

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, risks, costs, potential gains and losses of this product, and to help you compare it with other products.

Product

Product Name Cryptocurrency Basket CFD (Contracts for Difference)

Product Manufacturer FXCM EU Limited ("FXCM"), authorised and [regulated](#) by the Cyprus Securities and Exchange Commission ("CySEC") in Cyprus

Further Information You can find more information about FXCM's products in our [CFD product guide](#). You can contact us using the details on our [website](#) or by calling +35780097180. FXCM's customer support team is available via phone, email or live chat <https://www.fxcm.com/eu/contact-client-support/>.

This document was last updated in November 2020.

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

What is this product?

Type

This document relates to products known as 'contracts for difference', which are also known as CFDs. A CFD allows you to obtain an indirect exposure to an underlying asset such as a security, commodity or index. This means you will never own the underlying asset, but you will make gains or suffer losses as a result of price movements in the underlying asset to which you have the indirect exposure.

There are many types of CFDs. This document provides key information on the Cryptocurrency Basket CFD where the underlying investment option is a unique basket consisting of different cryptocurrencies.

Our CFDs on Stock Baskets are traded over-the-counter (OTC). OTC trading is organised among groups of dealers and does not take place through a single institution.

You can visit FXCM's [website](#) for information on the underlying components of the Cryptocurrency Basket/s available to trade at FXCM.

Objectives

The objective of trading CFDs is to speculate on price movements in an underlying asset by obtaining an indirect exposure to the underlying asset. Your return depends on movements in the price of the instrument and the number of contracts opened (size of your stake).

If you believe the value of a basket is going to increase, you could buy one or more contracts of that Cryptocurrency Basket CFD (this is also known as "going long"), with the intention to later sell them (and subsequently close the trade) when they are at a higher value. The difference between the price at which you buy and the price at which you subsequently sell equates to your profit, minus any relevant costs (detailed below).

If you think the value of a basket is going to decrease, you could sell a number of Cryptocurrency Basket CFD contracts (this is also known as "going short") at a specific value, expecting to later buy them back at a lower price than you previously agreed to sell them for.

However, in either circumstance if the price moves in the opposite direction and your position is closed, either by you or as a result of a margin call (detailed below), your account would be debited for the loss of the trade plus any relevant costs.

Intended Retail Investor

Trading these products will not be appropriate for everyone. We would normally expect 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 and risks associated with margin trading; and
- (iv) want to gain short term exposures to financial instruments/markets, and have a diversified investment and savings portfolio.

Term

Cryptocurrency Baskets have no maturity date or recommended holding period. You decide when to open and close your positions.

FXCM may close your position without seeking your prior consent if you do not maintain sufficient margin in your account.

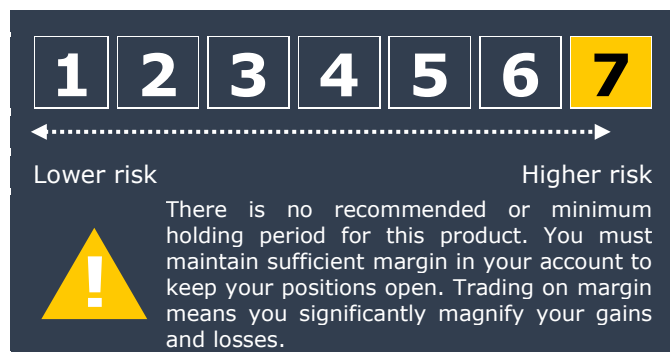
A margin call will occur when the losses of the trade fall exceed 50% of the initial margin amount. Depending on your account type and/or trading platform a margin call may liquidate all open positions on your account or may only close specific positions. FXCM processes all liquidations automatically, for more information on how Margin Warnings and Margin Calls work we encourage you to review our [execution risks](#).

FXCM Margin Requirements can vary, are updated daily and can be increased temporarily to mitigate risks prior to major market events or in increasingly volatile markets.

The minimum margin requirement for a Cryptocurrency Basket is 50%. Current margin requirements can be viewed in the dealing rates and create order windows on the trading station platform.

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 these products 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 these products as 7 out of 7, which is the highest risk class. CFDs are leveraged products that, due to underlying market movement, can generate losses rapidly. Therefore, there is a very high chance that you could lose all invested funds.

Be aware of currency risk. You will 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 indicator shown above.

Market conditions may mean that your trade is closed at a less favourable price, which could significantly impact how much you get back. We may close your open contract if you do not maintain the minimum margin that is required.

This product does not include any protection from future market performance so you could incur significant losses. If FXCM is not able to pay you what is owed, you could incur significant losses. 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. It is possible to lose the entire balance of your account. Retail clients are not subject to additional financial obligations if a negative balance occurs on the trading account.

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 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 figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back.

Each instrument has a different pip cost (value risked for every change of a certain digit in price) associated to it. Pip cost can be found in the [Trading Station](#), when entering a Market or Entry Order.

This table shows potential profit and loss under different scenarios. The scenarios assume you choose to open 10 contracts of CryptoMajor, a basket which consists of 5 major Cryptocurrencies. This particular product has a pip cost of \$1 per 1 contract meaning in this case you will make or lose \$10 for every pip the price moves. A pip on this instrument is the last digit before the decimal point. Cryptocurrency Basket Margin Requirements update once daily, Entry Margin in this example is \$1,500 and Liquidation Margin is \$750.

The below table does not include overnight holding costs (discussed further below).

Instrument:	CryptoMajor	Open Rate:	300.00	Account Denomination:	USD		
LONG				SHORT			
Performance Scenario	Closing Price	Price Change	Profit/Loss	Performance Scenario	Closing Price	Price Change	Profit/Loss
Stress Unfavourable	150.00	-50.00%	-1500	Stress Unfavourable	540.00	80.00%	-2400
Moderate	270.00	-10.00%	-300	Moderate	345.00	15.00%	-450
Favourable	294.00	-2.00%	-60	Favourable	303.00	1.00%	-30
	309.00	3.0%	90		285.00	-5.00%	150

What happens if FXCM is unable to pay out?

If FXCM is unable to meet its financial obligations to you, this could cause you to lose the value of any CFDs you have with FXCM. However, the Company is a member of the Investor Compensation Fund (ICF) for the Clients of CIFs, which secures the claims of the covered Clients against Cyprus Investment Firms, members of the ICF, through the payment of compensation. The maximum amount of compensation paid to applicants, who will be deemed as eligible for compensation, is €20,000 or the 90% of the cumulative covered claims of the covered investor, whichever is lower. The coverage applies to the total amount of claims by an applicant against an ICF member, irrespective of the number of accounts, the currency and the place of provision of the service. See www.cysec.gov.cy/en-GB/complaints/tae.

What are the costs?

This table shows the different types of costs involved when you trade Cryptocurrency Basket products.

One off costs	Spread	The spread is the difference between the buy (ask) and sell (bid) price quoted. The spread seen on the platform is derived from the market spread plus a FXCM mark-up.
Ongoing costs	Overnight financing costs	<p>This is the interest paid for holding a position past 5 PM EST and is based on the size of the position. For Cryptocurrency Baskets the formula for financing cost is as follows:</p> $(\text{Notional Value} * Y\%) / 365$ <p>Y% = 0% for short Cryptocurrency Baskets positions Y% = 25% for long Cryptocurrency Baskets positions</p> <p>On Friday, to account for holding a position into the weekend, Rollover are 3X times higher than usual.</p>

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

This product generally has no fixed term and will expire when you choose to exit the product or in the event you do not have available margin. You should monitor the product to determine when the appropriate time is to exit. **You can close your contract at any time during market hours.**

How can I make a trade inquiry or complaint?

If you wish to submit a trade audit you can contact our customer support or submit the following online [form](#).

Per FXCM's Complaint Procedure, you may complaint to us first for all other complaints. You may submit your complaint in relation to the product or about the Company's conduct:

- online via the following [form](#);
- via email to compliance@fxcm.com; or
- via postal mail to FXCM at: NBC Building, Neas Engomis 33, Nicosia, Cyprus.

We will provide you with a unique reference number that will be used for all future communication. You will receive an answer to your complaint within three months. If you're not satisfied with our response or we rejected your complaint, check with the office of the Financial Ombudsman in case you are eligible to file a complaint with us and seek mediation for possible compensation. See <http://www.financialombudsman.gov.cy> for further information.

Other relevant information

You should ensure that you read the terms of business, order execution policy and risk warning notice displayed in the legal section of our website, at the [General Business Terms](#) page on our website. Such information is also available on request.