

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.

CFDs are provided by **Monecor (London) Ltd**, a company registered in England and Wales, number 00851820. ETX Capital is a trading name of Monecor (London) Limited which is authorized and regulated by the Financial Conduct Authority in the United Kingdom, register number 124721.

Call 0800 138 4582 or go to www.etxcapital.com for more information. This document was created/last updated on August 24th, 2018



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

What is this product?

An investor has the choice to buy (or go “long”) the CFD to benefit from rising equity/indices prices; or to sell (or go “short”) the CFD to benefit from falling equity/indices prices. The price of the CFD is derived from the price of the underlying equity/ index price. For instance, if an investor is long on ABC Company CFD and the price of the underlying equity/index rises, the value of the CFD will increase - at the end of the contract ETX Capital will pay the difference between the closing value of the contract and the opening value of the contract. Conversely, if an investor is long and the price of the underlying equity/index falls, the value of the CFD will decrease - at the end of the contract they will pay ETX Capital the difference between the closing value of the contract and the opening value of the contract. The leverage embedded within all CFDs has the effect of magnifying both profits and losses.

Objectives

The objective of the CFD is to allow an investor to gain leveraged exposure to the movement in the value of the underlying equity/index (whether up or down), without actually needing to buy or sell the underlying equity/index. The exposure is leveraged since the CFD only requires a proportion of the notional value of the contract to be put down upfront as initial margin and is one of the key features of trading CFDs.

The CFD does not have a pre-defined maturity date and is therefore open-ended. There is no 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.

Failure to deposit additional funds in the case of negative price movement may result in the CFD being auto-closed.

ETX Capital also retains the ability to unilaterally terminate any CFD contract where it deems that the terms of the contract have been breached.

For more information and examples please see the ETX website.

Intended Retail Investor

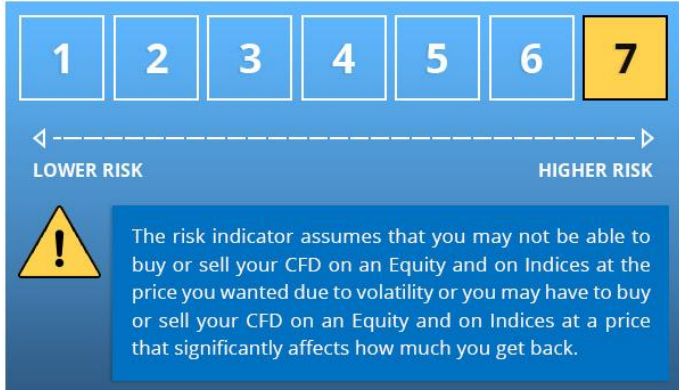
CFDs are intended for investors who have knowledge of, or experience with, leveraged products. Likely investors will understand how the prices of CFDs are derived, the key concepts of margin and leverage, and that losses may exceed deposits. They will understand the risk/reward profile of the product compared to traditional share dealing, and desire short-term, high-risk exposure to an underlying asset. Investors will also have appropriate financial means, hold other investment types and have the ability to bear losses in excess of the initial amount invested.

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

Risk indicator

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 movement, can generate losses rapidly. Losses can exceed the amount invested and you may be required to deposit additional funds. 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 an equity/index 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.

In some circumstances, you may be required to make further payments to pay for losses. **The total loss you may incur may significantly exceed the amount invested.**

Market conditions may mean that your CFD trade on an equity/index is closed at less favourable price, which could significantly impact how much you get back. We may close your open CFD contract if you do not maintain the minimum margin that is required, if you are in debt to the company, or if you contravene market regulations. This process may be automated.

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 "what happens if we are unable to pay you"). The indicator shown above does not consider this protection.

Performance scenarios

The scenarios shown illustrate how your investment could perform, but are not an exact indicator. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies. What you get will vary depending on how the market performs and how long you hold the CFD.

The following assumptions have been used to create the scenarios in Table 1:

For example if an investor buys 10,000 Shares of Barclays CFD with an underlying equity price of 205p and an initial margin amount of 20%; the initial investment will be £4100 $((205p \times 10,000)/100 \times 20\%)$, when using the price in pence the equation would be $((P \times TS)/100 \times M)$. It has a notional value of the contract of £20,500 $((205p \times 10,000)/100)$. This means for every 1p change in the market price the underlying value of the position changes by £100. If the investor is long and the market increases in value, a £100 profit is made for every 1 point increase in the market. If the market decreases in value, a point decrease in value in the market will lead to a £100 loss.

Equity CFD (held intraday)		
Equity opening price:	P	205p (£2.05)
Trade size (per CFD):	TS	10,000 shares
Margin %:	M	20%
Margin Requirement (£):	$MR = (P \times TS) \times M$	£4100
Notional value of the trade (£):	$TN = (P \times TS)$	£20,500

Table 1

LONG	Closing Price (Inc. Spread)	Price Change	Profit/Loss	SHORT	Closing Price (inc. spread)	Price Change	Profit/Loss
Performance Scenario				Performance scenario			
Favourable	208.075	1.5%	£307.5	Favourable	201.925	-1.5%	£307.5
Moderate	206.025	0.5%	£102.5	Moderate	206.025	-0.5%	£102.5

Unfavourable	201.925	-1.5%	-£307.5	Unfavourable	208.075	1.5%	-£307.5
Stress	194.75	-5%	-£1025	Stress	215.25	5%	-£1025

The figures shown an example of a trade 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.

For more information and examples please see the ETX website.

What happens if ETX Capital is unable to pay out?

If ETX Capital is unable to meet its financial obligations to you, you may lose the value of your investment. However ETX Capital segregates all retail client funds from its own money in accordance with the UK FCA's Client Asset rules. ETX Capital also participates in the UK's Financial Services Compensation Scheme (FSCS) which covers eligible investments up to £50,000 per person, per firm. See www.fscs.org.uk.

What are the costs?

Trading a CFD on an equity/indices incurs the following costs:

This table shows the different types of cost categories and their meaning		
One-off entry and exit costs	Spread	ETX only charges a market spread.
	Currency conversion	Any cash, realised profit and losses, adjustments, fees and charges that are denominated in a currency other than the base currency of your account, will be converted to the base currency of your account and a currency conversion fee will be charged to your account.
	Commission	You will be charged a commission on each trade.
Ongoing costs	Daily holding cost	A fee is charged to your account for every night that your position is held. This means the longer you hold a position, the more it costs.
Incidental costs	Distributor fee	We may from time to time where permitted by applicable law share a proportion of our spread, commissions and other account fees with other persons including a distributor that may have introduced you.

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 longer term investment. There is no recommended holding period, no cancellation period and therefore no cancellation fees. You can open and close a CFD on an equity and on indices at any time during market hours.

How can I complain?

If you wish to make a complaint, you should contact our Client Management Team on 0800 138 4582, by emailing customer.service@etxcapital.com or in writing to One Broadgate, London EC2M 2QS. If you do not feel that your complaint has been resolved satisfactorily, you may refer your complaint to the Financial Ombudsman Service (FOS). See www.financial-ombudsman.org.uk for further information. If your complaint is about an advisory or discretionary manager acting on your account, please contact the firm providing the service.

Other relevant information

If there is a time lag between the time you place your order and the moment it is executed, your order may not be executed at the price you expected. Ensure your internet signal strength is sufficient before trading.

The Terms and Policies section of our website contains important information regarding your account. You should ensure that you are familiar with all the terms and policies that apply to your account.