

Risk Disclosure Notice - it summarizes the main risks when investing in CFDs.

Conflict of Interest Policy - it outlines the manner in which we identify, manage or control any conflicts of interest that may arise during the course of our business activities.

Privacy Policy - it explains how we deal with certain information you provide us with.