

COMPANY PRODUCT INFORMATION

Contracts for Differences (“CFDs”)

This document provides information on Company’s products (“**Company Products**”). The Company Products are over the counter (OTC) products which value is determined based on the value of the underlying assets, all as elaborated hereunder.

Objectives: The objective of the Company Products is to profit from changes in the price of the underlying asset. The client may profit or lose from Company Products based on the direction chosen (Buy or Sell) and the direction of the value of the underlying asset. The amount of profit or loss is determined based on the value of the underlying asset at the opening of a deal and its value at closing of the deal. Company Products are settled in cash only and the client has no rights whatsoever in or to the actual underlying asset. To open a deal, the client must have sufficient margin (“**Margin**”) in its account. For more details with regards to the initial Margin requirements of the various types of Company Products and specific trading hours, please check the Company’s [Trading Conditions](#).

Target Audience: Company’s Products are intended for retail clients that (i) are able to sustain the risk of loss of their entire investment amount within a short period of time; (ii) with risk-oriented objectives and/or speculative needs; and (iii) that intend to use the Company’s Products for short term investment, intraday trading and/or speculative trading.

Characteristic Trading Features

The Company Products generally have no maturity date or a minimum holding period. The client decides when to open and close a position. The P/L is calculated by - and presented on - the Company’s trading platform (“**Trading Platform**”) continuously, and losses on the positions will affect the client’s available margin. Any unrealized profits related to open positions shall be used to support the losing positions in the client’s account.

The Company Products may be affected by slippage or the inability to close a deal at the desired price due to unavailability of such price in the market. As previously stated, the Company Products are OTC products and therefore cannot be traded on any venue other than on the Company’s Trading Platform. There is no capital protection against market or liquidity risk. The prices of the underlying assets may fluctuate significantly in a short period of time, and if the change in price is against the direction chosen by the client, then the client could experience significant losses over a short period of time up to a maximum amount of the total investment in the client’s account (including client’s deposit(s) as well as any accumulated profits). However, the client will never owe the Company more than the available funds in the account due to the Company’s “Negative Balance Protection” policy. The client must maintain sufficient margin to keep the held position(s) open. It is possible to buy or sell the Company Products where the quote’s currency is different from the account’s base currency. In this case, the final amount debited or credited in the account will depend on the exchange rate between the two currencies. Please note that profits and losses are exacerbated by the level of leverage used. Higher leverage ratios result in higher profits if the client chose the correct direction, and higher losses if the market price went against the direction chosen by the client.

Holding periods and clients' cash out rights



The Company Products do not have a maturity date, they automatically rollover to the next trading day, therefore the Company does not in any way suggests and/or recommends specific holding periods for any type of position held in an account. You can cash out the Company Products at any point you wish during trading hours, but it may not be at a price beneficial to you or your investment goals.

Filing a Complaint

Complaints may be addressed to the Company via email to complaints@iforex.com. The complaint should set out the client's name, account number and the nature of the complaint.

Other relevant Information

This document does not contain all information relating to Company's Products. For further information about the different products, calculation of costs and the legally binding terms and conditions of the Company Products it is highly recommended to check the Company's [Trading Conditions](#).

Performance Scenarios and allocated Costs

Below are examples of performance scenarios and allocated costs of Company's Products based on the various underlying assets (currencies, ETFs, commodities, cryptocurrencies, indices and shares). For further information please check the Company's [Trading Conditions](#).

Currency based CFD

Assumptions:		
Deal amount in units of base asset (EUR): 10,000 Used margin (USD): 27.5 (assuming that all funds available in the account are used as margin on this single position) Leverage: 1:400 Overnight Financing amount is at -1.00 USD for Long Positions and at -0.15 USD for Short Positions (assuming holding period is 1 night) Spread is at 2 pips (assuming spread is already included in the opening and closing deal rates)		
Favorable Scenario: This scenario assumes a Buy position of 10,000 on EUR/USD and 0.5% increase between the opening and the closing deal rate.	Deal Direction: Buy Opening Deal Rate: 1.1000 Closing Deal Rate: 1.1055 Change: +0.5% PL (USD): +55 PL (USD) After O.F.: +54 Return: +196.36%	Return on Equity +196.36%
Unfavorable Scenario: This scenario assumes a Sell position of 10,000 on EUR/USD and a 0.5% increase between the opening and the closing deal rate.	Deal Direction: Sell Opening Deal Rate: 1.1000 Closing Deal Rate: 1.1055 Change: +0.5% PL (USD): -55 PL (USD) After O.F.: -55.15 Return: -200.55%. However, Negative Balance Protection mechanism will come into effect and the transaction will be closed once PL (USD) will be -25 USD with a Return -100%.	Return on Equity -100%

Moderate Scenario: This scenario assumes a Buy position of 10,000 on EUR/USD and 0.1% increase between the opening and closing deal rate.	Deal Direction: Buy Opening Deal Rate: 1.1000 Closing Deal Rate: 1.1011 Change: +0.1% PL (USD): +11 PL (USD) After O.F.: +10.85 Return: +39.45%	Return on Equity +39.45%
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What are the costs? (The following terms hereunder shall be repeated below in all the charts below)			
One-Off Costs	Spread	<p>A spread is the difference between the Sell (“Bid”) and Buy (“Ask”) price of the CFD which is multiplied by the deal size. The standard minimum spread per each underlying asset is detailed on Company’s website but each client may have different spreads on all or some of the underlying asset based on the client’s history, trading volumes, deposits, activities or certain promotions. The personal spread is visible on the Trading Platform. For the purpose of the performance scenarios, we will assume a position of 10,000 EUR in EUR/USD with a 2 pips spread and a EUR/USD conversion rate of 1.1000. A pip in EUR/USD is the 4th decimal digit (e.g.: 0.0001). $10,000 \times 0.0002 = 2$ USD. The amount of 2 USD will be deducted from the P/L upon opening the position and therefore immediately after opening the position the P/L of that transaction will be -2 USD.</p>	<p>Spread Cost = -2 USD</p> <p>Spread Cost % on investment: 7.27%</p>
Ongoing Costs	Overnight Financing	<p>The Company charges Overnight Financing (OF) for deals that remain open at the end of the daily trading session. This OF may be subject to credit or debit, calculated on the basis of the relevant interest rates for the currencies in which the underlying instrument is traded, plus a mark-up. The mark-up for CFDs on currencies is 0.75%, excluding CFDs underlined by exotic currency pairs, which may be subject to higher mark-up levels that may differ between Long (Buy) and Short (Sell) positions. For the purpose of the performance scenarios we will assume the position is held open for 1 night and the overnight financing amount is -1 USD for Long Positions and -0.15 USD for Short Positions (Overnight financing amount = Overnight financing percentage (-0.00919% for Long Positions and -0.00136% for Short Positions) x Deal Amount (11,000 USD) with a EUR/USD conversion rate of 1.1000).</p>	<p>Overnight Financing Amount for Long Positions = -1 USD and for Short Positions = -0.15 USD</p> <p>Overnight Financing % on investment amount for Long Positions = - 0.00919% and for Short Positions = -0.00136%</p>

ETF based CFDs

Assumptions:

Deal amount in units of base asset: 10 | Used margin (USD): 68.25 (assuming that all funds available in the account are used as margin on this single position) | Leverage: 1:40 | Overnight Financing amount is at -0.45 USD for Long Positions and at -0.31 USD for Short Positions (assuming holding period is 1 night) | Spread is at 50 pips (assuming spread is already included in the opening and closing deal rates)

Favorable Scenario: This scenario assumes a Buy position of 10 units of "US 500 Trust" (SPY) and a 5% increase between the opening and the closing deal rate.	Deal Direction: Buy Opening Deal Rate: 273.00 USD Closing Deal Rate: 286.65 USD Change: +5% PL (USD): +136.5 PL (USD) After O.F.: +136.05 Return: +199.34%	Return on Equity +199.34%
Unfavorable Scenario: This scenario assumes a Buy position of 10 units of "US 500 Trust" (SPY) and an -5% decrease between the opening and the closing deal rate.	Deal Direction: Buy Opening Deal Rate: 273.00 USD Closing Deal Rate: 259.35 USD Change: -5% PL (USD): -136.5 PL (USD) After O.F.: -136.95 Return: -200.66%. However, Negative Balance Protection mechanism will come into effect and the transaction will be closed once PL (USD) will be -74 USD with a Return -100%.	Return on Equity -200.66%
Moderate Scenario: This scenario assumes a Buy position of 10 units of "US 500 Trust" (SPY) and +2% increase between the opening and closing deal rate.	Deal Direction: Buy Opening Deal Rate: 273.00 USD Closing Deal Rate: 278.46 USD Change: +2% PL (USD): +54.6 PL (USD) After O.F.: +54.15 Return: +79.34%.	Return on Equity +79.34%

What are the costs?

One-Off Costs	Spread	For the purpose of the performance scenarios, we will assume a position of 10 units of "US 500 Trust" (SPY) with a spread of 50 pips. A pip in "US 500 Trust" (SPY) is the 2nd decimal digit (e.g.: 0.01). $10 \times 0.50 = 5$ USD. The amount of 5 USD will be deducted from the P/L upon opening the transaction and therefore immediately after opening the transaction the P/L of that transaction will be -5 USD.	Spread Cost = -5 USD Spread Cost % on investment: 7.33%
Ongoing Costs	Overnight Financing	The mark-up for ETF CFDs is 5%. For the purpose of the performance scenarios we will assume the position is held open for 1 night and the overnight financing amount is at -0.45 USD for Long Positions and at -0.31 USD for Short Positions (Overnight financing amount = Overnight financing percentage (-0.01656% for Long Positions and -0.01122% for Short Positions) x Deal Amount in instrument currency (2730 USD)).	Overnight Financing Amount for Long Positions = -0.45 USD and for Short Positions = -0.31 USD Overnight Financing % on investment amount for Long Positions = - 0.01656% and for Short Positions = -0.01122%

Index based CFDs

Assumptions:		
Deal amount in units of base asset: 5 Used margin (USD): 68 (assuming that all funds available in the account are used as margin on this single position) Leverage: 1:200 Overnight Financing amount is at -1.31 USD for Long Positions and at -0.58 USD for Short Positions (assuming holding period is 1 night) Spread is at 1 pip (assuming spread is already included in the opening and closing deal rates)		
Favorable Scenario: This scenario assumes a Buy position of 5 contracts of US 500 (S&P 500) and a 1% increase between the opening and the closing deal rate.	Deal Direction: Buy Opening Deal Rate: 2,720.00 USD Closing Deal Rate: 2,747.20 USD Change: +1% PL (USD): +136.00 PL (USD) After O.F.: +134.69 Return: +198.07%	Return on Equity +198.07%
Unfavorable Scenario: This scenario assumes a Sell position of 5 contracts of US 500 (S&P 500) and a 1% increase between the opening and the closing deal rate.	Deal Direction: Sell Opening Deal Rate: 2,720.00 USD Closing Deal Rate: 2,692.80 USD Change: +1% PL (USD): -136.00 PL (USD) After O.F.: -136.58 Return: -200.85%. However, Negative Balance Protection mechanism will come into effect and the transaction will be closed once PL (USD) will be -73 USD with a Return -100%.	Return on Equity -100%
Moderate Scenario: This scenario assumes a Buy position of 5 contracts of US 500 (S&P 500) and +0.25% increase between the opening and closing deal rate.	Deal Direction: Buy Opening Deal Rate: 2,720.00 USD Closing Deal Rate: 2,726.8 USD Change: +0.25% PL (USD): +34.00 PL (USD) After O.F.: +32.69 Return: +48.07%	Return on Equity +48.07%

What are the costs?		
One-Off Costs	Spread	For the purpose of the performance scenarios we will assume a position of 5 contracts in the US 500 index with a spread of 1 pip. A pip in the US 500 index is equal to 1 USD in price (e.g.: 1.00). 5 x 1 = 5 USD. The amount of 5 USD will be deducted from the P/L upon opening the transaction and therefore immediately after opening the transaction the P/L of that transaction will be -5.00 USD.
		Spread Cost = -5 USD Spread Cost % on investment: 7.35%
Ongoing Costs	Overnight Financing	The mark-up for index CFDs is 2.5%. For the purpose of the performance scenarios we will assume the position is held open for 1 night and the overnight financing amount is at -1.31 USD for Long Positions and at -0.58 USD for Short Positions (Overnight financing
		Overnight Financing Amount for Long Positions = -1.31 USD and for Short Positions = -0.58 USD

		amount = Overnight financing percentage (-0.00961% for Long Positions and -0.00428% for Short Positions) x Deal Amount in instrument currency (13,600 USD)).	Overnight Financing % on investment amount for Long Positions = - 0.00961% and for Short Positions = -0.00428%
Ongoing Costs	Rollover and Rollover Spread	<p>Certain indices are subject to a rollover that can occur either once a month or every other month, depending on the underlying instrument and the underlying futures market. For details on the rollover dates please refer to the Company's Trading Conditions. At the time of the rollover the customer will be charged a spread. This spread will be charged whenever a deal remains open at the time as the rollover is scheduled.</p> <p>The rollover is meant to offset the gap between the <i>current and the next futures</i> contract and to allow for a continuous trading of an instrument, where the underlying market is a futures market with the underlying instrument subject to expiry dates.</p>	<p>Spread Cost = -5 USD</p> <p>Spread Cost % on investment: 0.0367%</p>

Share based CFDs

<p>Assumptions: Deal amount in units of base asset: 10 Used margin (USD): 135 (assuming that all funds available in the account are used as margin on this single position) Leverage: 1:20 Overnight Financing amount is at -0.46 USD for Long Positions and at -0.29 USD for Short Positions (assuming holding period is 1 night) Spread is at 44 pips (assuming spread is already included in the opening and closing deal rates)</p>		
<p>Favorable Scenario: This scenario assumes a Buy position of 10 shares of Apple and a 10% increase between the opening and the closing deal rate.</p>	<p>Deal Direction: Buy Opening Deal Rate: 270.00 USD Closing Deal Rate: 297.00 USD Change: +10% PL (USD): +270.00 PL (USD) After O.F.: +269.54 Return: +199.66%</p>	<p>Return on Equity +199.66%</p>
<p>Unfavorable Scenario: This scenario assumes a Buy position of 10 shares of Apple and a -11% decrease between the opening and the closing deal rate.</p>	<p>Deal Direction: Buy Opening Deal Rate: 270.00 USD Closing Deal Rate: 240.30 USD Change: -11% PL (USD): -297.00 PL (USD) After O.F.: -297.46 Return: -220.34%. However, Negative Balance Protection mechanism will come into effect and the transaction will be closed once PL (USD) will be -140 USD with a Return -100%.</p>	<p>Return on Equity -100%</p>

Moderate Scenario: This scenario assumes a Sell position of 10 shares of Apple and -2% decrease between the opening and closing deal rate.	Deal Direction: Sell Opening Deal Rate: 270.00 USD Closing Deal Rate: 264.6 USD Change: -2% PL (USD): +54.00 PL (USD) After O.F.: +53.54 Return: +39.66%	Return on Equity +39.66%
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What are the costs?			
One-Off Costs	Spread	For the purpose of the performance scenarios, we will assume a position of 10 shares of Apple with a spread of 44 pips. A pip in Apple is the 2nd decimal digit (e.g.: one cent, or \$0.01). $10 \times 0.44 = 4.4$ USD. The amount of 4.4 USD will be deducted from the P/L upon opening the transaction and therefore immediately after opening the transaction the P/L of that transaction will be -4.4 USD.	Spread Cost = -4.4 USD Spread Cost % on investment: 3.26%
Ongoing Costs	Overnight Financing	The mark-up for Share CFDs is 5%. For the purpose of the performance scenarios we will assume the position is held open for 1 night and the overnight financing amount is at -0.46 USD for Long Positions and at -0.29 USD for Short Positions (Overnight financing amount = Overnight financing percentage (-0.01694% for Long Positions and -0.01083% for Short Positions) x Deal Amount in instrument currency (2,700 USD)).	Overnight Financing Amount for Long Positions = -0.46 USD and for Short Positions = -0.29 USD Overnight Financing % on investment amount for Long Positions = - 0.01694% and for Short Positions = -0.01083%

Commodity based CFDs

Assumptions:			
Deal amount in units of base asset: 80 Used margin (USD): 88 (assuming that all funds available in the account are used as margin on this single position) Leverage: 1:100 Overnight Financing amount is at -0.11 USD for Long Positions and at -0.04 USD for Short Positions (assuming holding period is 1 night) Spread is at 50 pips (assuming spread is already included in the opening and closing deal rates)			
Favorable Scenario: This scenario assumes a Sell position of 80 pounds of Coffee and a -2% decrease between the opening and the closing deal rate.	Deal Direction: Sell Opening Deal Rate: 110.00 USD Closing Deal Rate: 107.80 USD Change: -2% PL (USD): +176.00 PL (USD) After O.F.: +175.96 Return: +199.95%	Return on Equity +199.95%	

<p>Unfavorable Scenario: This scenario assumes a Buy position of 80 pounds of Coffee and a -6% decrease between the opening and the closing deal rate.</p>	<p>Deal Direction: Buy Opening Deal Rate: 110.00 USD Closing Deal Rate: 103.40 USD Change: -6% PL (USD): -528 PL (USD) After O.F.: -528.11 Return: -600.12%. However, Negative Balance Protection mechanism will come into effect and the transaction will be closed once PL (USD) will be -88 USD with a Return -100%.</p>	<p>Return on Equity -100%</p>
<p>Moderate Scenario: This scenario assumes a Buy position of 80 pounds of Coffee and +0.5% increase between the opening and closing deal rate.</p>	<p>Deal Direction: Buy Opening Deal Rate: 110.00 USD Closing Deal Rate: 110.55 USD Change: +0.5 % PL (USD): +44.00 PL (USD) After O.F.: +43.89 Return: +49.86%</p>	<p>Return on Equity +49.86%</p>

What are the costs?			
<p>One-Off Costs</p>	<p>Spread</p>	<p>For the purpose of the performance scenarios we will assume a position of 80 pounds of Coffee with a spread of 50 pips. A pip of Coffee is the 2nd decimal digit (e.g.: one cent, or \$0.01). $80 \times 0.50 = 40$ USD. The amount of 40 USD will be deducted from the P/L upon opening the transaction and therefore immediately after opening the transaction the P/L of that transaction will be -40 USD.</p>	<p>Spread Cost = -40 USD</p> <p>Spread Cost % on investment: 45.45%</p>
<p>Ongoing Costs</p>	<p>Overnight Financing</p>	<p>For the purpose of the performance scenarios we will assume the position is held open for 1 night and the overnight financing amount is at -1.4 USD for Long Positions and at +0.01 USD for Short Positions (Overnight financing amount = Overnight financing percentage (-0.01000% for Long Positions and -0.00389% for Short Positions) x Deal Amount in instrument currency (8,800 USD)).</p>	<p>Overnight Financing Amount for Long Positions = -0.11 USD and for Short Positions = -0.04 USD</p> <p>Overnight Financing % on investment amount for Long Positions = - 0.01000% and for Short Positions = -0.00389%</p>
<p>Ongoing Costs</p>	<p>Rollover and Rollover Spread</p>	<p>Certain commodities are subject to a rollover that can occur either once a month or every other month, depending on the underlying instrument and the underlying futures market. For details on the rollover dates please refer to Company's Trading Conditions. At the time of the rollover the customer will be charged a spread. This spread will be charged whenever a deal remains open at the time as the rollover is scheduled.</p>	<p>Spread Cost = -40 USD</p> <p>Spread Cost % on investment: 45.45%</p>

		The rollover is meant to offset the gap between the <i>current and the next</i> futures contract and to allow for a continuous trading of an instrument, where the underlying market is a futures market with the underlying instrument subject to expiry dates.	
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Cryptocurrency based CFDs

Assumptions:		
Deal amount in units of base asset: 1 Used margin (USD): 715 (assuming that all funds available in the account are used as margin on this single position) Leverage: 1:10 Overnight Financing amount is at -4.16 USD for Long Positions and at -3.76 USD for Short Positions (assuming holding period is 1 night) Spread is at 50 pips (assuming spread is already included in the opening and closing deal rates)		
Favorable Scenario: This scenario assumes a Sell position of 1 Bitcoin and a -10% decrease between the opening and the closing deal rate.	Deal Direction: Sell Opening Deal Rate: 7,150 USD Closing Deal Rate: 6,435 USD Change: -10% PL (USD): +715 PL (USD) After O.F.: + 711.24 Return: +99.47%	Return on Equity +99.47%
Unfavorable Scenario: This scenario assumes a Buy position of 1 Bitcoin and a -26% decrease between the opening and the closing deal rate, when the margin protection mechanism comes into effect.	Deal Direction: Buy Opening Deal Rate: 7,150 USD Closing Deal Rate: 5,291 USD Change: -26% PL (USD): -1,859 PL (USD) After O.F.: -1,863.16 Return: -260.58%. However, Negative Balance Protection mechanism will come into effect and the transaction will be closed once PL (USD) will be -88 USD with a Return -100%.	Return on Equity -100%
Moderate Scenario: This scenario assumes a Buy position of 1 Bitcoin and 2% increase between the opening and closing deal rate.	Deal Direction: Buy Opening Deal Rate: 7,150 USD Closing Deal Rate: 7,293 USD Change: +2% PL (USD): +143 PL (USD) After O.F.: 138.86 Return: +19.42%	Return on Equity +19.42%

What are the costs?		
One-Off Costs	Spread	For the purpose of the performance scenarios, we will assume a position of 1 Bitcoin with a spread of 50 pips. A pip in Bitcoin is 1 point in price (\$1). 1 x 50 = 50 USD. The amount of 50 USD will be deducted from the P/L upon opening the transaction and therefore immediately after opening the transaction the P/L of that transaction will be -50 USD.
		Spread Cost = -50 USD Spread Cost % on investment: 7%

Ongoing Costs	Overnight Financing	<p>The mark-up for CFDs on cryptocurrencies can fluctuate significantly due to cryptocurrencies' extreme market conditions. When opening a new deal, click on 'Tools', then open the 'Instrument Info' tab to view the most updated values. For the purpose of the performance scenarios we will assume the position is held open for 1 night and the overnight financing amount is at -4.16 USD for Long Positions and at -3.76 USD for Short Positions (Overnight financing amount = Overnight financing percentage (-0.05861% for Long Positions and -0.05250% for Short Positions) x Deal Amount in instrument currency (7,150 USD)).</p>	<p>Overnight Financing Amount for Long Positions = -4.16 USD and for Short Positions = -3.76 USD</p> <p>Overnight Financing % on investment amount for Long Positions = - 0.05861% and for Short Positions = -0.05250%</p>
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