KEY INFORMATION DOCUMENT

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: Commodity CFD

Investment firm: iCFD Ltd, tel. +35725204600, website: www.vestle.com

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

What is this product?

This investment product is a Contract for Difference (CFD). A CFD is an Over the Counter (OTC) leveraged financial instrument, the value of which is determined based on the value of an underlying asset. The client makes a profit or a loss on the CFD 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. The CFD is settled in cash only and the client has no rights whatsoever on the actual underlying asset.

The objective of the CFD is to profit from changes in the price of the underlying asset. In the case of commodity CFD, such prices are based on the bid price of the commodity. iCFD obtains such prices from its liquidity provider, which in turn obtains and aggregate such prices from the relevant exchanges. The market for commodities is open 5 days a week from Sunday until Friday. For specific trading hours please check iCFD's website.

This product is intended for clients who wish to make directional transactions and take advantage of short term price movements on the underlying contract/commodity and have the ability to sustain the risk of loss of their entire invested amount within a short period of time. Therefore, this product is not appropriate for clients who cannot afford to lose their amount invested. In order to succeed in this type of investment, the client should make educated assumptions (and for this purpose may use the tools made available to it by iCFD) on the direction that the price of the underlying asset will go, and should follow closely the rates, as those may change rapidly within a short period of time.

In order to open a deal on a CFD instrument, the client must have sufficient margin ("**Margin**") in its account. The available initial margin required for all commodity contracts, other than Gold, is 10% (representing leverage of 10:1), and 5% for all Gold contracts (representing leverage of 20:1). This means that in order to open a deal of 10,000 EUR (deal size) on Gold, the client would need to have a minimum available margin of 500 EUR in its account.

The profit or loss is determined according to the following formulae:

For Buy (Long) positions: Deal size (in units of base asset) x [Close Bid – Open Ask] = P/L (in units of the other asset)

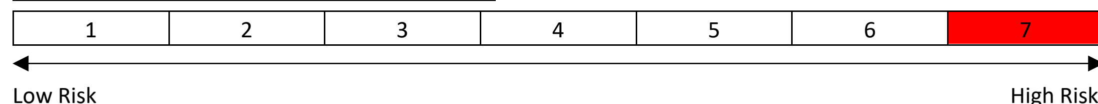
For Sell (Short) positions: Deal size (in units of base asset) x [Open Bid – Close Ask] = P/L (in units of the other asset)

The P/L from the closed positions is then converted into the base currency of the client's account, if different. This is done on the basis of the relevant Bid/Ask rate of the two currencies at the time the position is closed.

The P/L is also affected by the fees charged by iCFD, as detailed below.

The P/L is calculated by - and shown on - the trading platform continuously, and losses on the positions will affect the client's margin. Due to the European Securities and Market Authority (ESMA) Margin Close-out Rule ("**Margin Protection**"), when your account's Equity falls equal to or below 50% of the Used Margin for all open deals (50% of the Used Margin = Maintenance Margin), the Margin Protection mechanism will be triggered and will auto close the highest consuming Used Margin deal or all open deals under a specific instrument. Any unrealized profits related to open positions shall be used to support the losing positions in the client's account. Should the client have set a Limit Order on any open position/s, some or all of these position/s may be closed automatically before reaching their respective Limit Orders, due to the mandatory auto Margin Protection mechanism. It is important at all times to maintain the required level of margin to support the client's open positions. For more details please refer to iCFD's Trading Conditions.

What are the risks and what could I get in return?[1]



This risk indicator assumes that you keep the product for up to 24 hours. You may not be able to close the deal easily or you may have to end at a price that significantly impacts the return on your investment. CFDs 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. CFDs are OTC products and cannot be sold on any exchange, MTFs or other trading venue.

This product is a high risk product. The prices of the underlying contract/commodity may fluctuate significantly in a short period of time. 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 iCFD any amount in excess of the available funds in the account due to iCFD's "Negative Balance Protection". On the other hand, should the change in price be the same as the direction chosen by the client, then the client may see significant profits over a short period of time.

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 direction went against the client.

Performance Scenarios (assuming no Overnight Financing and Slippage effects):

Below are examples of performance scenarios of a CFD deal based on WTI Oil.

Used Margin in EUR	Leverage	Maintenance Margin in EUR	Deal Amount in units of base asset	WTI Oil Opening Deal Rate	Deal Amount in USD	Deal Direction	Change in Price	WTI Oil Closing Deal Rate	P/L Amount in USD	WTI Oil Spread in Pips	P/L Exchange Rate to EUR (Conversion Spread = 0.0001)	P/L Amount in EUR under Margin Protection
1,000	10	500	250	47.2	11,800	Buy	8%	50.976	944	4	1.1801	799.93
1,000	10	500	250	47.2	11,800	Buy	2%	48.144	236	4	1.1801	199.98
1,000	10	500	250	47.2	11,800	Buy	0%	47.2	0	4	0	-
1,000	10	500	250	47.2	11,800	Buy	-2%	46.256	-236	4	1.1799	-200.02
1,000	10	500	250	47.2	11,800	Buy	-8%	43.424	-944	4	1.1799	-500[2]
1,000[2]	10	500	250	47.2	11,800	Sell	8%	50.976	-944	4	1.1799	-500[2]
1,000	10	500	250	47.2	11,800	Sell	2%	48.144	-236	4	1.1799	-200.02
1,000	10	500	250	47.2	11,800	Sell	0%	47.2	0	4	0	-
1,000	10	500	250	47.2	11,800	Sell	-2%	46.256	236	4	1.1801	199.98
1,000	10	500	250	47.2	11,800	Sell	-8%	43.424	944	4	1.1801	799.93

French residents only – In accordance with AMF requirements, all CFDs have intrinsic protection. Therefore, open positions may be closed automatically upon either reaching the intrinsic protection level, or due to the mandatory auto Margin Protection mechanism, whichever takes place first.

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[1] The figures do not take into account your personal tax situation, which may also affect how much you get back.
[2] Position auto closed due to Margin Protection mechanism.

What happens if iCFD is unable to pay out? In the event that iCFD becomes insolvent and is unable to pay out to its clients, retail clients may be eligible to compensation of up to 20,000 EUR by the Investor Compensation Fund set up by the Cyprus Securities and Exchange Commission.

What are the costs? iCFD charges a spread when a client buys a CFD. A spread is the difference between the Sell ("Bid") and Buy ("Ask") price of the CFD which is multiplied by the deal size. The spread per each underlying asset is detailed on iCFD's website but each client may have different spreads on all or some of the underlying asset based on the client's history, volume, activities or certain promotions.

For the purpose of the example we will assume a transaction of 250 units in WTI Oil with a 4 pips spread. A pip in WTI Oil is the 2nd decimal digit in price (0.01). 250 x 0.04 = 10 USD

The amount of 10 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 -10 USD.

In addition to the above, iCFD 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 commodity pairs is 2.5%.

If the calculated OF Percentage is positive, it means that an applicable amount will be added (credited) to the client's account. A negative OF Percentage means that an applicable amount will be subtracted (debited) from the client's account. If the CFD's quoted currency differs from the account's currency, it will be converted to the account's currency at the prevailing exchange rates.

Calculation of OF Percentage for Long Positions:

$$\textbf{\textit{Overnight Financing Percentage}} = -\left(\frac{\textbf{\textit{3M interest rate}} + \textbf{\textit{markup}}}{\textbf{360}}\right)$$

Calculation of OF Percentage for Short Positions:

$$\textbf{\textit{Overnight Financing Percentage}} = \left(\frac{\textbf{\textit{3M interest rate}} - \textbf{\textit{markup}}}{\textbf{360}}\right)$$

To reach the OF Amount, OF percentage (as calculated above) is multiplied by the deal amount (in units of the base asset), as indicated in the formula below:

Overnight Financing Amount = Deal Amount × Overnight Financing Percentage

Upon reaching the relevant instrument's rollover date, all open CFD positions that are based on a future contract will be rolled-over to the next contract, so that the positions remain open with the new future contract. Upon effectuating such rollover, the position's open P/L will be adjusted according to the price difference between the expired and new contract prices thus keeping the open P/L unchanged. Upon rollover, the open P/L will only incur a markup spread equal to the spread paid upon opening the position. Information in regards to rollover dates can be found in iCFD's website.

How long should I hold it and can I take the money out early? Commodity CFDs are usually held for less than 24 hours. You can cash out the CFD at any point you wish during trading hours, but it may not be at a price beneficial to you or your investment goals.

How can I complain? Complaints may be addressed to iCFD via email to complaints@vestle.com. The email should set out the client's name, account number and nature of the complaint. If the client is unhappy with the Company's response to its complaint, it may refer the complaint to the Financial Ombudsman of the Republic of Cyprus.

Other relevant Information: This key information document does not contain all information relating to the product. For other information about the product and the legally binding terms and conditions of the product, please refer to iCFD's website at www.vestle.com.