

# 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, costs, risks and rewards of this product and to help you compare it with other products.

## Product

### Product: CFD on Forex majors

Product Manufacturer: **Key Way Markets Ltd.** (the ‘**Company**’), (operating name “CAPEX.com/ae”) established in Abu Dhabi Global Market (ADGM) in accordance with the laws of United Arab Emirates and is regulated by the ADGM Financial Services Regulatory Authority (FSRA) with license number 190005.

Further Information: More information on the Company can be found on the Company’s [website](#) or by contacting us [via email, or phone](#). This document was last updated on November 30<sup>th</sup> 2023.

## Risk Warning

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

## What is this product?

### Type

Over the Counter Contract for Difference (CFD) where the underlying is currency pairs (FX Majors)  
You can visit the Company’s website for more information on the currency pairs available to trade.

### Objectives

A CFD is a complex financial product, which is traded on an “Over-The-Counter” (“OTC”) basis and not through a regulated market. A CFD on Forex majors contract is a contract between two currencies to exchange the difference in value of the underlying asset (in this case FX Major) between the time at which the contract is opened and the time it is closed. The financial settlement results from the difference at the time the position was closed and the price of the asset being traded at the time of the position is opened. CFD trading allows you to speculate on the short-term movement in the price of the financial instrument.

## Intended Retail Investor

Trading CFDs on Forex will not be appropriate for everyone. The Company normally expects these products to be used by persons who: (i) have a high-risk tolerance; (ii) are trading with money they can afford to lose; (iii) have experience with, and are comfortable trading on, financial markets and, separately, understand the impact of the risks associated with margin trading; and (iv) want to generally gain short term exposures to financial instruments/markets.

## Term

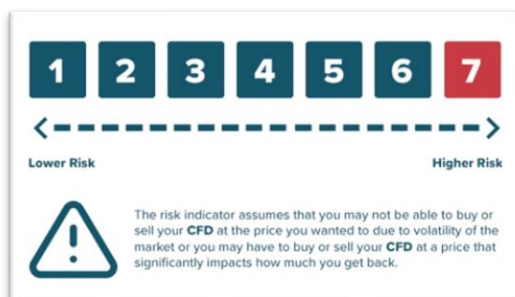
CFD on FX Majors positions have no maturity date or minimum holding period. It is up to the investor to decide when to open and close his positions.

You should be aware that if the total margin in your account falls below 50% of the amount of initial margin required in respect of the open CFDs, your positions will start liquidating, starting from the position with the highest loss.

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

### Risk Indicator

There is no recommended or minimum holding period for this product. You must maintain sufficient margin in your account to keep your positions open.



The summary risk indicator is a guide to the level of risk of these products compared to other products. It shows how likely it is that you will lose money because of movements in the markets. We have classified CFDs on Forex Majors as 7 out of 7, which is the highest risk class.

CFD on FX trading requires you to maintain a certain level of funds in your account to keep your positions open. This is called margin. You will be able to open a position by depositing only a small portion of the notional value of the position, creating a leveraged position. Trading on leveraged capital means that you can trade amounts significantly higher than the funds you invest, which only serve as the margin. High leverage can significantly increase the potential return, but it can also significantly increase potential losses.

Customers must maintain the Minimum Margin Requirement on their Open Positions at all times. The Company has the right to liquidate any or all Open Positions whenever the Minimum Margin Requirement is not maintained. Margin requirements are subject to change at any time. In order to prevent any confusion, the Company, at its best effort, will inform customers about any

projected changes on Margin Requirements by email and via the messaging system of the trading platform at least a week before changes are implemented.

CFD on FX Majors trading is decentralised and pricing will vary from broker to broker. The Company shall take all reasonable steps to obtain the best possible results for its clients when receiving, transmitting and executing client orders and obtain the best possible results for its Clients. For further details please refer to the Company’s Best Execution policy. This product does not include any protection from future market performance, so you could lose all of your investment.

## Performance Scenarios

The example below shows potential profit and loss under 4 different scenarios.

| Scenarios (assuming USD 2,000.00 investment held for 3 Weeks) |                                     | Low Volatility | Medium Volatility | High Volatility |
|---|-------------------------------------|----------------|-------------------|-----------------|
| Stress Scenario   | What you might get back after costs | \$1,300.00     | \$1,020.00        | \$500.00        |
|   | Average return                      | -35%           | -49%              | -75%            |
| Unfavourable Scenario   | What you might get back after costs | \$1,740.00     | \$1,560.00        | \$1,300.00      |
|   | Average return                      | -13%           | -22%              | -35%            |
| Moderate Scenario   | What you might get back after costs | \$2,140.00     | \$2,200.00        | \$1,920.00      |
|   | Average return                      | +7%            | +10%              | -4%             |
| Favourable Scenario   | What you might get back after costs | \$2,130.00     | \$2,180.00        | \$2,320.00      |
|   | Average return                      | +7%            | +9%               | +16%            |

The scenarios shown illustrate how your investment could perform. The stress scenario shows what you might get back in extreme market circumstances. You can compare them with the scenarios of other products. The performance scenarios assume a holding period of 3 WEEKS and a minimum investment of 2,000.00 US dollars for a LONG position with a margin of 3.33% of the nominal.

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 product, and importantly whether or not you have sufficient funds in your account to sustain the losses depicted. The

Company will automatically liquidate positions if the equity in the account is insufficient to meet margin requirements.

The figures shown include all the costs of the product itself but do not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back. Opening a long position holds that you think the underlying price will increase, and opening a short position holds that you think the underlying price will decrease.

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

## What are the costs?

**Before you start trading, you should familiarise yourself with all commissions, fees and other charges for which you will be liable. For further details please refer to the Company's trading conditions and Summary of Costs and Fees.**

### Costs over time

By selling you or advising you about this product you may be charged other costs. If so, will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself for a 3-week period. The figures assume you invest \$2,000.00. The figures are estimates and may change in the future.

### Cost Composition

The impact each year of the different types of costs.

What the different cost categories mean.

### Assumptions

Estimated Holding Period: 3 Weeks

Investment: \$2,000.00

Notional Amount: \$60,000.00

Total Costs: -\$54.00

Impact on Return: -2.7%

**This table shows the impact on return per 3 Weeks**

|                         |                            |        |   |
|-------------------------|----------------------------|--------|---|
| <b>One-off costs</b>    | <b>Entry costs</b>         | 0.005% | Brokerage Commissions. This is the most you will pay, and you could pay less.                                       |
|                         | <b>Exit costs</b>          | 0.005% | Brokerage Commissions. This is the most you will pay, and you could pay less.                                       |
| <b>Ongoing costs</b>    | <b>Other ongoing costs</b> | 2.70%  | Financing costs. Paid on the notional amount based on overnight deposit benchmark plus a maximum spread of 2.5% pa. |
| <b>Incidental costs</b> | <b>NOT APPLICABLE</b>      | 0%     | Not Applicable  |

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

Recommended holding period: NO RECOMMENDED HOLDING PERIOD

CFD on Forex majors trading has no recommended holding period. You can enter and exit positions at any time. Opened positions can be maintained as long as there is sufficient margin in your account.

### How can I Complain?

The clients are encouraged to use the Complaints Form attached in [Complaints Handling Policy](#) and submit it electronically at the email [info@keywaymarket.com](mailto:info@keywaymarket.com)

### Other relevant information

You are encouraged to review the Company's Legal Documents prior opening a trading account with us.