Key Investor Document

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1. Introduction

(a) This document provides you (the “Client”) 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

(a) Complex Financial Instruments:

Contract for Differences “CFDs” for Foreign Exchange, Indices, Commodities and Equities

Definition: CFDs shall mean a contract, which is a contract for differences by reference to variations in the price of an Underlying Asset.

(b) Counterparty: Orbex Limited, CIF 124/10 registered at 6 Maximos Mechaelides Street, Maximos Plaza, Office 3501, Limassol, 3106, Cyprus

For more information, please visit us at www.orbex.com.

3. General Risk Warning:

CFDs are considered complex financial products and may lead to sudden total loss of capital invested, and may not be suitable for all investors. Before trading, you should carefully consider your investment objective, level of experience and risk appetite, you should not invest money you can not afford to lose, you should be aware of all the risk associated with CFDs trading, and seekadvice from independent financial advisor in you have any doubts.

For more details, please refer to ‘Product Risk’ below.

This product is subject to any potential conflict of interest

4. Product Information:

CFDs, are complex financial products in accordance with the applicable law. They are traded on an 'over-the-counter ('OTC'} basis and not through a regulated market. CFDs, which are agreements to exchange the difference in value of a particular underlying instrument between the time at which the agreement is entered into and the time at which it is closed, allowing the investors to replicate the economic effect of trading in particular currencies or other asset classes without requiring actual ownership. When trading CFDs there is no physical exchange of assets; therefore, financial settlement results from the difference at the time the position is closed and the price of the underlying asset (formulated by the Counterparty) at the time the position is opened. The underlying assets of the CFDs fall under the following categories (i) forex, (ii) futures, (iii) indices, (iv) metals and (v) energies.

CFDs, allow investors to speculate on the short-term movements in the price of financial instruments. CFDs are speculative products and incorporate product features, such as leverage and automatic close-out.

Underlying Assets

The value of a CFD (a financial derivative instrument), varies depending on the behaviour of the underlying asset's price, so as to reflect the changes in the price of the underlying asset, at each moment. More specifically, the underlying of each type of CFD is as follows:

- 'CFDs on forex', the underlying asset is the spot rate of the relevant currency pair.

- 'CFDs on indices', the underlying asset is respective stock market index.
- 'CFDs on futures', the underlying asset is the respective futures contract.
- 'CFDs on metals', the underlying asset is the spot rate of the relevant metal.
- 'CFDs on energies', the underlying asset is the spot rate of the relevant energy.

CFDs on indices are affected by corporate events that cause an adjustment to the price of the relevant underlying asset (corporate actions).

Pricing and Other Related Information

As CFDs are traded OTC (i.e. not on a regulated exchange), the prices are formulated after being aggregated by the Counterparty and disseminated on the trading platform. The Counterparty acts as a market maker; so, during trading days (market open times) the Counterparty quotes its own 'Bid' and 'Ask' prices for CFDs on financial instrument via the available trading platforms. The spread always corresponds to the difference between the 'Bid' and 'Ask' price (see 'Charges' section below}. The trading conditions, including the minimum and maximum transaction amounts, average spread and overnight swaps can be found on our website.

CFDs are traded at a price provided by the Counterparty, based on the price of the underlying, but may differ due to mark-up on spreads applied by the Counterparty (Please Refer to 'Charges and Fees' Section)

In order for a position to be opened an investor should have sufficient funds in the trading account to cover the required margin for that position. The margin required for the various CFDs can be found on our website. When a position is closed, the investor pays the difference between the market value of the underlying asset at the time of closing and opening a position, if:

When holding a long position (buying a CFD), the price at the time the position closes, is lower than the price at the time the position was opened, which is automatically converted to the trading account currency; or

When holding a short position (selling a CFD), the price, at the time the position closes, is higher than the price at the time the position was opened, which is automatically converted to the trading account currency.

Depending on the account type, holding positions for more than one day, Orbex might charge an amount called 'SWAP Rate', for more information please refer 'Charges and Fees'.

5. Trading Gains/Losses:

Upon closing a position, the investor receives the difference between the price at the time of closing and opening if:

When holding a long position (buying a CFD), the price at the time the position closes, is higher than the price at the time the position was opened, which is automatically converted to the trading accounts currency; or

When holding a short position (selling a CFD), the price the time the position closes, is lower than the price at the time the position was opened, which is automatically converted to the trading accounts currency.

For Example:

The favourable scenario is a situation where the direction of the market moves to the direction of the Investor order.

The unfavourable scenario is a situation where the direction of the market moves against the direction of the Clients order.

For more information, please see ' Performance Scenarios Section and Probabilities' below

The closing of a position may occur:

At any time, at the investor's initiative, provided the market for the underlying instrument is open, information on which can be found on the website;

- By the Counterparty, when the investor's account balance falls below the required margin level at 20%
- At the initiative of the Counterparty in the event the underlying asset of a CFD (i.e. CFDs on shares) is no longer admitted to trading. This might occur where, for instance, a share is de-listed from the underlying stock exchange or the share is no longer offered by the Counterparty.
- At the maturity of the underlying asset, where applicable (i.e. CFDs on futures), any position still open after the expiration date will be force closed by the Counterparty, if not closed by the investor before that.
- In other ad-hoc circumstances as outlined in the Client Agreement
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6. Financial Leverage

CFDs are leveraged financial derivative instruments, which allow the investor to obtain a higher exposure on an underlying asset compared by the investor's deposited capital. Initial margin is the amount required by the investor to open a certain position in CFDs and is expressed as a percentage of the nominal exposure. The lower the percentage the higher the financial leverage.

However, the Counterparty (Orbex Limited) may change the percentage at any time. The investor need to maintain the percentage of the notional value of the open position (Required Margin).

Each investor is responsible to ensure the equity of the trading account and ensure that it is always greater or equal to the margin required for the open position in order to avoid force closure of any positions due to stop-out. All relevant information is clearly visible on the MT4 or any other trading platform the counterparty provides.

For example: the required margin to buy 100 oz of gold at price US$ 1,250 with leverage level 1:100) is US$ 1250

Leverage is offered based on your knowledge and experience. The Leverage / Margin requirements may be subject to change as a result of applicable regulations in your country of residence. (i.e. Poland, the maximum leverage is 1:100).

It is the responsibility of each investor to ensure they regularly review and monitor the margin level of their trading account, which is visible through the trading platform and ensure that it is always greater than the margin levels disclosed above. When the percentage of use is below 100% the investor will no longer be able to open new positions. If the investor does not take any action and the margin reaches stop-out levels, the positions will be closed. In the event margin levels of open positions fall below the levels mentioned above, the discretionary and/or force closure of the positions by Orbex shall be undertaken automatically.

7. Pricing and Other Related Information

As CFDs are traded OTC (i.e. not on a regulated exchange), the prices are formulated after being aggregated by the Counterparty and disseminated on the trading platform. The Counterparty acts as a market maker; so, during trading days (market open times) the Counterparty quotes its own 'Bid' and 'Ask' prices for CFDs on financial instrument via the available trading platforms. The spread always corresponds to the difference between the 'Bid' and 'Ask' price (see 'Charges' section below}. The trading conditions, including the minimum and maximum transaction amounts, average spread and overnight swaps can be found on our website.

8. Product Risks:

Intended Retail Investor CFDs are available for Clients that their objectives and needs will be to increase wealth/ capital, hedge their business foreign exchange risk and speculation over the short, medium or long term investment horizon. Clients should have a medium to high risk tolerance and ability to lose of 100% of their capital. The Clients should be willing to accept margined price fluctuations in exchange for the opportunity of higher returns. Moreover, the Clients should be willing to accept concentration risk with the exchange for the opportunity of higher returns.

Clients that are risk intolerant should not invest in the respective target market as these instruments are risky and bear significant amount of risk.

It should be noted that all Clients that are on-boarded are offered a default leverage level of 1:50, and they may increase it up to maximum leverage level they wish, based on their Knowledge and Experience.

The following highlights part of the risk factors:

- Market Risk: Investing in CFDs carries the risk resulting from fluctuations (appreciation/ depreciation) of the value of an asset or a group of assets (such as fluctuating exchange rates, interest rates, prices or commodity prices) affecting the value of the CFD offered by the counterparty
- Volatility risk: CFDs and related markets can be highly volatile. The prices of CFDs and the underlying asset may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the Client or the Company. Under certain market conditions it may be impossible for a Client's order to be executed at the declared price leading to losses.
- Capital Risk: Investing in CFDs incurs the risk of the amount that the investor is to receive proves to be lower than the invested capital. counterparty offers (Negative Balance Protection) NBP, therefore an investor will not lose more than the initial amount invested.
- Credit Risk: Investing in CFDs is an OTC transaction, so investors are exposed to the risk counterparty may be unable to meet its obligations in full and/or in a timely manner in the event of bankruptcy or insolvency. There is also a risk that the bankruptcy or insolvency of a third party may affect the profitability of counterparty.
- Counterparty Risk: Investing in CFDs carries the risk counterparty, as the counterparty to all trades, may be unable to fulfil its commitments resulting in the loss of the value of the CFD even if the subsequent price movements of the underlying asset may favour the direction of the investor's position.
- Interest Rate Risk: Investing in CFDs carries the risk resulting from adverse movements in interest rates, as these movements affect the investor when considering the swap rates related to open positions held overnight.
- Foreign Exchange Risk: Investing in CFDs, as with any financial instrument, involves exposure to currency risk because it is denominated in a particular currency and its appreciation or depreciation can affect the value of CFDs resulting in the significant or total loss, of the capital invested. In addition, the investment in foreign currency CFDs carries the risk of a negative impact on the CFD, arising from adverse movements in the relevant exchange rates.
- Liquidity Risk: Investing in CFDs may result in a lack of available liquidity in the market to execute an order resulting in an investor being delayed or unable to close a position at a desired price and/ or time and potentially leading to a significant or total loss of the capital invested.
- Risk of Conflicts of Interest: Investing in CFDs may result in the risk of conflicts of interest, particularly because Orbex is the Counterparty in all transactions and also the party responsible for providing investors with the end-pricing on CFDs taking into account discretionary values including mark-ups, which may influence an investor's open position(s}. There is also the risk that the consequences are not fully and completely envisaged in the legal documentation of the Counterparty.
- Technical Risk: Investing in CFDs carries the risk arising from the possible inability to access the platform and/or access information relating to the price of a CFD or any other information. In addition, these operations involve operational risks arising from transactions being automatically processed, that is, the risks associated with the use of electronic platforms for trading, particularly related to the use of software and telecommunication systems such as bugs, delays in receiving/ sending data, service interruptions, errors in the disclosure of data and network security breaches.
- Force Closure Risk: Investing in CFDs runs the risk of positions being force closed by the Counterparty without the investor's consent, due to abrupt movements in the underlying financial instrument alongside the use of leverage (margin trading), in the event an investor's margin level reaches a pre-determined rate (for more information see 'Margin Reinforcement' section}. The investor should bear in mind the possibility of situations that may result in the automatic closure of a position, and regularly monitor their trading activity during these times.

The above list of risks is non-exhaustive. For the Company's Risk Disclosure Policy please visit the Company's website.

Also, the clients are encouraged to place Stop Loss orders to limit potential losses, and Take Profit to collect profits to protect against market movements. However, you may benefit from the Investor Compensation Fund.

9. Performance Scenarios and Probabilities:

The performance scenarios represent general situations of changes in the prices of CFDs in FX in specific and applicable in general and their impact on the return of the Client's investment in monetary and percentage terms.

These scenarios are general and applicable to the range of currency pairs offered by the Company.

Favourable scenario:

The favorable scenario is a situation where the direction of the market moves to the direction of the Clients order (e.g. in cases where the Client Buys (i.e. Longs) a contract in EUR/USD and the Euro is gaining in value, or in cases where the Client Sells (i.e. Shorts) a contract in EUR/USD and the Euro is losing in value. The upside potential cannot be disclosed as the profit of the Client will increase as long as the direction of the market moves with the direction of the Client's trade.

Moderate Scenario

The moderate scenario is the situation where the market remains close to the opening price of the contract (i.e. the deviations from the opening price are minimal/ insignificant)

Unfavorable scenario:

The unfavorable scenario is a situation where the direction of the market moves against the direction of the Clients order (e.g. in cases where the Client Buys (i.e. Longs) a contract in EUR/USD and the Euro is losing in value, or in cases where the Client Sells (i.e. Shorts) a contract in EUR/USD and the Euro is increasing in value. The downside potential cannot be disclosed as the loss of the Client increase as long as the direction of the market moves against the direction of the Client's trade.

The example below involves Buying 1 lot of EUR/USD currency pair, (notional amount 100,000 Euro), using leverage of 100:1 and the Client deposited 1000 Euros. Costs of execution are not included in this example.

Scenario	Open Price	Close Price	Profit/Loss in EURO
Favourable	1.1550	1.1600	50
Moderate	1.1500	1.1510	10
Unfavourable	1.1500	1.1400	-100

The above are scenarios presented with no guarantee of same taking place.

10. Cost and Charges:

- Account opening/Normal Closing: There are no costs associated with the opening or normal closing of a trading account.

- Dormant/ Inactive Account: Dormant accounts will be subject to relevant charge/cost(s), relating to the maintenance/administration of such accounts. When an account is classified as dormant Orbex has the right to charge an 'inactivity fee' of 20 USD, 20 EUR, 20 GBP or 20 PLN (depending on the base currency of the account holder) per month, which will be charged and debited from the balance of the specific account until the account holder has the required funds available and/or until a zero balance/equity is reached. Such an 'inactivity fee' shall not in any case give a minus balance to the account.

please visit https://www.orbex.com/en/trading-conditions.html for more information

- SWAPs (ongoing): Depending on the account type, swaps are charges, which are incurred when a trade is kept open overnight, to reflect the cost of funding your trade. Both long (Buy) and short (sell) positions are subject to daily swap.

  please visit https://www.orbex.com/en/trading-conditions.html for more information

- Spread: Spread is the difference, usually indicated in pips, between the Bid and Ask price, The Spreads values vary for different accounts as well as depend on the instrument traded. The spread is floating, therefore it may increase depending on the market conditions. Spread is a cost present both at entering and exiting a trade, and it applies to all the accounts.

please visit https://www.orbex.com/en/accounts-types for more information

- Mark-up: Mark-ups on spreads are already applied on the spread displayed/ traded on CFDs on forex, metals, energies, equities, indices and futures through MetaTrader4
- Commission: Orbex does not charge commission on accounts, however, the Introducer Broker might request to charge clients introduced by him with certain amount, clients shall be informed on such charges accordingly.

please visit https://www.orbex.com/en/accounts-types for more information

- Other Charges: Investors may also incur expenses relating to the deposit and withdrawal methods, which can be viewed https://www.orbex.com/en/account-funding.html, please also refer to https://www.orbex.com/en/trading-conditions.html

11. Counterparty insolvency:

Orbex Limited is a member of the Investor Compensation Fund (ICF) for the Clients of CIFs, under the provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets and Other Related Matters Law 87(I)/2017, as subsequently amended from time to time.

The object of the ICF is to secure the claims of the covered Clients against Cyprus Investment Firms, members of the ICF, through the payment of compensation in cases where the CIF concerned is unable, due to its financial circumstances and when no realistic prospect of improvement in the above circumstances in the near future seems possible: (a) to return to its covered Clients funds owed to them or funds which belong to them but are held by the CIF in the context of providing investment services to the said Clients or (b) to hand over to covered Clients financial instruments which belong to them and which the CIF concerned holds, manages or keeps on their account.

The total payable compensation to each covered Client of an ICF's member may not exceed €20.000, irrespective of the number of accounts held, currency and place of offering the investment service

12. Complaint Procedures:

In case a Client is dissatisfied by the services provided by the Company, The Client is required to submit his/her complaint formally and in writing to Orbex and in English Language, within one business day from the day of the incident, by completing the Company's Complaint

Form (“the Form”) available for download on the Company’s website and submitting the Form by email to: complaints@orbex.com

For more information, please visit: https://www.orbex.com/uploads/download/807Complaints-Handling-Policy_V12017.pdf

13. Other relevant information:

Clients must read, understand, and acknowledge the Account Opening Agreements prior to on-boarding. These documents can be accessed at the Company’s website.